



Tyson

Investor Day
December 9, 2021

Forward-Looking Statements

Certain information in this presentation constitutes forward-looking statements as contemplated by the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, current views and estimates of our outlook for fiscal 2022, other future economic circumstances, industry conditions in domestic and international markets, our performance and financial results (e.g., debt levels, return on invested capital, value-added product growth, capital expenditures, tax rates, access to foreign markets and dividend policy). These forward-looking statements are subject to a number of factors and uncertainties that could cause our actual results and experiences to differ materially from anticipated results and expectations expressed in such forward-looking statements. We wish to caution readers not to place undue reliance on any forward-looking statements, which speak only as of the date made. We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. Among the factors that may cause actual results and experiences to differ from anticipated results and expectations expressed in such forward-looking statements are the following: (i) the COVID-19 global pandemic and associated responses thereto have had an adverse impact on our business and operations, and the extent that the COVID-19 pandemic continues to impact us will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the speed and effectiveness of vaccine and treatment developments and their deployment, and public adoption rates of COVID-19 vaccines and their effectiveness against emerging variants of COVID-19, including the Delta and Omicron variants; (ii) our ability to make effective acquisitions or joint ventures and successfully integrate newly acquired businesses into existing operations; (iii) the effectiveness of our financial fitness program; (iv) the implementation of an enterprise resource planning system; (v) access to foreign markets together with foreign economic conditions, including currency fluctuations, import/export restrictions and foreign politics; (vi) cyber incidents, security breaches or other disruptions of our information technology systems; (vii) risks associated with our failure to consummate favorable acquisition transactions or integrate certain acquisitions' operations; (viii) the Tyson Limited Partnership's ability to exercise significant control over the Company; (ix) fluctuations in the cost and availability of inputs and raw materials, such as live cattle, live swine, feed grains (including corn and soybean meal) and energy; (x) market conditions for finished products, including competition from other global and domestic food processors, supply and pricing of competing products and alternative proteins and demand for alternative proteins; (xi) outbreak of a livestock disease (such as African swine fever (ASF), avian influenza (AI) or bovine spongiform encephalopathy (BSE)), which could have an adverse effect on livestock we own, the availability of livestock we purchase, consumer perception of certain protein products or our ability to access certain domestic and foreign markets; (xii) changes in consumer preference and diets and our ability to identify and react to consumer trends; (xiii) effectiveness of advertising and marketing programs; (xiv) significant marketing plan changes by large customers or loss of one or more large customers; (xv) our ability to leverage brand value propositions; (xvi) changes in availability and relative costs of labor and contract farmers and our ability to maintain good relationships with team members, labor unions, contract farmers and independent producers providing us livestock; (xvii) issues related to food safety, including costs resulting from product recalls, regulatory compliance and any related claims or litigation; (xviii) compliance with and changes to regulations and laws (both domestic and foreign), including changes in accounting standards, tax laws, environmental laws, agricultural laws and occupational, health and safety laws; (xix) adverse results from litigation; (xx) risks associated with leverage, including cost increases due to rising interest rates or changes in debt ratings or outlook; (xxi) impairment in the carrying value of our goodwill or indefinite life intangible assets; (xxii) our participation in multiemployer pension plans; (xxiii) volatility in capital markets or interest rates; (xxiv) risks associated with our commodity purchasing activities; (xxv) the effect of, or changes in, general economic conditions; (xxvi) impacts on our operations caused by factors and forces beyond our control, such as natural disasters, fire, bioterrorism, pandemics or extreme weather; (xxvii) failure to maximize or assert our intellectual property rights; (xxviii) effects related to changes in tax rates, valuation of deferred tax assets and liabilities, or tax laws and their interpretation; (xxix) the effectiveness of our internal control over financial reporting, including identification of additional material weaknesses; and (xxx) the other risks and uncertainties detailed from time to time in our filings with the Securities and Exchange Commission.

Agenda



John H. Tyson
Chairman of the Board
5 Minutes



Donnie King
President & CEO
15 Minutes



David Bray
Group President, Poultry
15 Minutes



Noelle O'Mara
Group President,
Prepared Foods
15 Minutes

Break 5 Minutes



Shane Miller
Group President,
Fresh Meats
15 Minutes



Chris Langholz
Group President,
International
15 Minutes



John R. Tyson
EVP, Strategy & Chief
Sustainability Officer
15 Minutes



Stewart Glendinning
EVP & Chief Financial Officer
15 Minutes

Break 5 Minutes

Q&A Session – Management Team 60 Minutes



John H. Tyson
Chairman of the Board

Our company performance is rooted in our core values

Who We Are

We are a company of people engaged in the production of food, seeking to pursue truth and integrity, and committed to creating value for our shareholders, our customers, our team members, and our communities.

- We strive to be a company of diverse people.
- We strive to be honorable.
- We strive to be a faith-friendly company.

What We Do

- We feed our families, the nation, and the world with trusted food products.
- We serve as a steward of the animals, land, and environment entrusted to us.
- We strive to provide a safe work environment for our team members.

How We Do It

- We strive to earn consistent and satisfactory profits for our shareholders and to invest in our people, products, and processes.
- We strive to operate with integrity and trust in all we do.
- We strive to honor God and be respectful of each other, our customers, and other stakeholders.





Donnie King

President &
Chief Executive Officer

Tyson Foods: outpacing a growing, global protein market

- 1 Recognized leader in an attractive, dynamic market
- 2 Diversified not only across proteins, but also across mix
- 3 Expanding, innovating, and investing in fast-growth markets including Asia
- 4 Initiatives underway to meaningfully expand our operating margins
- 5 An exceptionally strong balance sheet that gives us optionality

Global protein consumption is expected to grow over the next decade

+1%
2020 to 2030 CAGR

Population growth
Continued population growth in the United States
World population expected to expand by over 750 million people in the decade
Source: OECD-FAO Agricultural Outlook 2021 - 2030

+2.5%
2020 to 2030 CAGR

Gross domestic product (United States)
Elevated GDP growth of 3.5% forecast for 2022
GDP growth expected to normalize post-2022
Source: USDA, World Agricultural Outlook Board, October 2021 Forecast

+95_B
Increase in pounds consumed from 2020 to 2030

World protein consumption
Consumption of beef, pork, and poultry all expected to grow over the decade
Pork expected to experience the highest growth rate
Source: OECD-FAO Agricultural Outlook 2021 - 2030

+6.4_B
Increase in pounds consumed from 2020 to 2030

U.S. animal protein consumption (Pounds)
U.S. beef, pork, and poultry consumption are all expected to grow during the decade
Source: USDA, World Agricultural Outlook Board, October 2021 Forecast

+5%
2020 to 2030 CAGR

Alternative protein
Accelerating demand for plant-based protein expected to continue
Source: 2030 Euromonitor Retail Market Size Projection

92%
2020 to 2030 share of world growth outside of North America

Expanding international opportunity
Driven by consumption growth in Asia and Latin America
Asia expected to represent 64% of the world protein consumption growth
Source: OECD-FAO Agricultural Outlook 2021 - 2030



Tyson Foods is a leading protein company with diverse capabilities, meaningful scale, and respected brands

<p>\$47.0B 2021 Sales</p>	<p>\$4.3B 2021 Adj Operating Income¹</p>	<p>~137,000 Team Members</p>
<p>11,000+ Independent Farms Supply Us With Cattle, Hogs, & Chickens</p>	<p>140 Countries Where Products Are Sold</p>	<p>20% of the Beef, Pork, & Chicken Produced in the United States</p>
<p>Prepared Foods</p>  <p>73M Pounds Capacity²</p>	<p>Chicken</p>  <p>47M Head Capacity²</p>	
<p>Beef</p>  <p>155k Head Capacity²</p>	<p>Pork</p>  <p>469k Head Capacity²</p>	

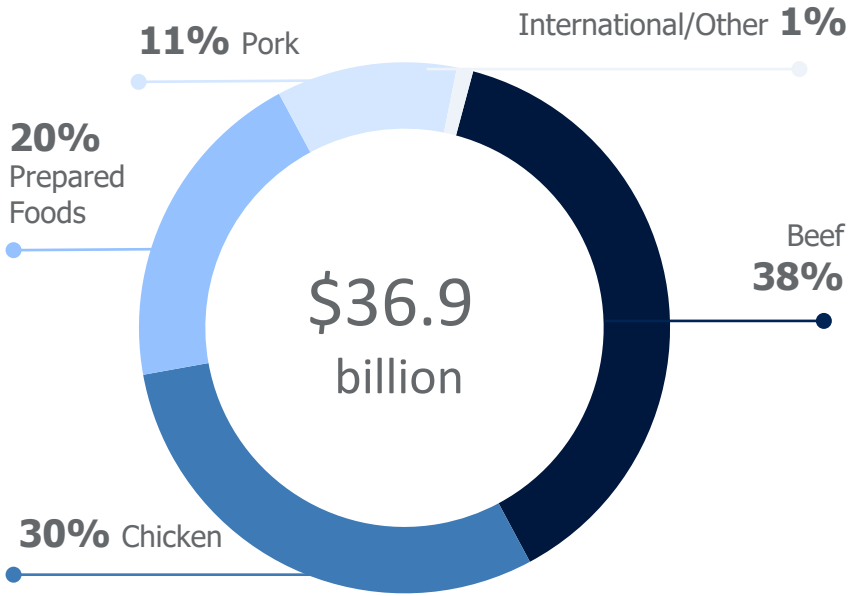


¹ Represents a non-GAAP financial measure. Adjusted operating income is explained and reconciled to the comparable GAAP measures in the Appendix.

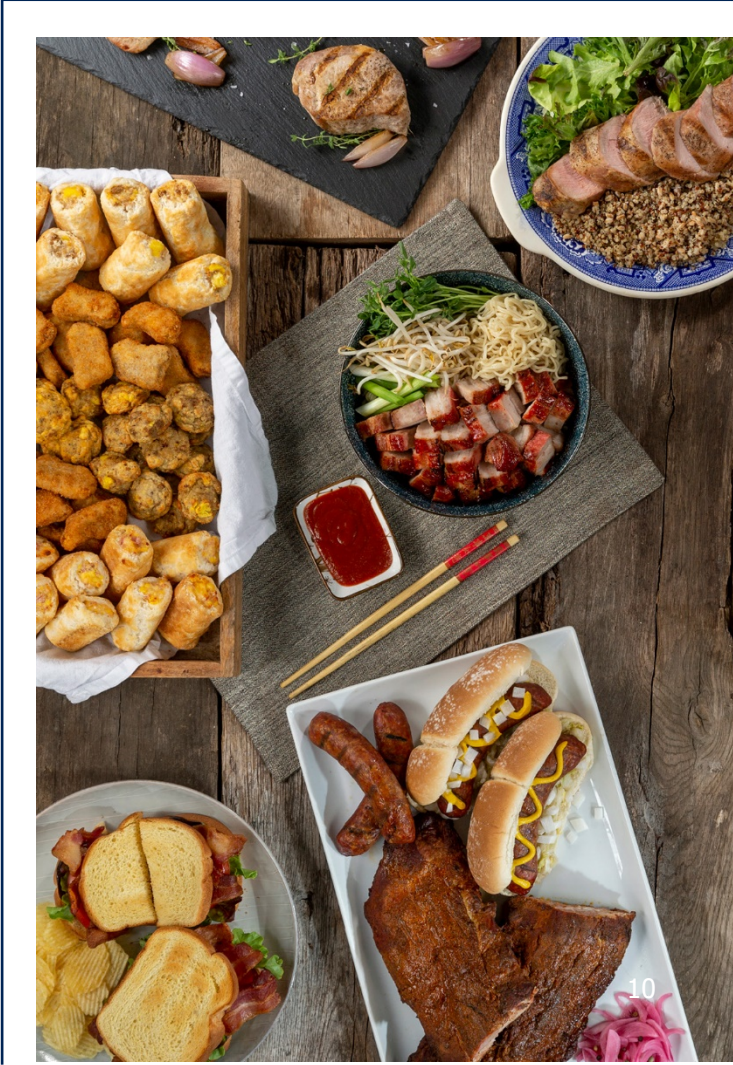
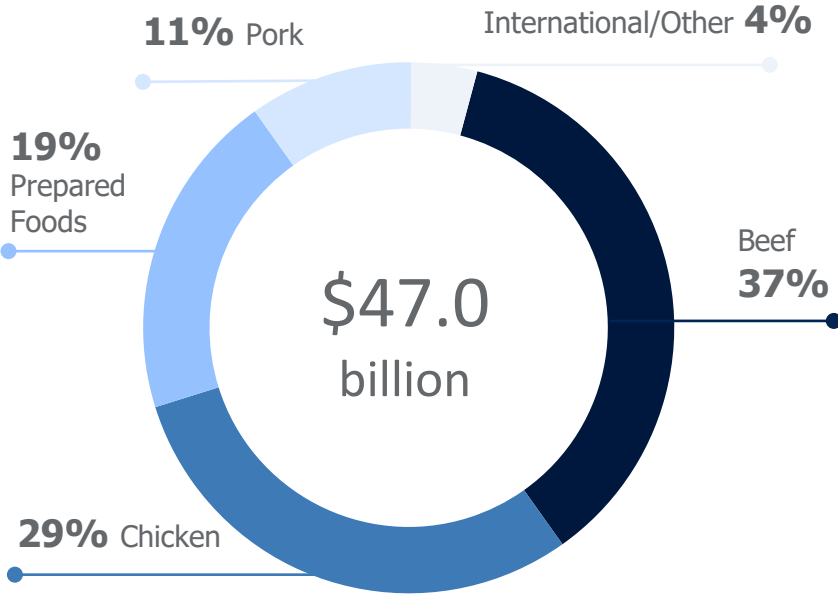
² Capacities are presented on a per week basis and are based on the following: Beef and Pork (six-day week) and Chicken and Prepared Foods (five-day week).

We have a balanced portfolio that is growing to meet demand

Sales By Segment¹
FY2016



Sales By Segment¹
FY2021



¹ Excluding Intersegment sales

Broad channel access differentiates our business



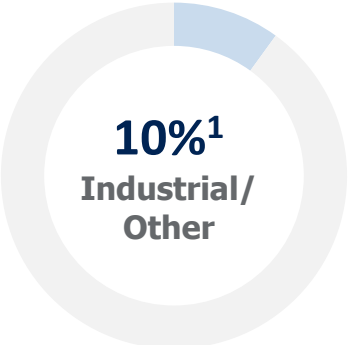
Key segments
 Prepared Foods **59%**
 Beef **50%**
 Chicken **44%**
 Pork **36%**



Key segments
 Chicken **41%**
 Prepared Foods **37%**
 Beef **25%**
 Pork **10%**



Key segments
 Pork **23%**
 Beef **15%**
 Chicken **6%**
 International/Other **100%**
 Prepared Foods **2%**



Key segments
 Pork **31%**
 Chicken **9%**
 Beef **10%**
 Prepared Foods **2%**



¹Percentage of 2021 sales by channel.

World-class, experienced leadership team focused on value creation



Donnie King
President &
Chief Executive Officer
Joined Tyson in 1982



David Bray
Group President, Poultry



Stewart Glendinning
EVP & Chief Financial Officer



Chris Langholz
Group President, International



Sandy Luckcuck
President, McDonalds
Business Unit



Shane Miller
Group President, Fresh
Meats



Jason Nichol
Chief Customer Officer



Noelle O'Mara
Group President, Prepared
Foods



Ildefonso Silva
EVP, Business Services



Johanna Söderström
EVP & Chief People Officer



Scott Spradley
EVP & Chief Technology
& Automation Officer



Amy Tu
EVP & Chief Legal Officer &
Secretary, Global Governance
& Corporate Affairs



John R. Tyson
EVP, Strategy & Chief
Sustainability Officer

Strengthening our position as a recognized global protein leader



Our Priorities

Win with customers and consumers

Win with team members

Win with excellence in execution

- 1 Transforming our team member experience, starting with health, safety, and wellness
- 2 Outpacing the market by enhancing our portfolio and capacity to serve demand growth for our customers and consumers
- 3 Aggressively restoring our competitiveness in Chicken
- 4 Driving operational and functional excellence and purposefully investing in digital solutions and automation
- 5 Leveraging our financial strength to invest in the business and return cash to shareholders

Making investments to become the most sought-after place to work

Objectives

1

Health, safety and well-being resources

2

Competitive wage and benefit offerings

3

Investing in automation and technology

Actions

Required all U.S. team members to be fully vaccinated by November 1

Process control optimization to create better workflow

Hired a Chief Diversity Officer and a Chief Medical Officer

Investing in health clinics and wellness programs

Supporting flexible scheduling and creative production schedules

Childcare, housing, and transportation pilots

Implementation of competitive wage increases

Investing in leadership and career development

Certified interpreter program in place

Making strategic investments in automation and technology for hard-to-fill and difficult jobs

Increasing technology in facilities and use of data analytics to support decision-making



Shaping the portfolio for growth through deliberate actions and investments

New Product Launches

Best-in-class brand building and customer insights capabilities drive product pipeline

Strategic Capacity Expansion

Expect investments in new capacity to drive differentiated and branded share

Targeted Divestitures

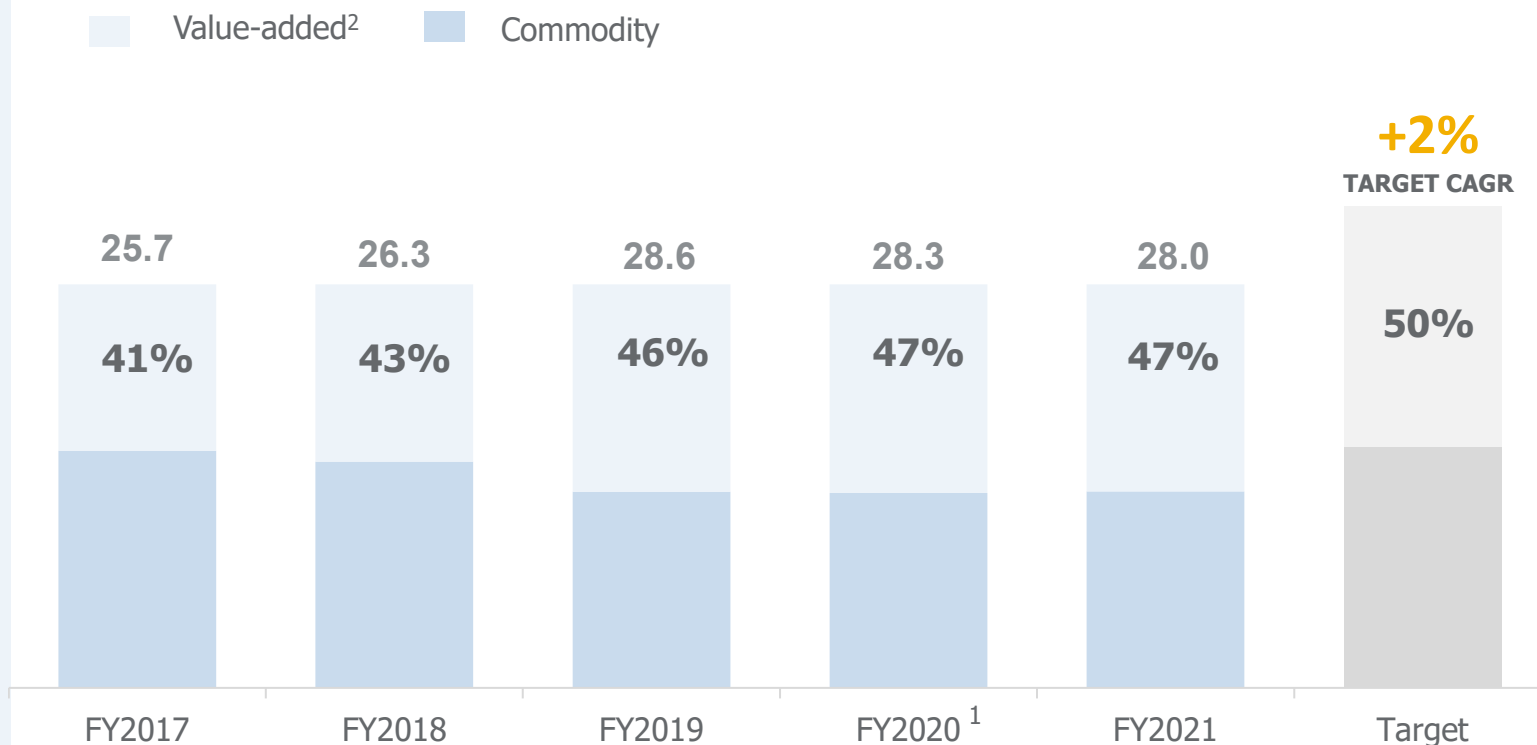
Recently announced pet treats divestiture reflects commitment to removing complexity

Opportunistic Acquisitions

Bolt-on to increase differentiated capabilities or branded share

Volume

Billion pounds



¹ Volume for fiscal year 2020 has been adjusted to remove the impact of the additional week. The estimated impact of the additional week in the twelve months of fiscal 2020 was calculated by dividing the fourth quarter's sales volume by 14 weeks.

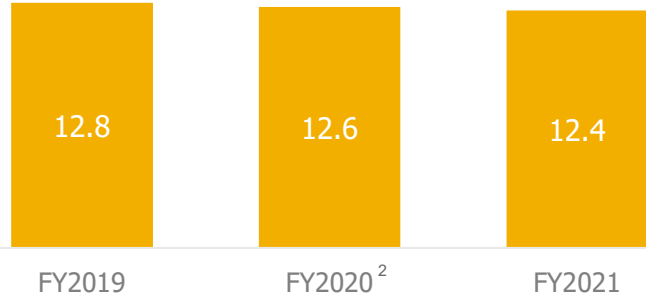
² In chicken, value-added is defined as ready-to-eat, par fry, and Smart Chicken. In beef and pork, value-added is defined as case ready and premium products. All Prepared Foods and International/other sales are considered value-added.

Targeting volume growth ahead of the market in every segment

Volume¹ (billion pounds)

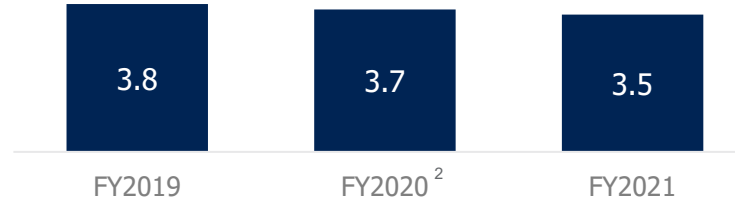
Chicken

4-5% TARGET CAGR



Prepared Foods

4-5% TARGET CAGR



International / Other

18-20% TARGET CAGR



Beef





1-2% TARGET CAGR



Pork

1-2% TARGET CAGR



-  Brand and product innovation
-  Investing in capacity expansion
-  Improving capacity utilization
-  Automation to alleviate labor challenges

+2%

Total company volume
TARGET CAGR
FY 2022 – FY 2024



¹ Intersegment sales not included in volume figures and would represent an aggregate reduction to volumes relative to the sum of component parts illustrated above

² Volume for fiscal year 2020 has been adjusted to remove the impact of the additional week. The estimated impact of the additional week in the twelve months of fiscal 2020 was calculated by dividing the fourth quarter's sales volume by 14 weeks.

Diverse portfolio of brands drive value creation for the enterprise



Capacity expansions will support growth objectives

12 plants expected to open over next 2 years to increase capacity by ~**1.3 billion pounds**

Adding 7 fully-cooked plants in international will expand capacity by **30%**

Adding 2 plants in Beef and Pork will expand value-added capacity by **40%**

\$1.8 billion of aggregate investment to drive capacity expansion

Europe Poultry

INTERNATIONAL BUSINESS

- Estimated online March 2022
- Fully-cooked chicken
- 90M pounds p.a. expected

China Poultry (Hubei)

INTERNATIONAL BUSINESS

- Estimated online FY23
- Fully-cooked chicken
- 75M pounds p.a. expected

Humboldt Poultry

CHICKEN

- Online July 2021
- Tray pack chicken
- 260M pounds p.a. expected

Danville Poultry

CHICKEN

- Estimated online April 2023
- Fully-cooked chicken
- 200M pounds p.a. expected

Malaysia Poultry

INTERNATIONAL BUSINESS

- Estimated online FY22
- Fully-cooked chicken
- 80M pounds p.a. expected

China Shenzhen Relocation (Plant 1 & 2)

INTERNATIONAL BUSINESS

- Estimated online FY22
- Fully-cooked chicken
- 68M incremental pounds p.a. expected

Eagle Mountain, UT Case Ready

BEEF & PORK

- Estimated online Fall 2021
- Case ready beef and pork
- 220M pounds p.a. expected

Columbia, SC Case Ready

BEEF & PORK

- Online as of July 2021
- Case ready beef and pork
- 50M pounds p.a. expected

Thailand Poultry

INTERNATIONAL BUSINESS

- Estimated online Fall 2021
- Fully-cooked chicken
- 65M pounds p.a. expected

New Asia Plant

INTERNATIONAL BUSINESS

- Estimated online FY22
- Fully-cooked chicken
- 57M pounds p.a. expected

Bacon

PREPARED FOODS

- Estimated online summer 2023
- 121M pounds p.a. expected

Multiple New Line Additions

- Prepared Foods
- Chicken

Productivity is a critical driver of our future success

New Program Management Office to oversee execution supported by culture of continuous improvement and entrepreneurship

\$1B+

Targeted productivity gains by end of **FY2024¹**

Operational & Functional Excellence and Agility



\$300M+

Implementing activities to improve business processes

Driving continuous efficiency gains in plants and other operations

Consistently applying best-practices to reduce cost in operations and enabling function-driven support services

Digital solutions

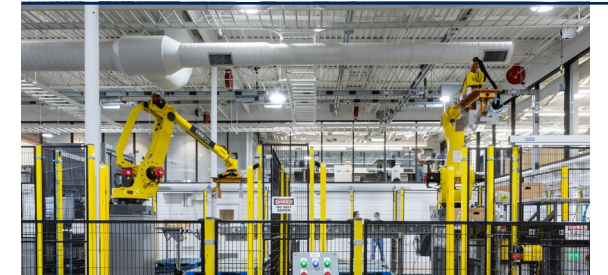


\$250M+

Leveraging new digital solutions through artificial intelligence and vast amounts of data

Driving efficiency across the end-to-end supply chain through investments in digital solutions across logistics, warehousing, and supply chain planning

Automation



\$450M+

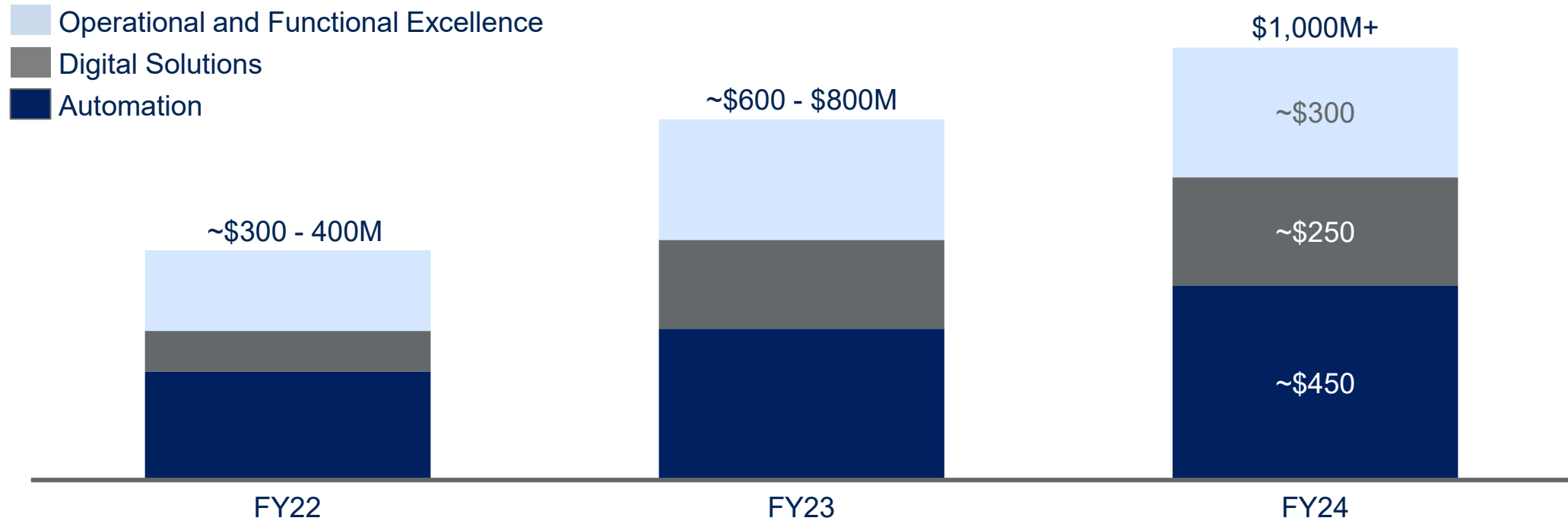
Leveraging automation and robotics

Improving worker and product safety through geo-fencing, wearable devices and machine learning

Overcoming labor shortage, as well as training and retention issues

¹ Productivity savings are relative to FY2021 cost baseline

We expect to deliver \$1B in productivity gains by the end of FY2024



% of Program Commitment Achieved by Fiscal Year End

30%+

60%+

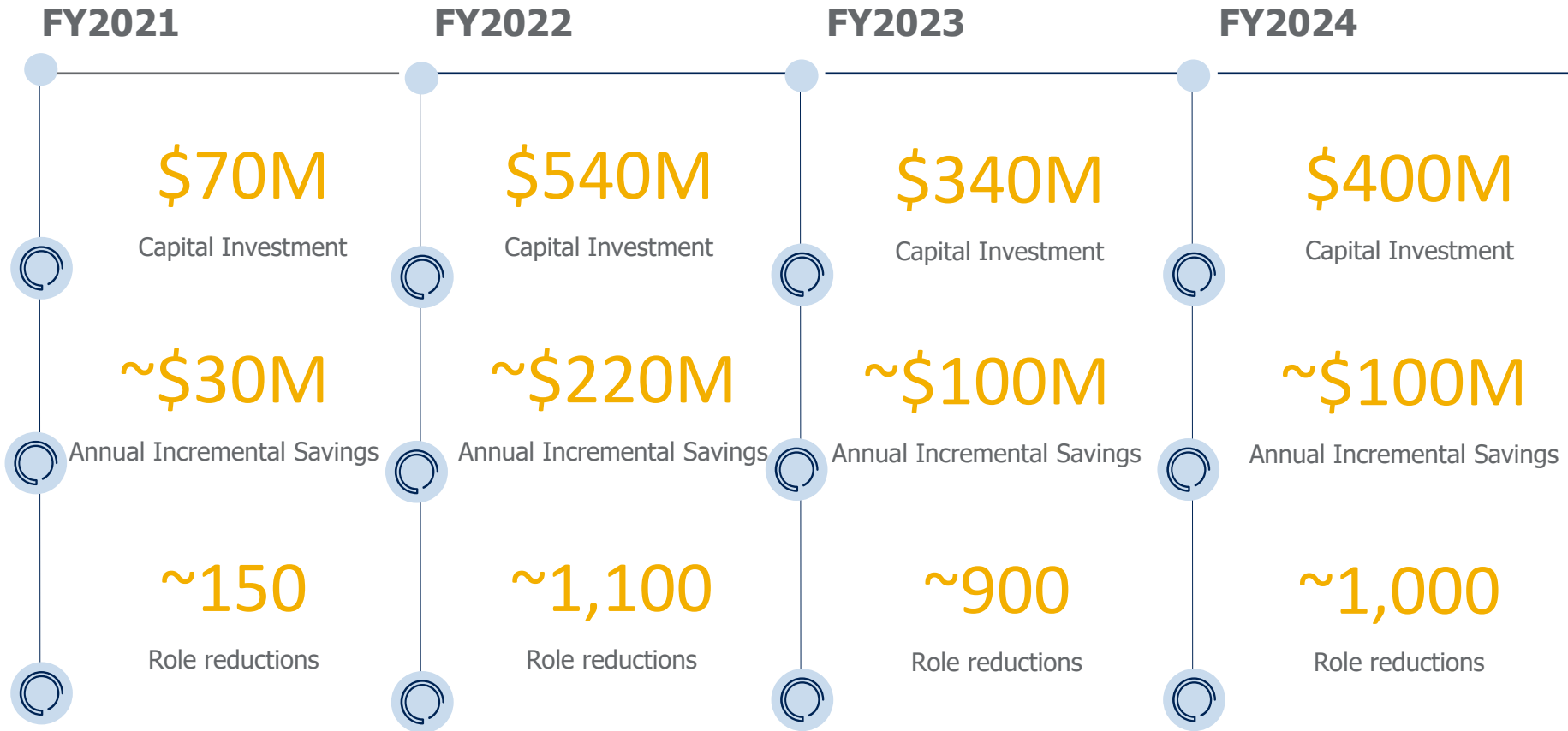
100%



¹ Productivity savings are relative to FY2021 cost baseline

We are accelerating our automation investments

Unique opportunity to combine operational scale with innovative automation and real-time analytics to drive competitive advantage



Critical element to productivity program

- Improves safety
- Automates positions that are difficult to staff
- Provides greater consistency in product quality
- Generates real-time operations insights to drive in-the-moment decision making
- Paves path to higher skill and pay opportunities for team members

We expect to sustainably feed the world as a recognized global protein leader



Increased demand for protein
reinforced by post-pandemic recovery



Balanced portfolio where each segment has a **clear and compelling path forward**



Brand and product innovation powered by investments to drive higher value-added sales



Making investments to become the most sought-after place to work



Accelerating efforts to modernize our operations through **our new productivity program**



Disciplined capital allocation with a focus on **improved return on invested capital**



David Bray
Group President,
Poultry

U.S. poultry consumption is expected to grow over the next decade

+1%

2020 to 2030
CAGR

Modest World Growth

All regions are expected to consume more poultry on an absolute basis over the next decade

Source: OECD-FAO Agricultural Outlook 2021 - 2030

+1%

2020 to 2030
CAGR

Modest U.S. Growth

U.S. poultry consumption expected to grow at the same rate as global poultry consumption

Source: USDA, World Agricultural Outlook Board, October 2021 Forecast

+4.5B

Increase in
pounds
consumed from
2020 to 2030

U.S. chicken consumption (Pounds)

Source: USDA, World Agricultural Outlook Board, October 2021 Forecast

101

pounds per
person by 2030

U.S. chicken consumption (Per capita)

2020 per capita consumption was 96 pounds per person with significant growth over the past decade

Source: USDA, World Agricultural Outlook Board, October 2021 Forecast

48%

share of projected
animal protein
consumption by
2030

Share of U.S. protein consumption

The U.S. is projected to consume 47 billion pounds of poultry annually by 2030
Poultry is expected to grow share relative to beef and pork

Source: USDA, World Agricultural Outlook Board, October 2021 Forecast

71%

share of protein
consumption
growth from
2020 to 2030

Share of U.S. protein consumption growth

U.S. beef, pork, and poultry combined consumption is expected to grow by ~6.4 billion pounds over the decade

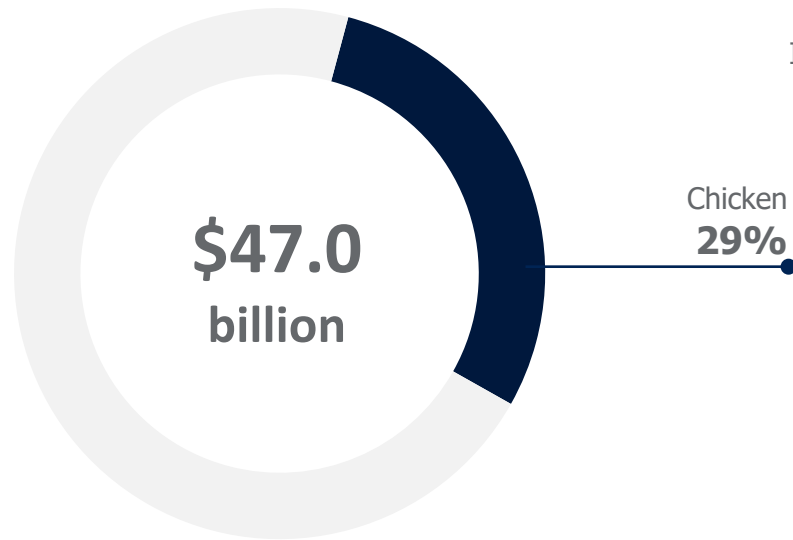
Poultry is expected to grow the most across those proteins

Source: USDA, World Agricultural Outlook Board, October 2021 Forecast

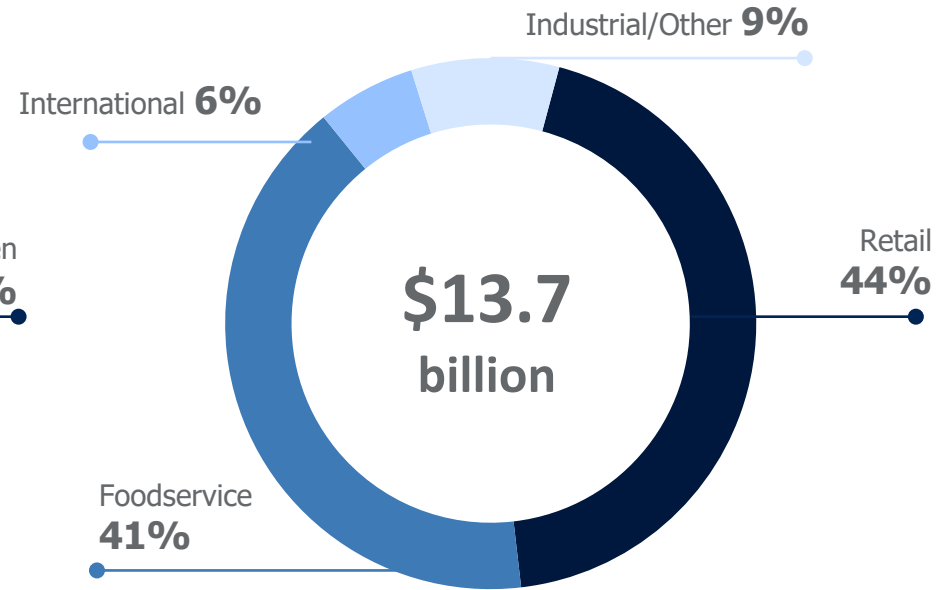


Chicken is a critical component of the Tyson portfolio and is structured to have broad channel exposure

Contribution to Total Company Sales
FY2021



Chicken Sales by Channel
FY2021



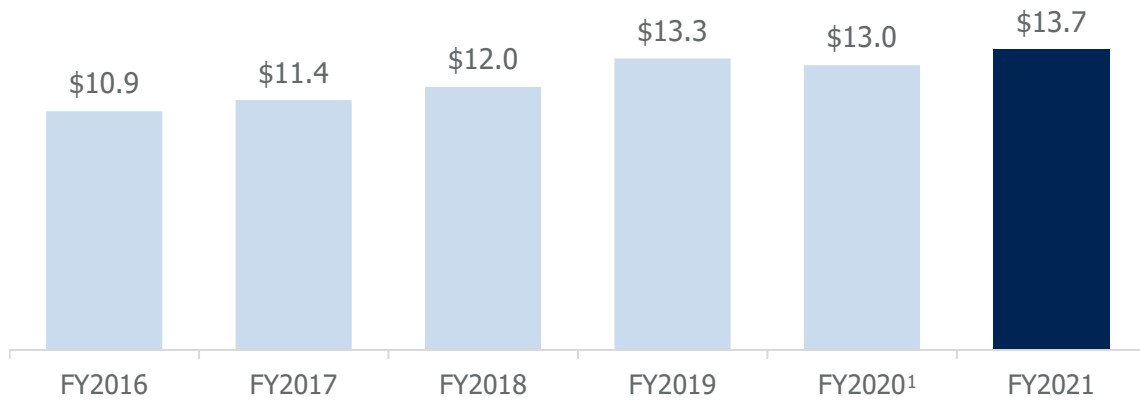
Sales have grown while earnings have declined since FY2016

Sales

\$ in billions

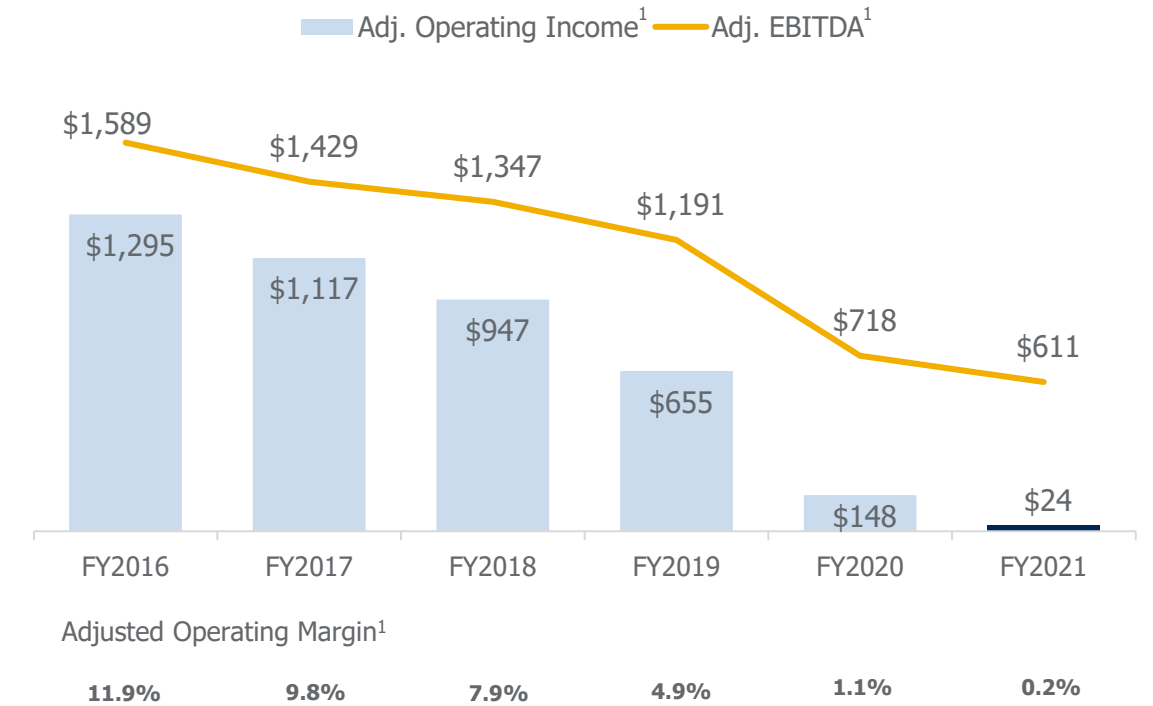
5%

CAGR



Earnings

\$ in millions



We have a differentiated portfolio to serve customers and consumers

Chicken Segment Revenue

In % of revenue



Actions

Grow fully-cooked through capacity expansions to support both retail and foodservice growth

Grow ingredient solutions volume above industry growth rate and continue to upgrade mix (e.g., premium pet)

Invest in product innovation and differentiation to drive customer and consumer value

Tray Pack is the priority focus of our operational improvement efforts; ramping up Humboldt

Reposition small bird by upgrading the mix to reduce exposure to low growth and low margin spaces

Continue upgrading export leg quarters to domestic dark meat

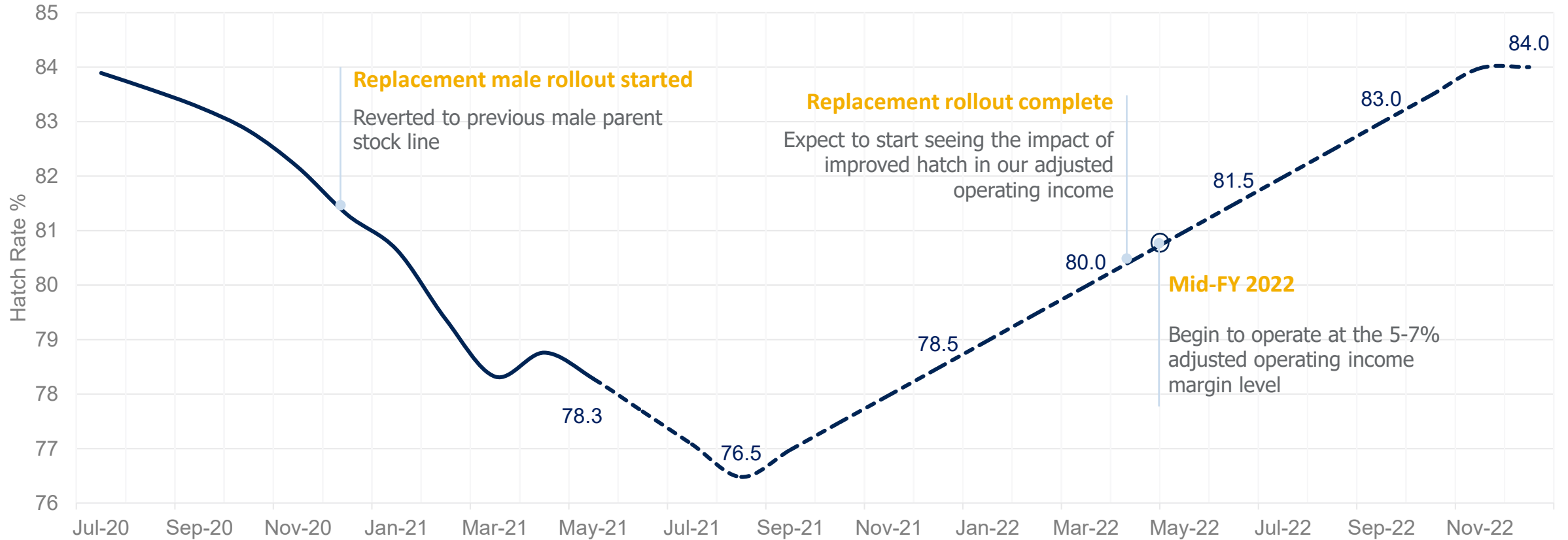
Run our plants full – only supplier with a new facility and we will run it full

Our path to sustainable leadership in Chicken

- 1 Become the most sought-after place to work
- 2 Be our customers' go-to-supplier
- 3 Grow our business
- 4 Improve operational performance



Actions taken to restore competitive hatch rates



Increasing harvest capacity and volumes to support growth with customers

FY2021

~80%

37 million head/week

FY2022

~85%

40 million head/week
expected

Target

~98%+

47 million head/week

**Approximate Volume
(pounds)**

~12.5B

~13.0B

Improvement equivalent to ~2
new harvest complexes

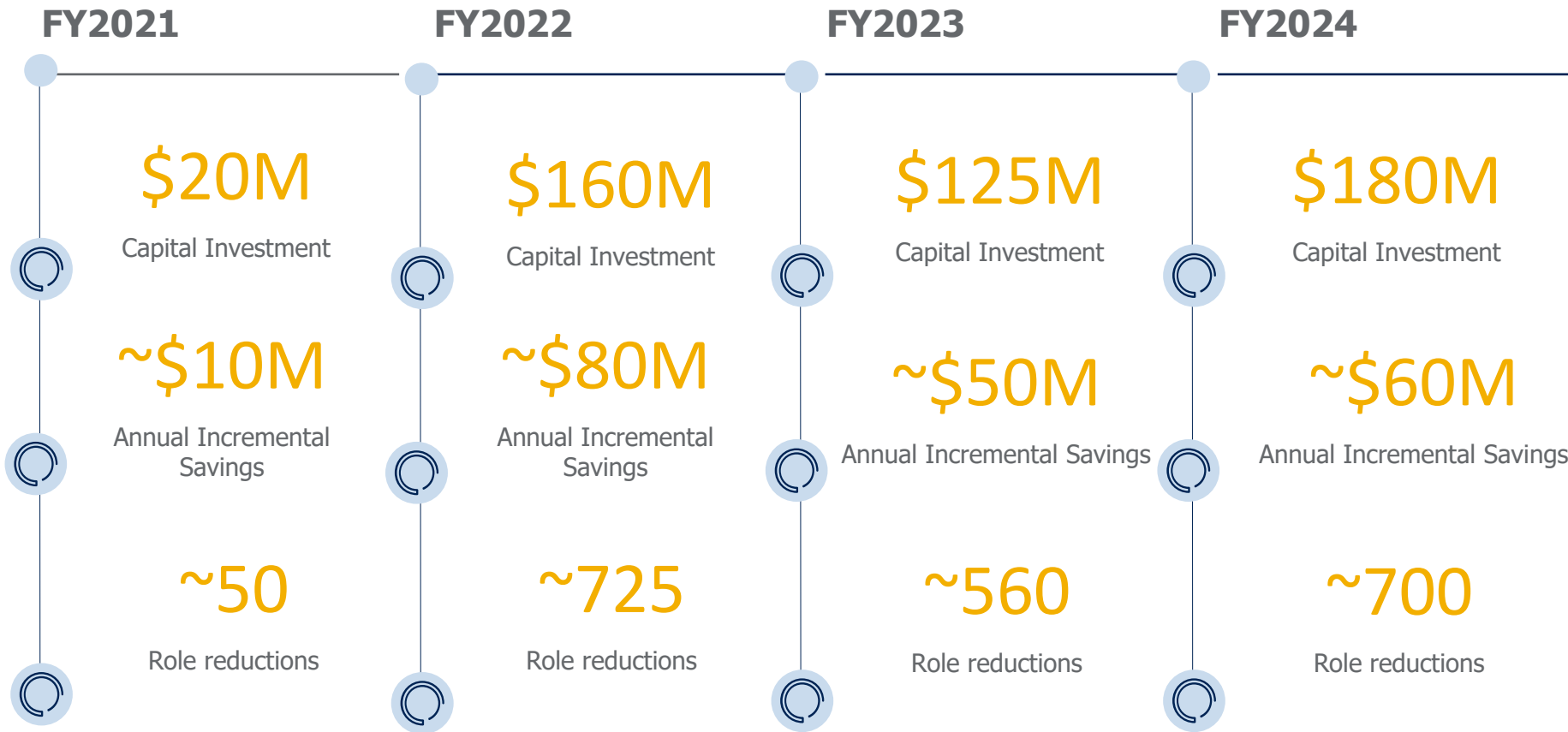
~15.0B

Improvement equivalent to ~6
new harvest complexes



We have an aggressive plan to deploy automation

Roadmap to deploy largely proprietary debone automation technology to alleviate labor challenges



Automation will provide several benefits

- Automation of 88 front half deboning lines and 13 dark meat lines is part of a long-term solution to labor challenges
- Will provide greater consistency in product quality
- Real-time operations insights to drive more timely decision-making
- Addressing labor challenges by reducing ~2,000 roles over the next 2 years

Optimizing our mix and expanding capacity through capital investment

Objectives

Restore harvest utilization rates across existing processing network

Maximize and expand our assets to grow our value-added production capabilities

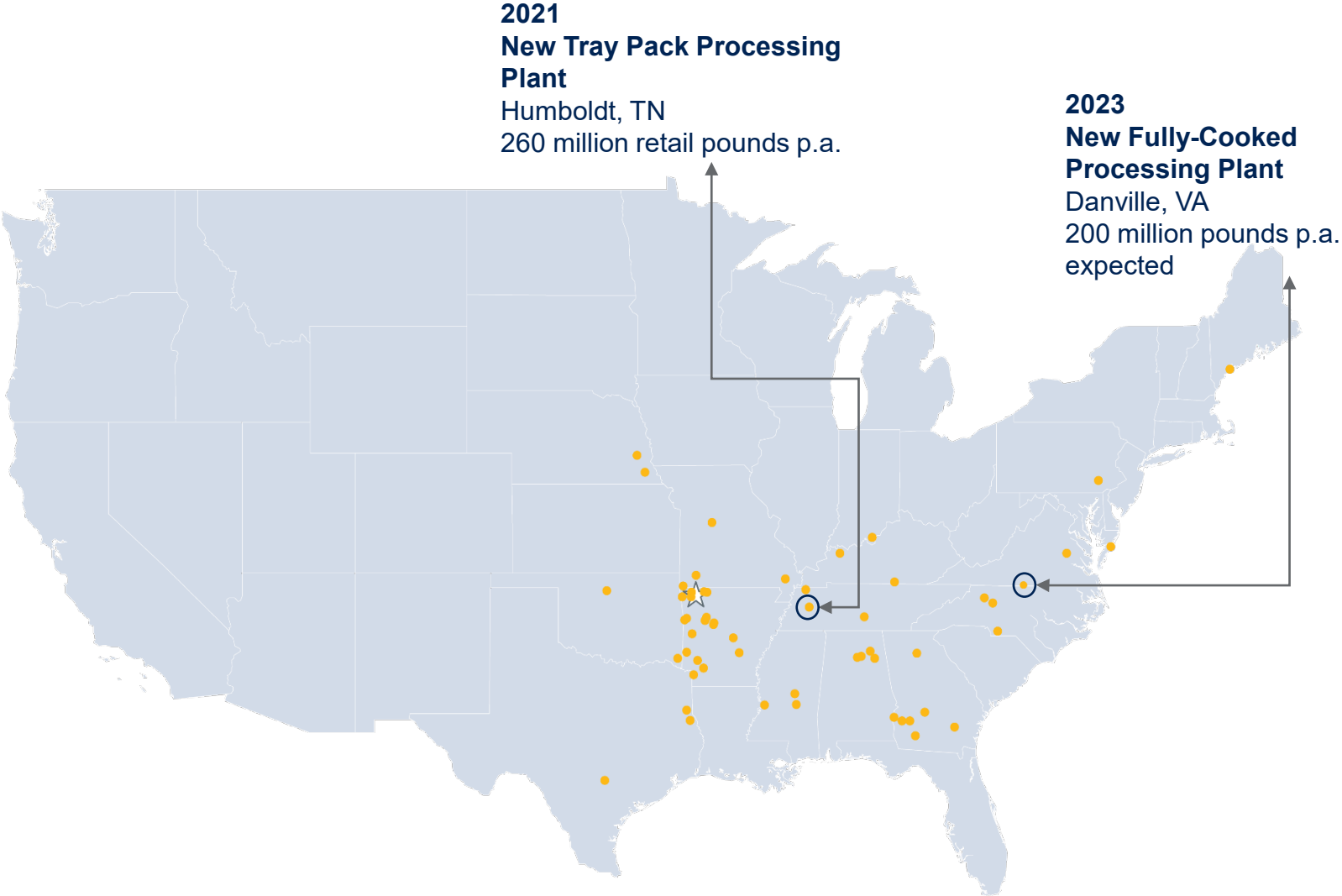
Actions

Full conversion of breeding stock to correct hatch issue








Driving improvements in plant operations to unlock capacity

Prioritizing labor to run value-added products

Successful ramp-up of Humboldt, TN plant



We have a market-leading portfolio across channels and value tiers

	Retail ¹				Foodservice ²		
SHARE POSITION IN SEGMENT	#1	#1	#1	#1	#1	#2	N/A
Tier	Organic	Premium	Value Portfolio	Stuffed Entrees	Value, Mid-Tier, Premium	Value, Mid-Tier, Premium	Super Premium
							

We go to market with the #1 chicken brand with the highest awareness, share of voice, and most trusted equity across channels



+7.3%

\$ Sales Growth versus Year Ago¹

97%

Awareness²

42%

Penetration³

1

Leading awareness in the category and in more homes and foodservice kitchens than any other brand

2

Equity is **trusted** and stands for **quality & taste**²

3

60% Share of Voice

Supported by the **highest share of voice in category** and a **highly effective** advertising campaign⁴

4

Resulting in **stronger loyalty** than any other brand³

IF THERE'S
ONE THING WE KNOW
IT'S CHICKEN,
Chicken & Chicken



More to Love **Tyson**



Sources: 1 Nielsen All Outlet Combined 52 weeks ending 10/2/21, 2 Tyson Proprietary Brand Health Tracking Q4'21, 3 Nielsen HH Panel ending 9/11/21, Household Penetration for total Tyson Masterbrand, and \$ Share of Requirements within Frozen Prepared Chicken Category, 4 Kantar Strategy, Q3 '21

Our category growth has accelerated across both Retail and Foodservice channels

Retail Frozen Prepared Chicken category growth has accelerated

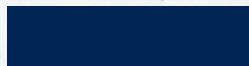
13.7%

FY2019 – FY2021¹



1.8%

FY2017 – FY2019¹



Our share of the frozen chicken category has grown

RETAIL

+1.0

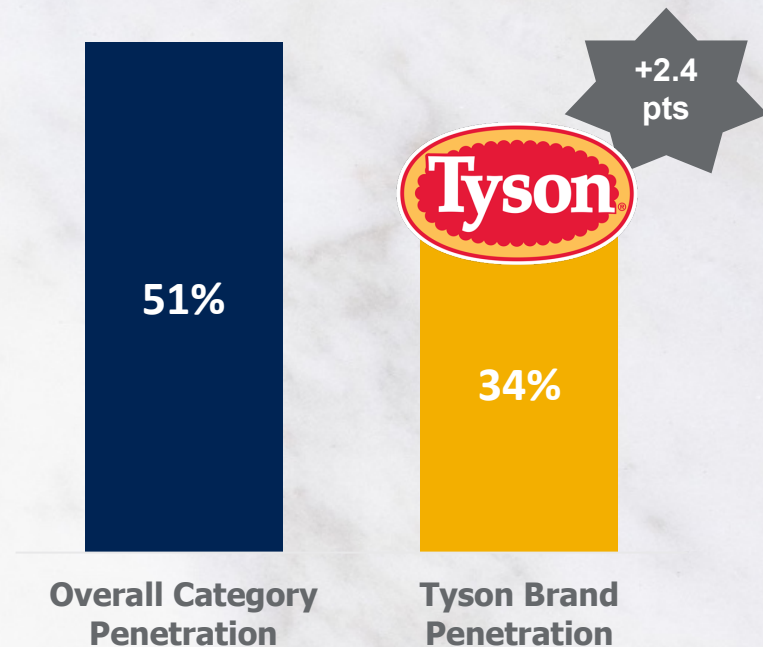
growth in volume **share points** over the latest 52 weeks

FOOD SERVICE

+0.5

growth in volume **share points** over the latest 52 weeks²

Strong household penetration with room to grow³



¹ Nielsen Total US xAOC, FY17-19 CAGR, and latest 2-Yr CAGR ending 10/2/21, Pound Sales

² NPD SupplyTrack L12 mo ending August'21, Poultry Value Added Category, excluding large chains >250 units and operator label

³ Nielsen National Consumer Panel 52 weeks ending 9/11/2021, Penetration growth vs. 2 YAG

We are accelerating consumer and operator-driven innovation with an omni-channel approach

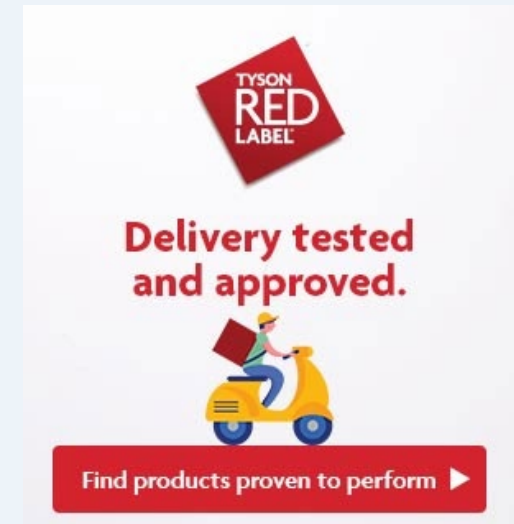
Fueling **QSR growth** through the "chicken sandwich wars"



Building on successful platforms with an **omni-channel approach**



Helping to solve **operator challenges** around labor



We have a pathway to top quartile profitability

4-5%

Organic Volume
Growth Target

3-year CAGR
2021 Baseline Year

7-9%

AOI Margin
Target Range

FY2024

- 1 Become the most sought-after place to work
- 2 Be our customers' go-to-supplier
- 3 Grow our business
- 4 Improve operational performance





Noelle O'Mara
Group President,
Prepared Foods

Prepared Foods is a critical contributor to Tyson Foods

Creates Value for Tyson Foods

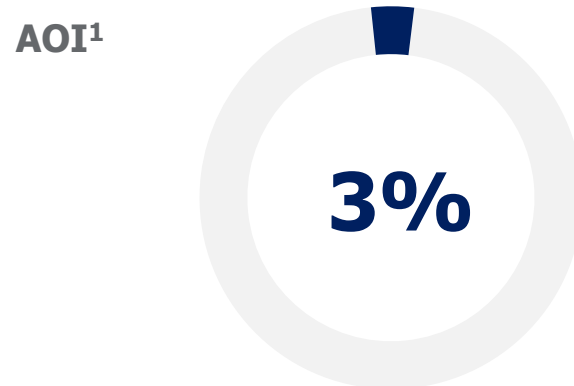
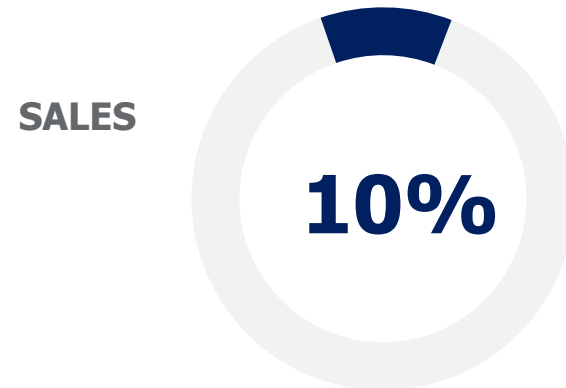
Drives profitable growth

Provides earnings stability

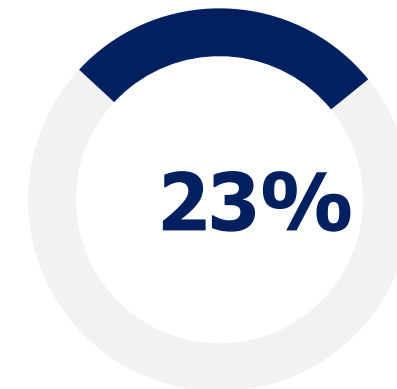
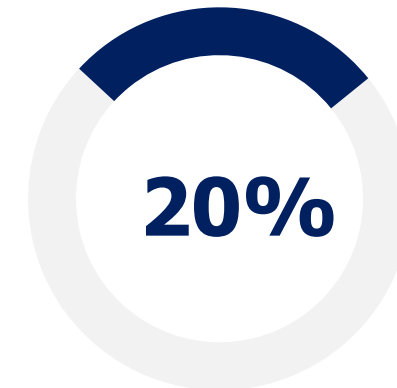
Values up Pork, Beef, Chicken



FY14 Financial Contribution of Prepared Foods vs Rest of Tyson



3-Year Average of FY19 – FY21 Financial Contribution of Prepared Foods vs Rest of Tyson



¹ Represents a non-GAAP financial measure. Adjusted operating income is explained and reconciled to comparable GAAP measures in the Appendix.

We have a powerful portfolio that is relevant across channels and dayparts

FY21 Sales by Channel



~35% Breakfast



~55% Meals



~10% Snacking



Established Opportunity to Win

Leading equities that extend across channels

Strategic customer relationships including category captaincies

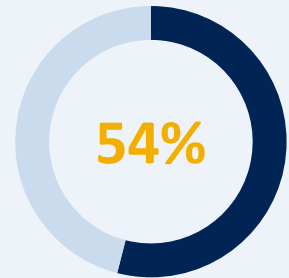
Omnichannel manufacturing capabilities

Our Retail categories are well-positioned against consumer needs and have demonstrated strong growth momentum

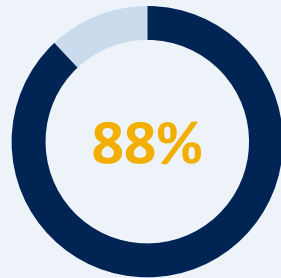
Protein leads in growth and momentum

+8.1%

High Protein Food & Beverage volume sales growth vs. year ago compared to -2.1% in total Food & Beverage¹



of consumers say they are **deliberately adding protein** to their daily diet²



of consumers say they are **eating animal protein more often or the same** as a year ago³

Category Growth⁴

2-Year CAGR in pounds

	FY17-19 CAGR	FY19-21 CAGR	Our Brands by Category
Frozen Prepared Chicken ⁵	1.8%	13.7%	Tyson
Frozen Protein Breakfast	4.9%	11.9%	Jimmy Dean
Premium Lunchmeat*	3.6%	6.5%	Hillshire Farm
Breakfast Sausage	1.3%	6.4%	Jimmy Dean
Stacked Bacon*	6.6%	5.7%	Wright Brand, Jimmy Dean
Beef Hot Dogs*	4.3%	5.2%	Ball Park
Smoked Sausage	1.7%	2.8%	Hillshire Farm, Aidells
Frozen Corn Dogs	-2.9%	1.5%	State Fair
Adult Snacking Combos	23.9%	1.4%	Hillshire



Sources: 1 Nielsen Total US xAOC, 52 wks ending 10/2/21 Excellent Source of Protein: >=10G per serving 2 The Hartman Group, Health & Wellness, 2021, 3 Mintel, December 2020

4 Nielsen Total US xAOC, FY17-19 CAGR, and latest 2-Yr CAGR ending 10/2/21, Pound Sales; Segments where Tyson Foods competes shown.

*Total Lunchmeat category 17-19 CAGR -1.6%, current 2-Yr CAGR 0.6%; Total Hot Dog category 17-19 CAGR -2.2%, current 2-Yr CAGR -1.7%; Total Bacon category 17-19 CAGR 2.2%, current 2-Yr CAGR 4.2%

5 Products are included in the Chicken segment.

We are the market leader, gaining share and driving growth across Retail categories

13











consecutive quarters of retail share growth¹

+0.9

growth in share points across our core categories¹

1.3x

higher average **unaided awareness** for our leading brands vs. competitors²

 <p>#1 in Frozen Prepared Chicken³</p>	 <p>#1 in Frozen Protein Breakfast</p>	 <p>#2 in Lunchmeat</p>	 <p>#1 in Breakfast Sausage</p>	 <p>#1 in Hot Dogs</p>
 <p>#1 in Smoked Sausage</p>	 <p>#1 in Stacked Bacon</p>	 <p>#1 in Corn Dogs</p>	 <p>#1 in Super Premium Smoked Sausage</p>	 <p>#2 in Adult Snacking Combos</p>

We have two of the highest growing brands in all of Food



Both Top 10 Growth Brands

in absolute dollar growth out of 41K+ Nielsen tracked food brands¹



Sources: 1 Past 2-year Retail \$ sales growth; Nielsen Total U.S. All Outlets, 52 weeks ending 10/2/2021

Note: Tyson Branded Products are included in the Chicken segment.

Comprehensive, leading Foodservice portfolio that addresses customer needs

Market Share

#1



Breaded Beef
Cooked Burgers
Dinner Sausage
Pepperoni

Philly Meat
Pre-made Sandwiches
Stuffed Breadsticks

Market Share

#2



Corn Dogs
Hot Dogs
Mexican Handhelds

Pizza Toppings
Tortillas

Market Share

#3



Bacon
Breakfast Sausage
Dry Sausage

Ham
Meatballs

Despite strong market performance, key headwinds exist

What's going well

Retail performance

13 consecutive quarters of share growth

Foodservice turnaround

Orders returning to pre-COVID levels

Omnichannel expansion

eCommerce growth outpacing total F&B

Agile response to Covid

shifted capacity; new ways of working

Headwinds

Unprecedented inflation

Commodities, packaging, freight, labor, etc.

Service levels

Demand outpacing industry supply capabilities

Labor attraction & retention

Highly competitive labor market



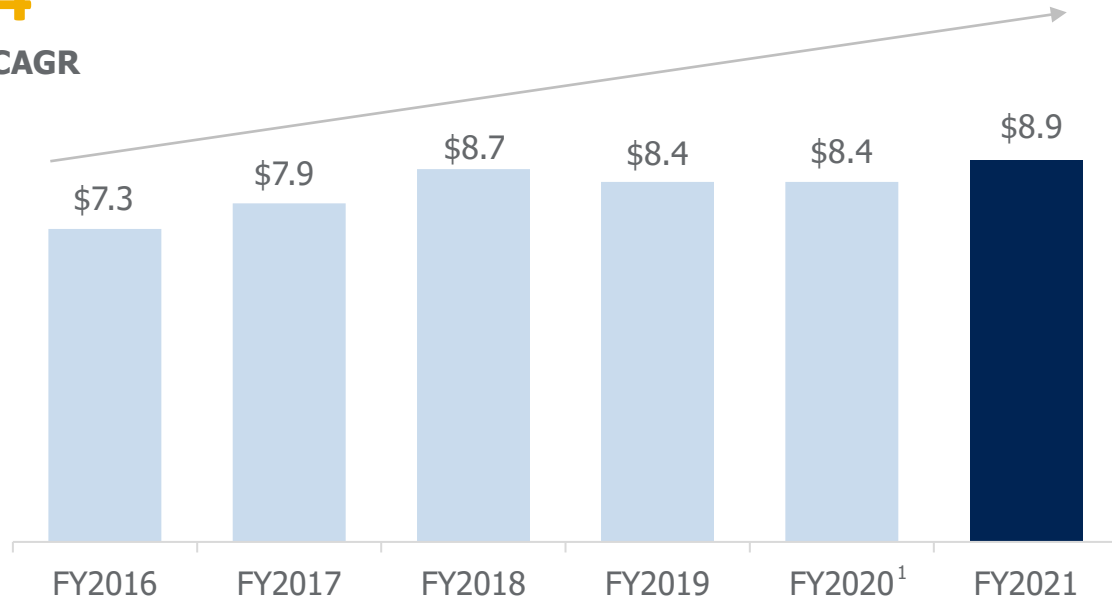
Prepared Foods has delivered sales growth while headwinds have impacted margin performance

Sales

\$ in billions

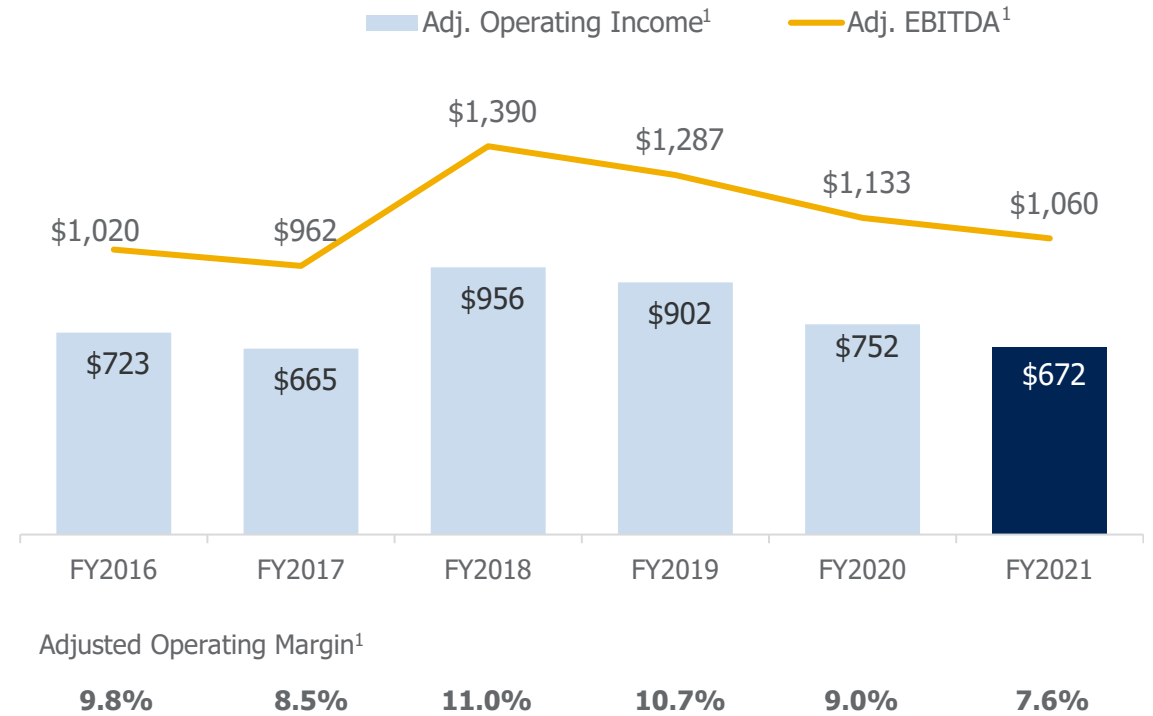
4%

CAGR



Earnings

\$ in millions



¹ Represents a non-GAAP financial measure. Adjusted sales, adjusted EBITDA, adjusted operating income and adjusted operating margin are explained and reconciled to comparable GAAP measures in the Appendix.

Our strategy to win builds on our strengths while addressing headwinds

Drive Profitable Growth in Our Core

Extend our core Retail brands' market leadership

Lead Foodservice recovery

Be Strategic Partner of Choice for our customers

Expand into New Spaces

Innovate in attractive white spaces (e.g., snacking)

Expand Alternative Protein portfolio and capabilities

Strengthen our omnichannel and global presence

Create Fuel & Flexibility

Expand margins through cost and revenue management

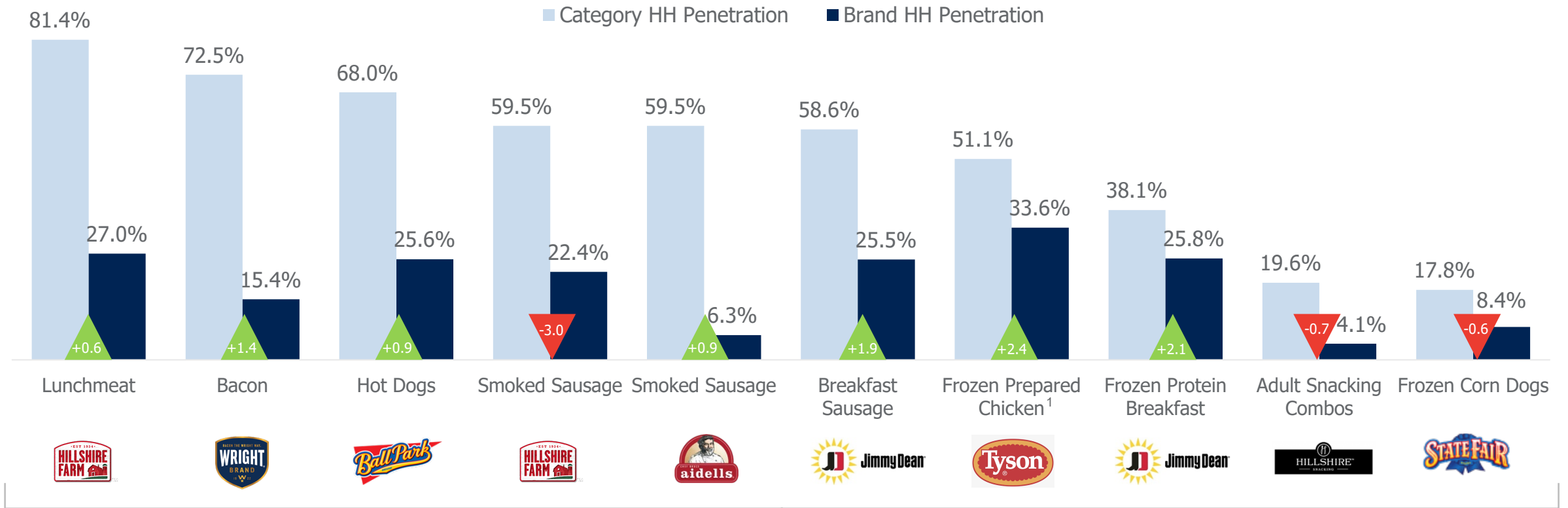
Invest in capacity and flexibility to service demand

Implement transformational approaches to labor



Extend our core retail brand market leadership

Even as share leader, strong household penetration of our categories afford tremendous room to grow



Innovation | Equity investment | Capacity expansion



SOURCE: Nielsen National Consumer Panel 52 weeks ending 9/11/2021, and two year ago data through 9/14/2019

Note: 1 Products are included in the Chicken segment.

Tyson declines in Smoked Sausage, Corn Dogs, Adult Snacking due to pandemic-related capacity/labor challenges driving out of stocks

Brand Penetration Point Change vs. Two Years Ago

Lead foodservice recovery

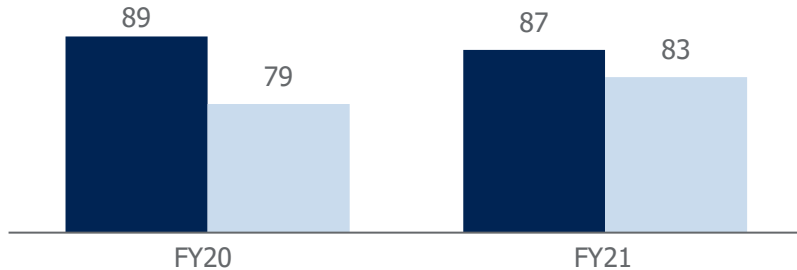
Prepared Foodservice Focus 5 has outperformed the industry throughout the pandemic...

...and we will continue to lead through recovery given our channel mix, portfolio strength and advantaged network

Tyson Prepared FS Focus 5 vs Industry FS Market – Index vs. Pre-Covid

■ Tyson Prepared FS Focus 5¹ ■ Total FS Market²

100 = Pre-Pandemic levels (2019) -----



- **Over-indexed in channels that will rebound quicker** from the pandemic (QSR & C-Store ~60% of Prepared FS sales¹)
- **Portfolio aligned with post-pandemic demand** trends (pre-packaged, fully cooked)
- **Manufacturing flexibility** across channels

Focus on Breakfast, Sandwich/Handheld & Pizza | Simplify portfolio
Expand Operator reach through sales force & digital capabilities



Innovate in attractive white spaces

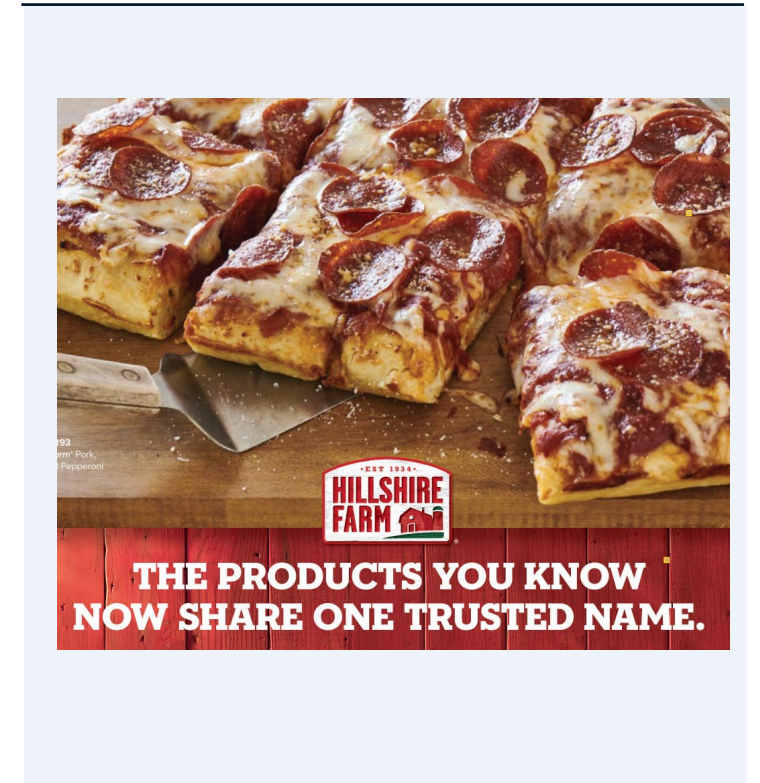
Expanding core brands into adjacencies



Launching new brands to win in attractive white spaces



Elevating our Foodservice portfolio



Expand alternative protein portfolio and capabilities

Expanding Raised & Rooted

Retail & Foodservice



Expanding Across Power Brands



Expanding Across Geographies

APAC Launch



Tyson Foods continuing to invest in Alternative Protein Capabilities

Procurement

Established, scaled sourcing relationships with several plant protein suppliers

R&D

Dedicated R&D and network ability to scale capacity up and down

Manufacturing

Dedicated facilities to develop alternative protein substrate

Supply Chain

Global infrastructure with temperature-controlled distribution network

Create Fuel & Flexibility

- Expand margins through cost & revenue management

- Invest in capacity & flexibility to service demand

- Implement transformational approaches to labor



Roadmap for driving volume and earnings growth

4-5%

Organic Volume Growth
Target

3-Year CAGR
2021 Baseline Year

10-12%

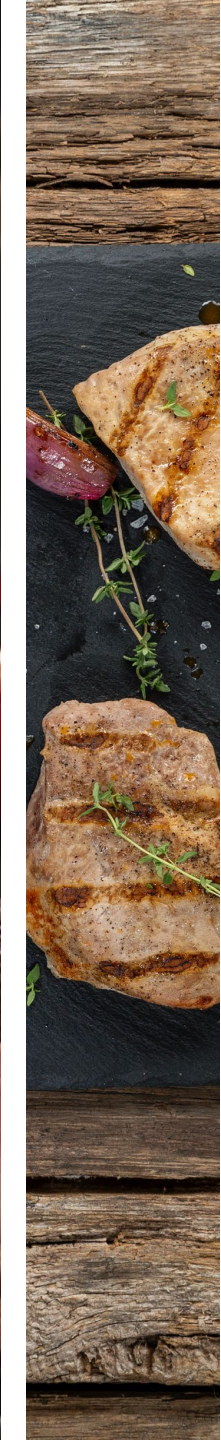
AOI Margin Target Range

FY2024

Investments

- Capital expenditure to drive capacity in support of category growth objectives and to support manufacturing flexibility and automation
- Increased commercial spend to drive volume and share gains
- Shape our portfolio through M&A





Shane Miller
Group President,
Fresh Meats

Global beef consumption is expected to remain strong over the next decade

+1%

World beef consumption is expected to grow

2020 to 2030 CAGR

Source: OECD-FAO Agricultural Forecast 2021 – 2030

28^B

U.S. beef consumption remained strong throughout the pandemic

Pounds of beef consumed in the U.S. in 2020

Consumption increased relative to 2019 due to higher disposable income

Source: USDA, World Agricultural Outlook Board, October 2021 Forecast

+9.5^B

World beef consumption (Pounds)

2020 to 2030 increase in pounds consumed

Source: OECD-FAO Agricultural Forecast 2021 – 2030

+0.4^B

U.S. beef consumption (Pounds)

2020 to 2030 increase in pounds consumed

Source: USDA, World Agricultural Outlook Board, October 2021 Forecast

>90%

Share of beef consumption growth outside of the United States

2020 to 2030 share of growth outside of the United States

Source: OECD-FAO Agricultural Forecast 2021 – 2030

58

U.S. beef consumption (Per capita)

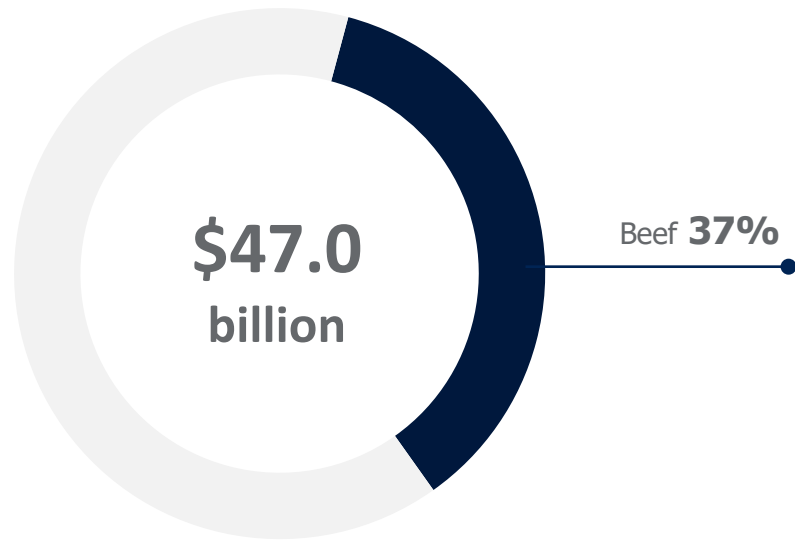
pounds per person in 2020

Source: USDA, World Agricultural Outlook Board, October 2021 Forecast

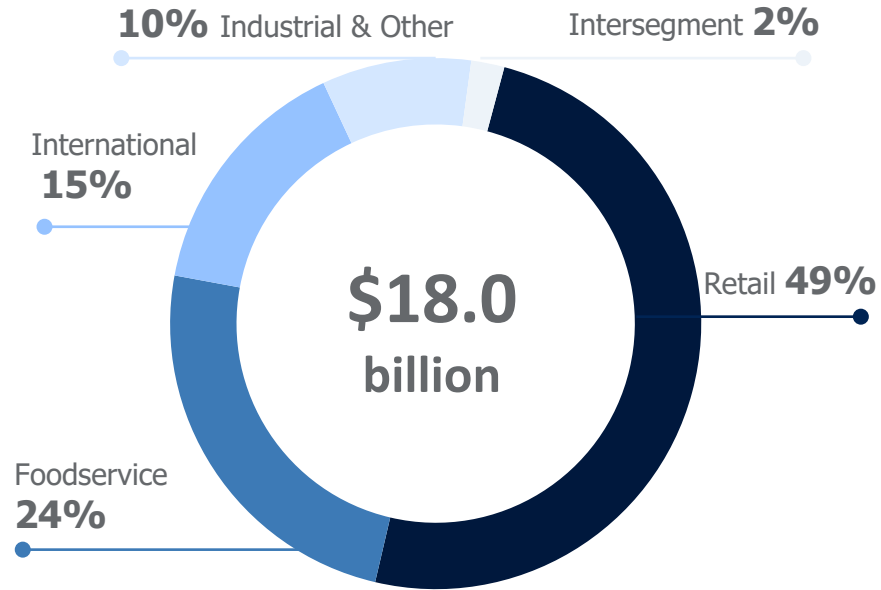


Beef is the largest segment in the Tyson portfolio and benefits from a diverse channel sales mix

Contribution to Total Company Sales
FY2021



Beef Sales by Channel
FY2021



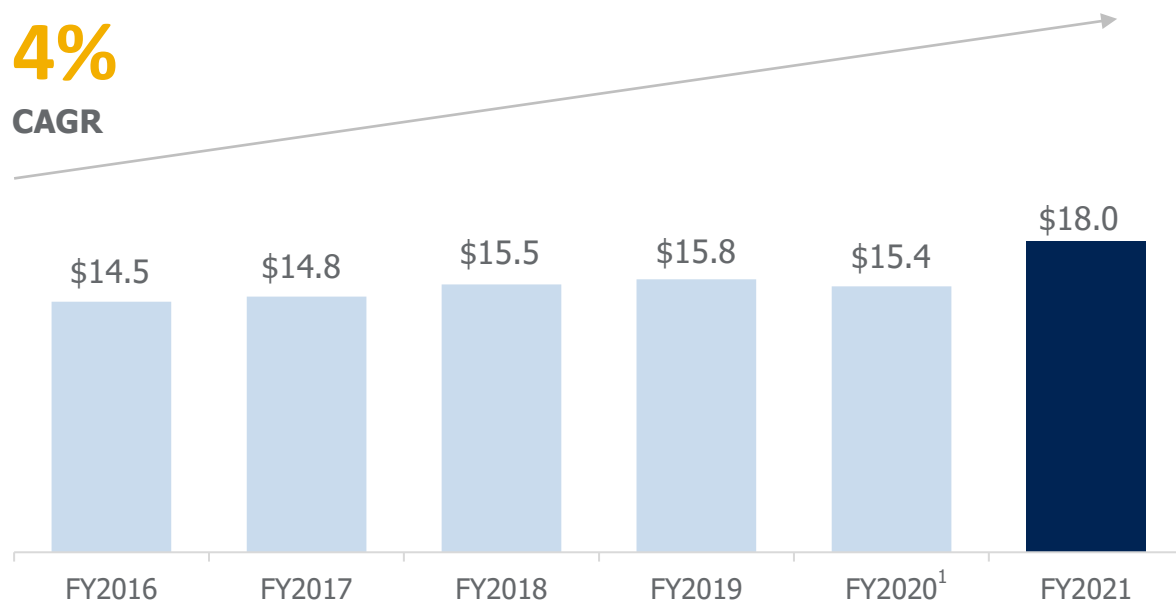
Beef has delivered exceptional operating margin performance over the past 5 years

Sales

\$ in billions

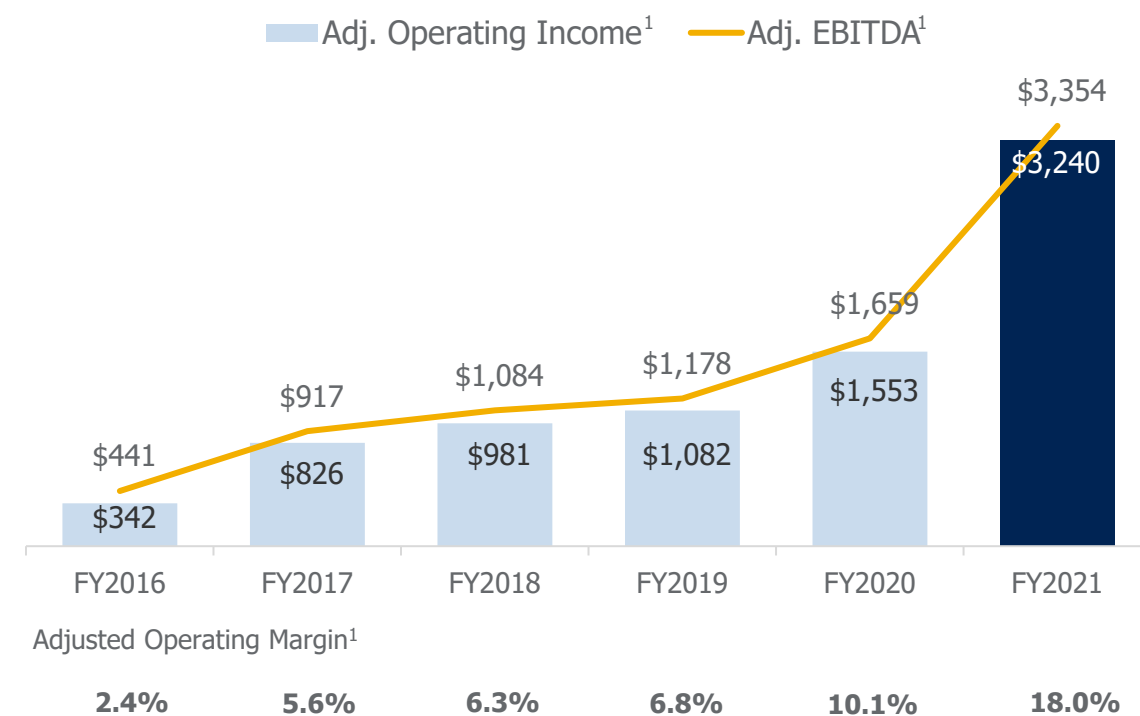
4%

CAGR



Earnings

\$ in millions



¹ Represents a non-GAAP financial measure. Adjusted sales, adjusted EBITDA, adjusted operating income and adjusted operating margin are explained and reconciled to comparable GAAP measures in the Appendix.

Global pork consumption is expected to grow at a faster rate than other proteins over the next decade

+2%

Strong relative growth

Approximately 95% of the growth expected to occur outside the U.S.

2020 to 2030
CAGR

Source: OECD-FAO Agricultural Forecast 2021 – 2030

+1%

Modest U.S. growth

U.S. pork consumption expected to grow at a slower rate than global pork consumption

2020 to 2030
CAGR

Source: USDA, World Agricultural Outlook Board, October 2021 Forecast

+1.4B

U.S. pork consumption (Pounds)

2020 to 2030
Increase in
pounds
consumed

Source: USDA, World Agricultural Outlook Board, October 2021 Forecast

52

pounds per
person by 2030

U.S. pork consumption (Per capita)

2020 per capita consumption was 51 pounds per person

Source: USDA, World Agricultural Outlook Board, October 2021 Forecast

24%

Share of U.S. protein consumption

share of
projected animal
protein
consumption in
2030

The U.S. is projected to consume 24 billion pounds of pork annually by 2030

Source: USDA, World Agricultural Outlook Board, October 2021 Forecast

+41B

2020 to 2030
increase in
pounds
consumed

World pork consumption

Consumption of pork expected to grow over the decade

Source: OECD-FAO Agricultural Forecast 2021 – 2030



**CHAIRMAN'S
RESERVE**

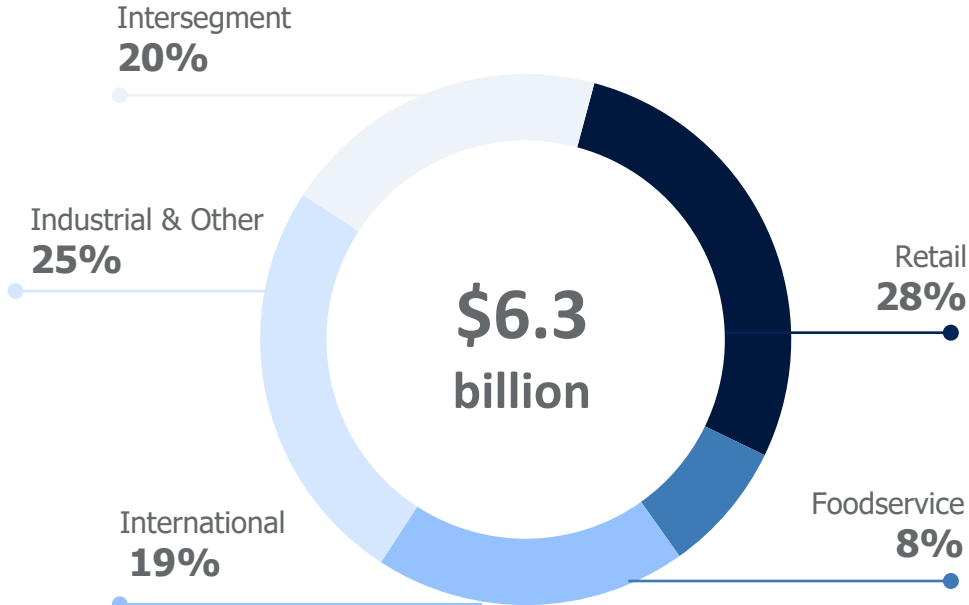


Pork is a meaningful contributor to company sales and provides critical supply to Prepared Foods

Contribution to Total Company Sales
FY2021



Sales by Channel
FY2021



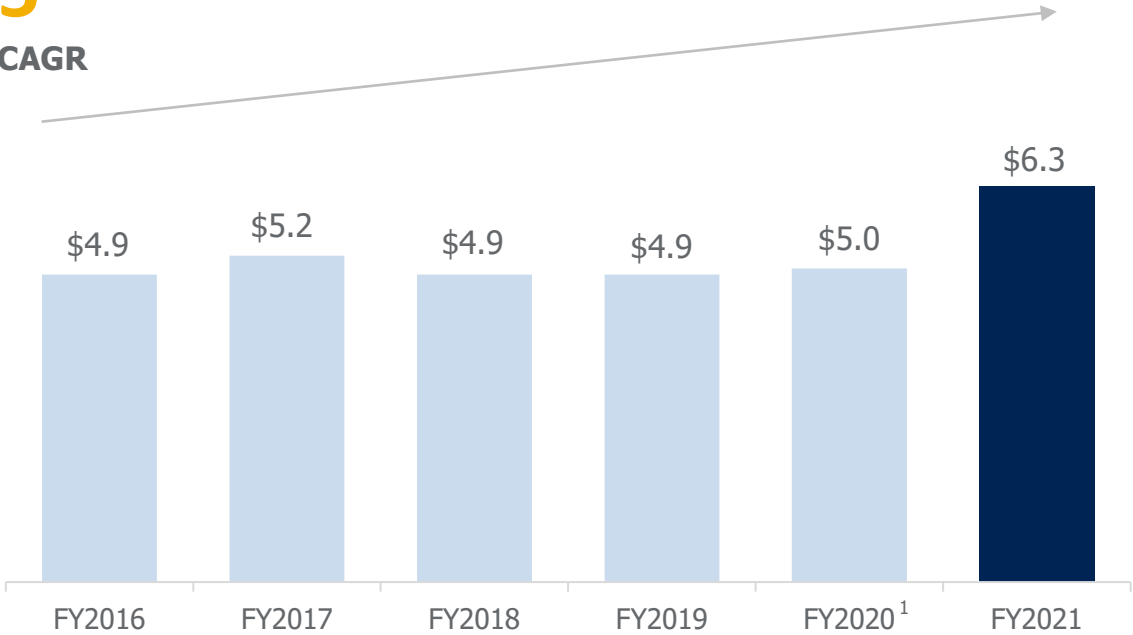
Consistent demand strength has driven Pork segment sales while labor challenges have impacted operating margin

Sales

\$ in billions

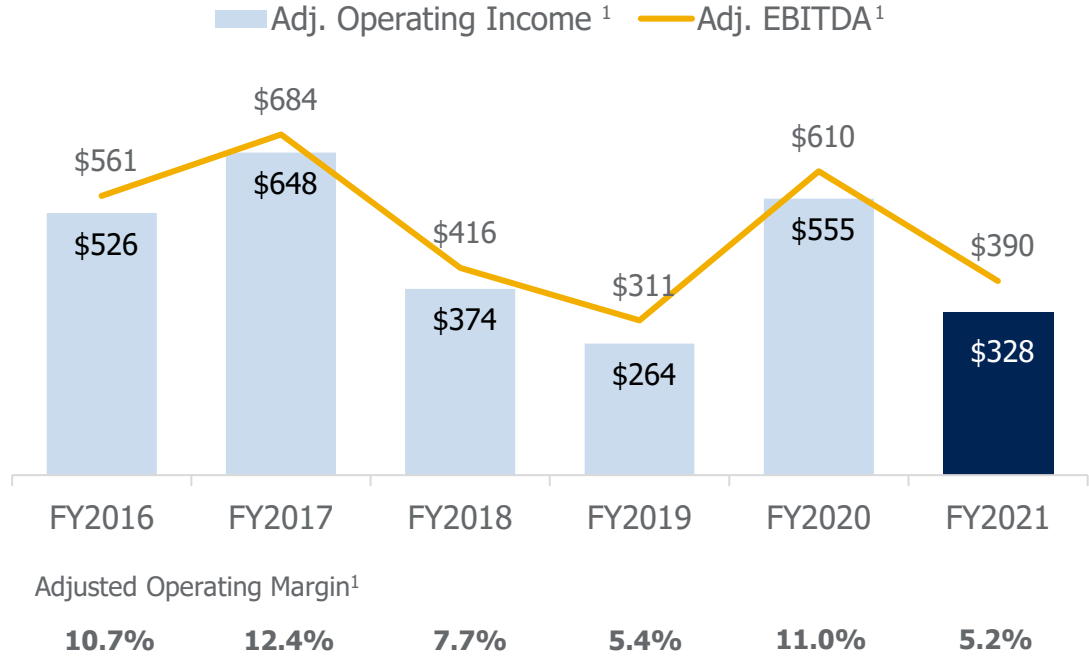
5%

CAGR



Earnings

\$ in millions



¹ Represents a non-GAAP financial measure. Adjusted sales, adjusted EBITDA, adjusted operating income and adjusted operating margin are explained and reconciled to comparable GAAP measures in the Appendix.

Focused on differentiation and operational excellence through the cattle and hog cycles

- 1 Strategic supplier relationships resulting in quality excellence
- 2 Differentiated, value-added solutions
- 3 Growth in strategic sales channels and product categories

Strategic supplier relationships enable operational excellence and sustainable scale

Objectives

Procurement strategies to maintain reliable access to high-quality livestock supply

Leaders in sustainability through differentiated supply chain and product solutions

Actions

Maintain and grow existing supply relationships

Grow Progressive Beef and Beef Care supply

Aligning supplier incentives to support premium programs

Enhanced vertical and/or virtual integration strategies in hog procurement

FarmCheck™ on-farm audits, advisory support, and research



We are the beef and pork experts

the **beef & pork**
experts™

Objective

Provide customers and consumers with **differentiated, value-added solutions**

Actions

Expand and optimize the case ready network

Grow market share with premium, attribute-based offerings

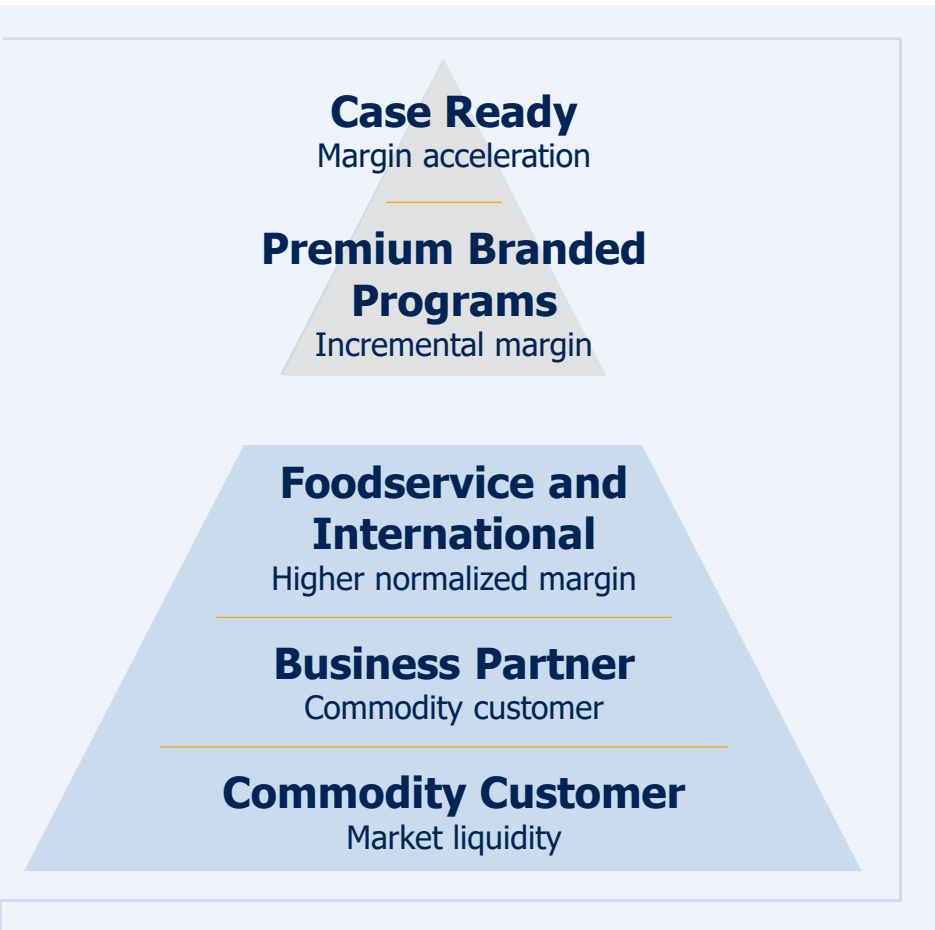
Enhance innovation capabilities to support development of customer-centric solutions

Internal sourcing of pork products to Prepared Foods segment



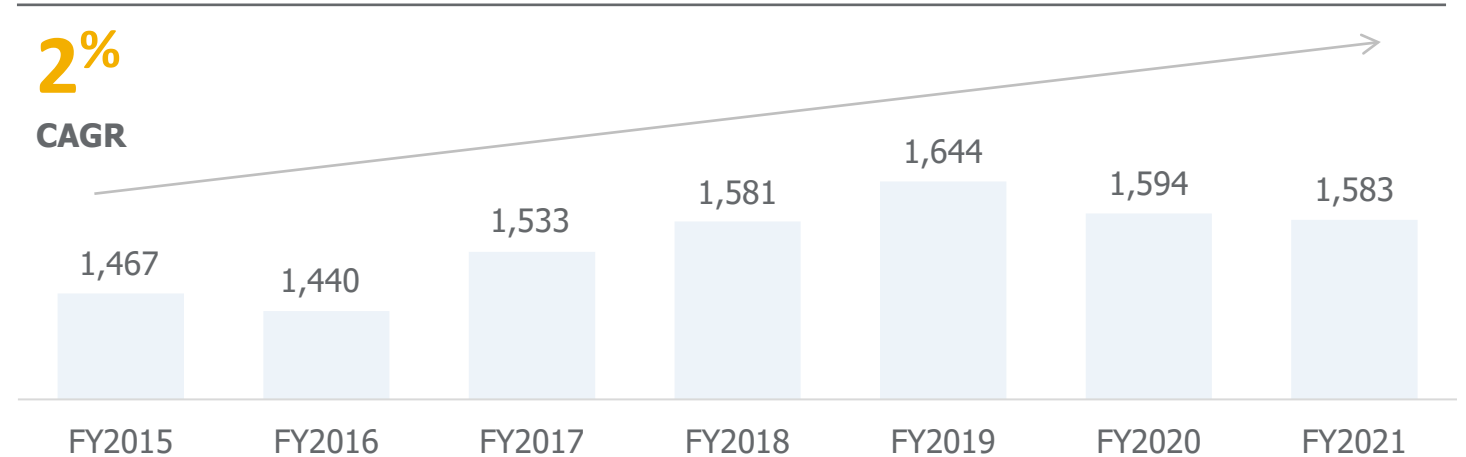
We provide differentiated, value-added solutions to customers and consumers across Beef and Pork

Our margins have benefitted from moving product volume up the value pyramid to maximize total value per head

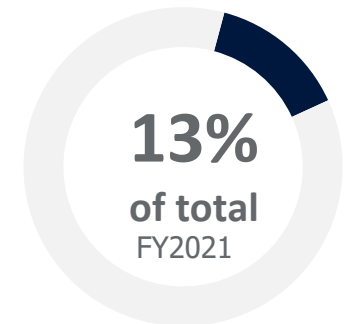


Beef and Pork Value-Added Volumes¹

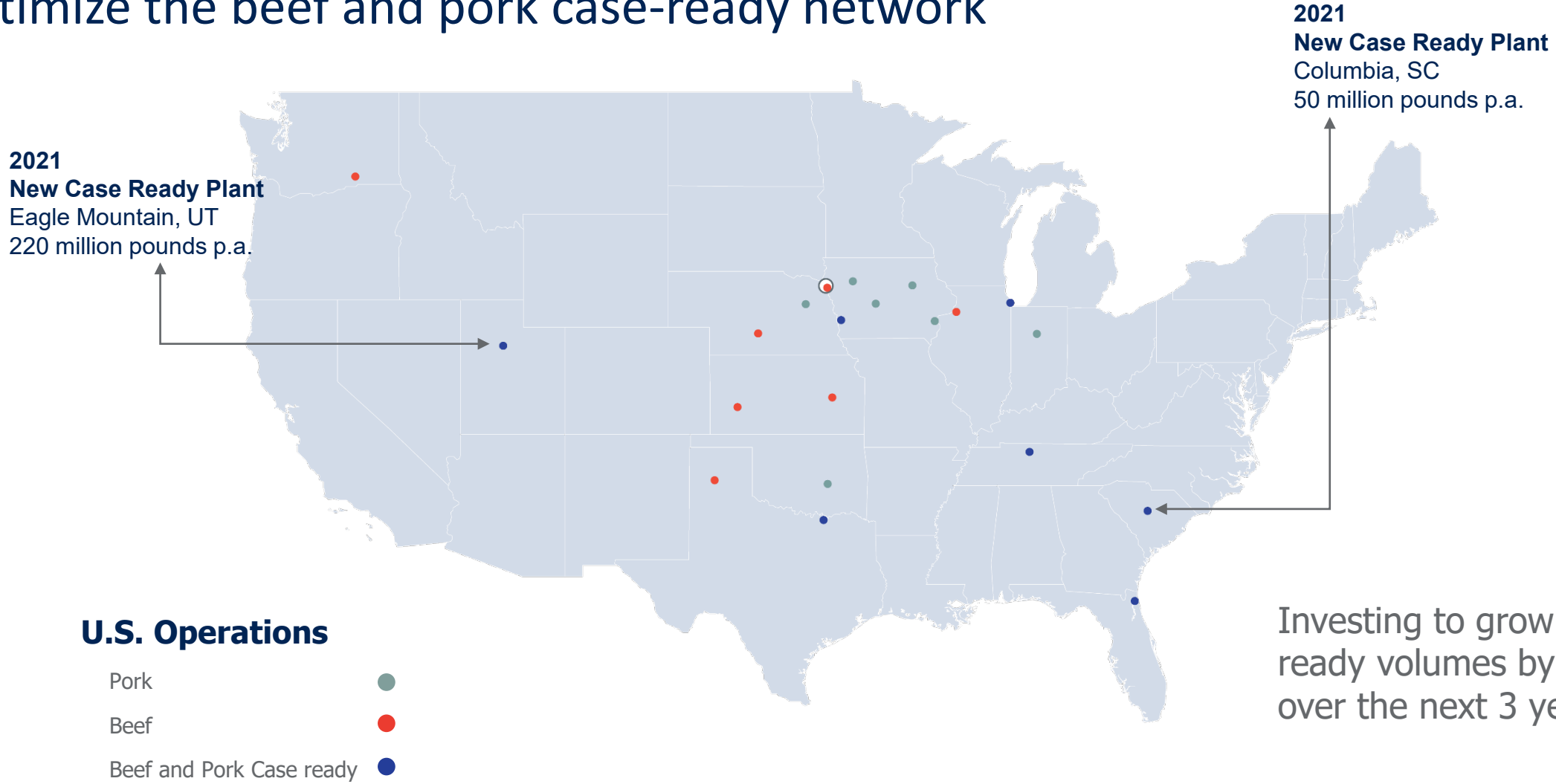
Million pounds



We have grown our volume of value-added product by **>140M** pounds since 2016



We are making investments to further expand and optimize the beef and pork case-ready network



Driving growth in strategic channels and product categories

Objectives

Grow export business across markets, channels, and segments

Drive additional value for specialty products through new capabilities and partnerships

Improve foodservice channel penetration

Actions

Diversification of exports to China, Mexico, Japan, and Canada

JST Global joint venture – Dakota City, NE greenfield facility enabling incremental value

Partnering with customers to meet accelerating e-commerce demand

Drive foodservice channel penetration with national accounts and QSRs



Growing exports across markets, channels, and segments

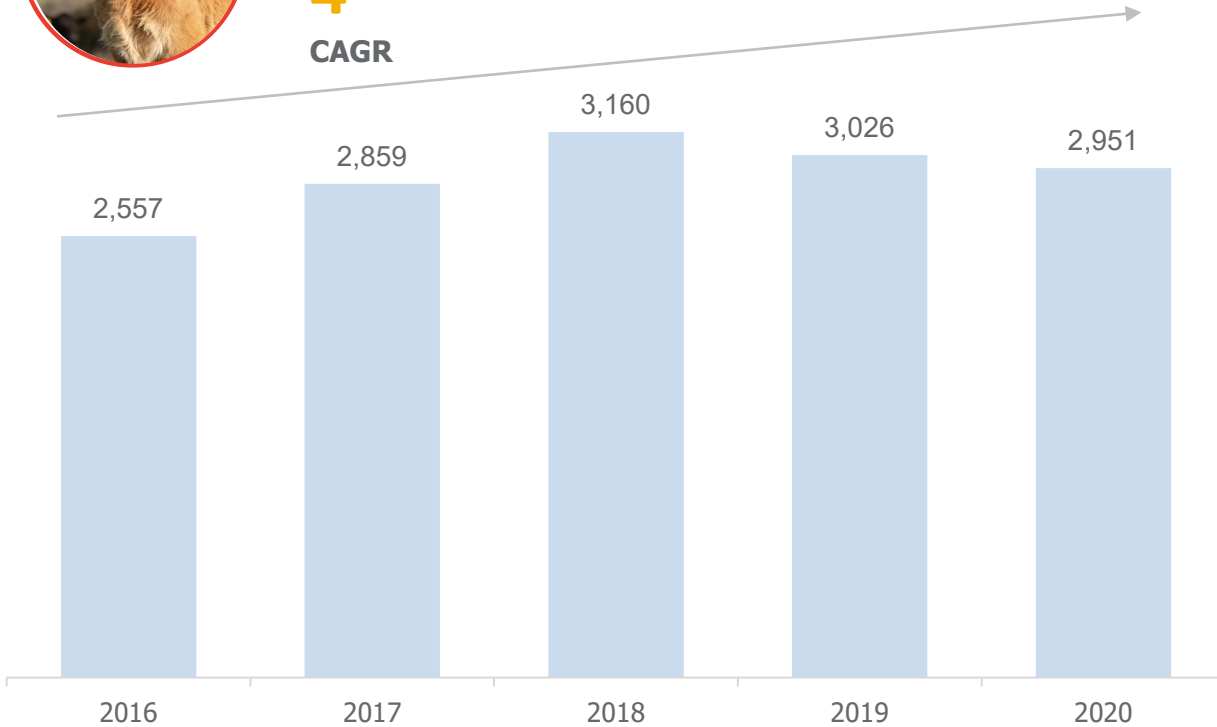
U.S. beef and pork exports are expected to remain strong which will support margins



U.S. Beef Exports

(thousand pounds, carcass weight)

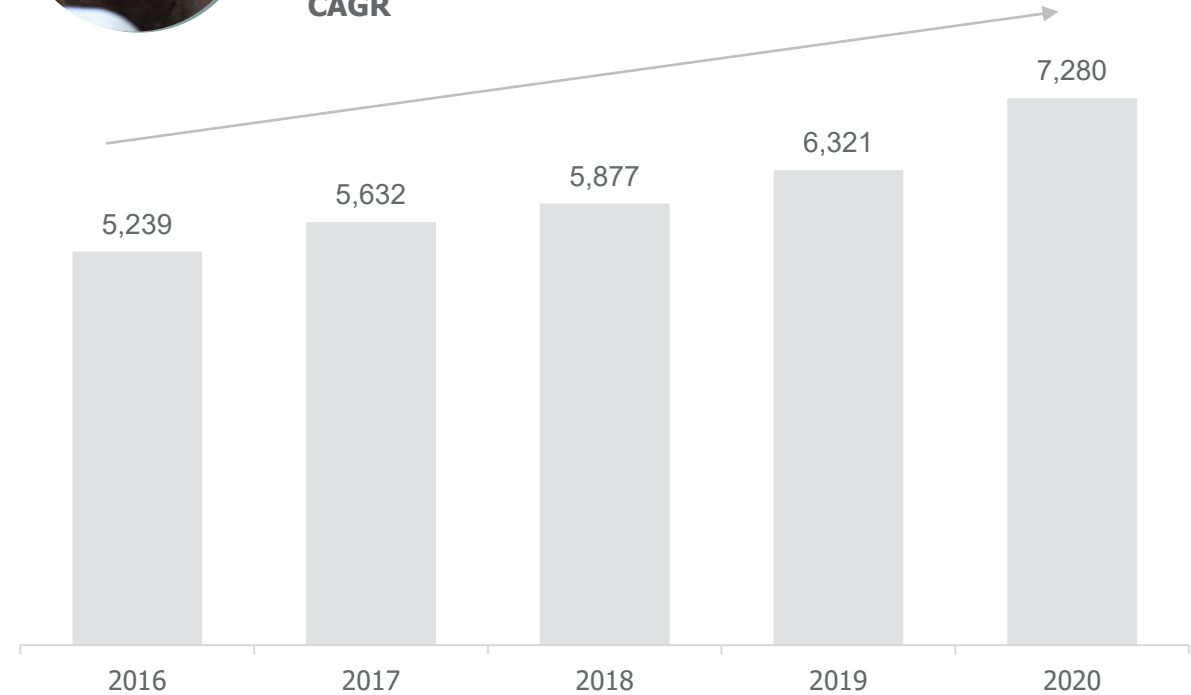
4%
CAGR



U.S. Pork Exports

(thousand pounds, carcass weight)

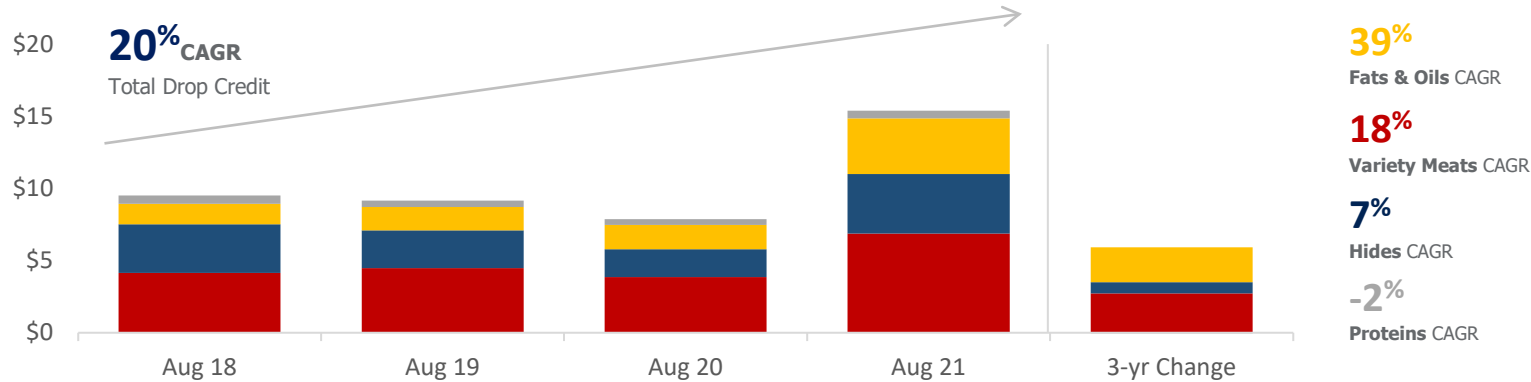
9%
CAGR



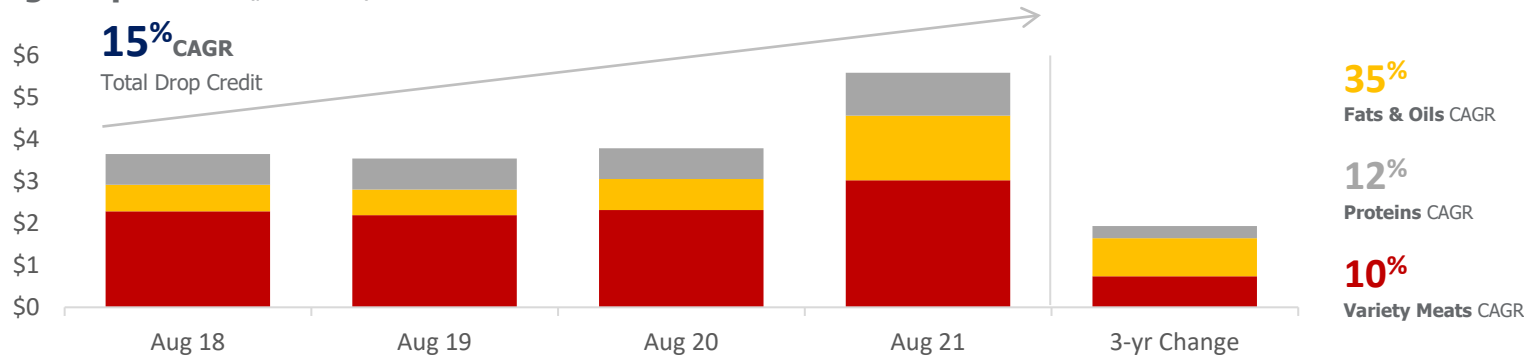
Specialty products will continue to be a significant revenue driver

Processing By-Products and Value

Cattle Drop Credit (per live cwt)



Hog Drop Credit (per live cwt)



JST Global Joint Venture

- Vertically integrated venture launched in 2020 and positioned to meet evolving global demands for fats and oils
- Responsibly processing fats and oils is a key part of our business and our commitment to sustainability
- Enables marketing of animal fats produced by Tyson Beef and Pork segments through JST Global teams
- Partnering on innovation and customized solutions in highly specialized markets such as renewable energy

Expected growth of Beef and Pork

1-2%

Organic Volume Growth Target

3-year CAGR
2021 Baseline Year

5-7%

Beef AOI Margin Target Range

FY2024

5-7%

Pork AOI Margin Target Range

FY2024

Investments

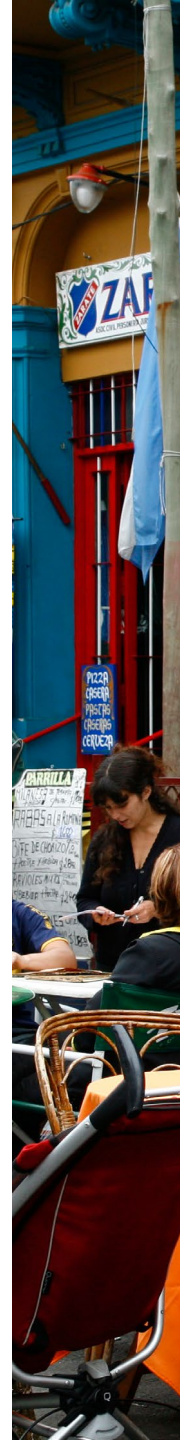
Case-ready expansions

Automation & technology initiatives

Team member wage and benefit initiatives

Innovation, product development, and premium branded programs

Footprint modernization

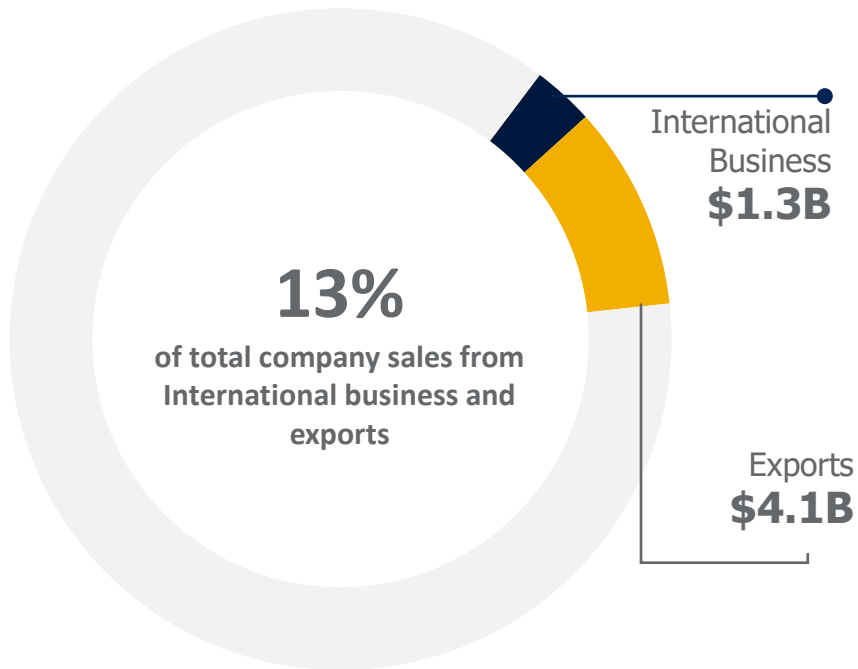


Chris Langholz
Group President,
International

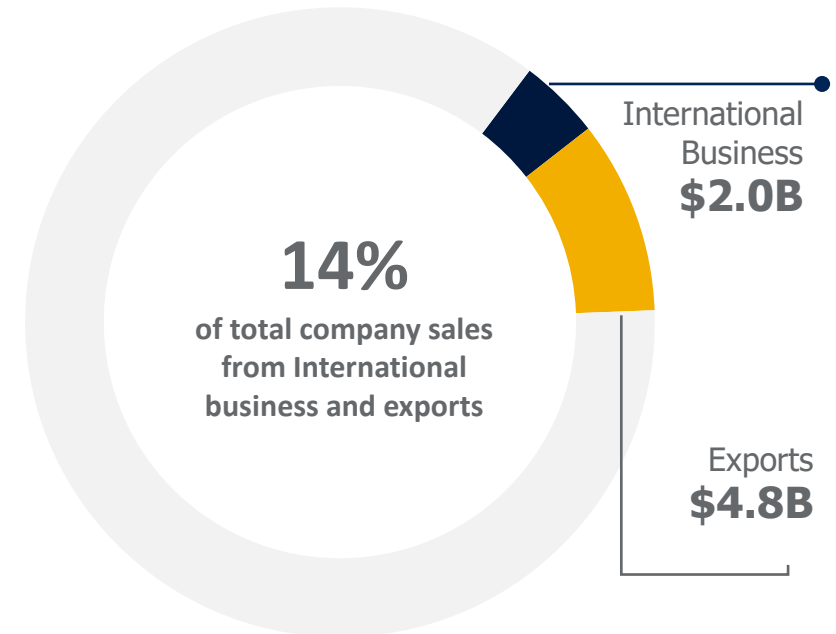
We have meaningful sales outside of the United States today

Serving global customers and consumers through local production and exports¹

**Contribution to
Total Company Sales**
FY2019



**Contribution to
Total Company Sales**
FY2021

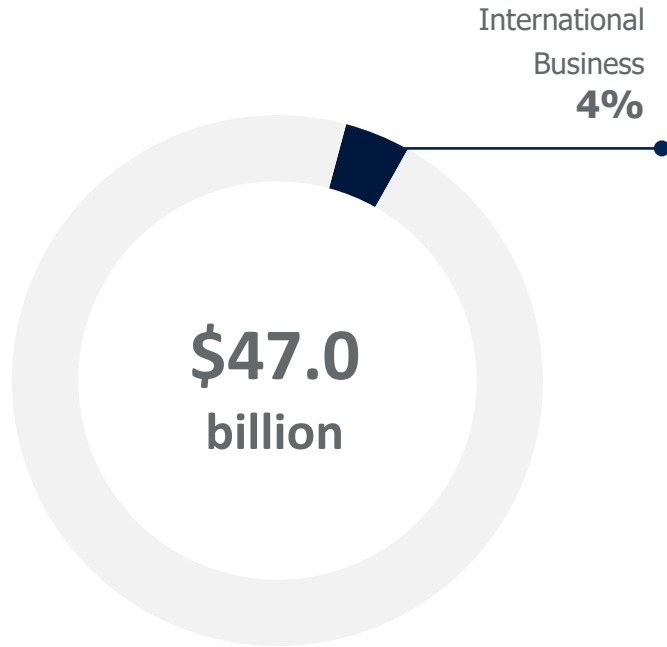


*See the appendix for supplemental schedules reconciling International business results to International/Other results as reported.

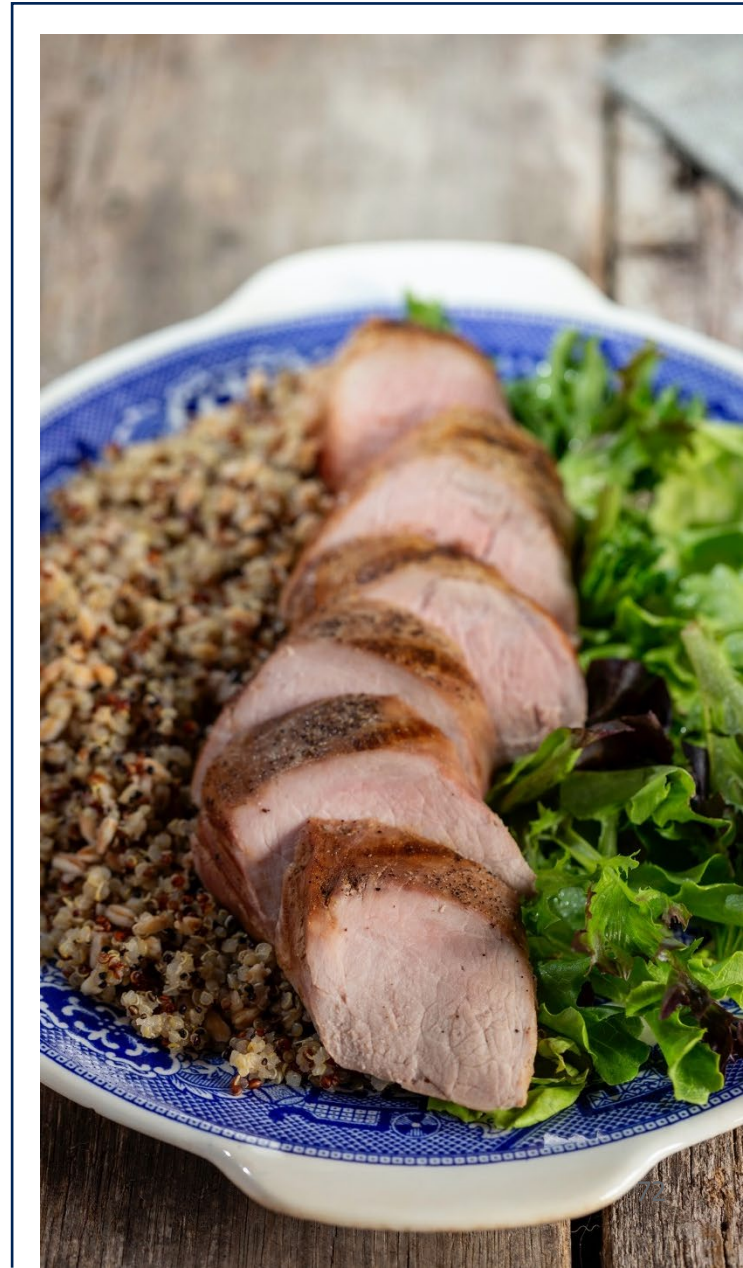
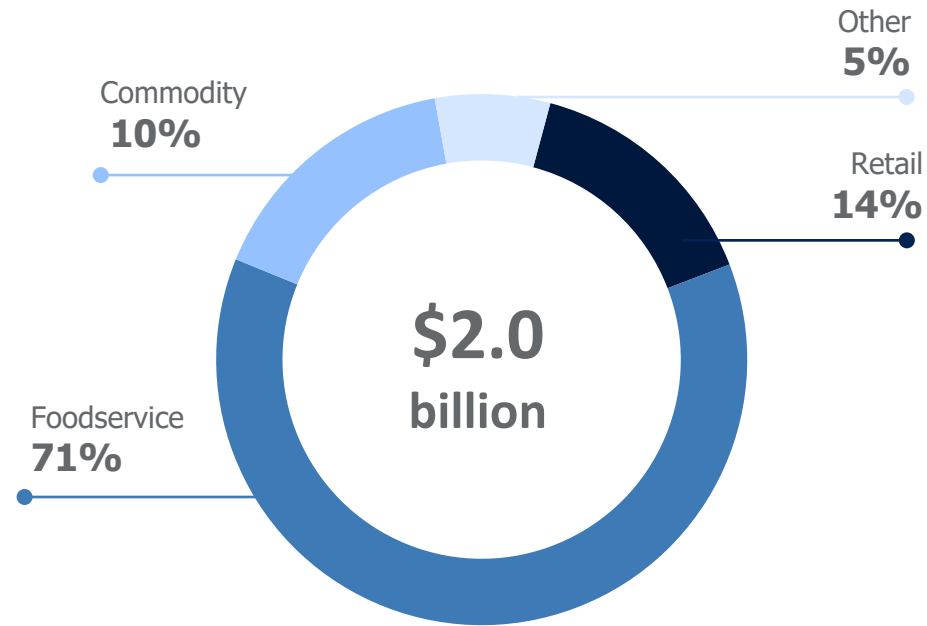
¹ Exports includes sales to International customers included in our four reportable segments

Our International Business has historically focused on serving global foodservice customers

Contribution to Total Company Sales FY2021



International Business Sales by Channel* FY2021



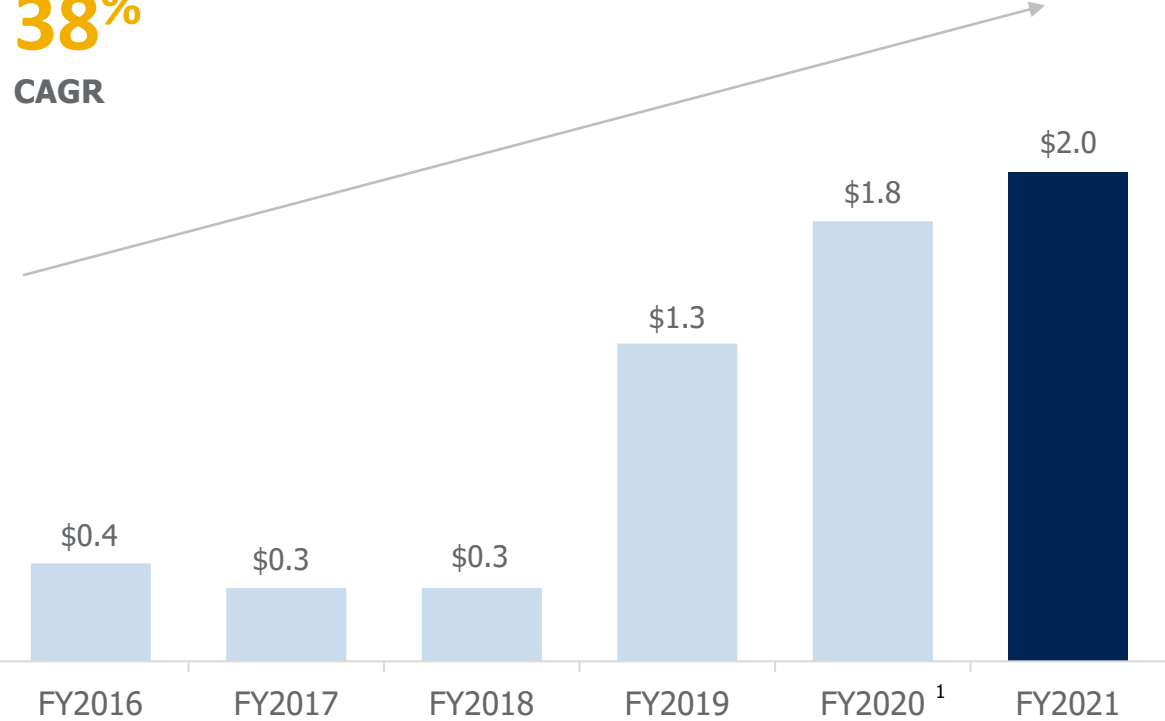
Significant opportunity exists to grow our International Business and diversify our sales mix in key countries

Sales and earnings momentum have built over the past three years despite disruptions due to the pandemic

Sales

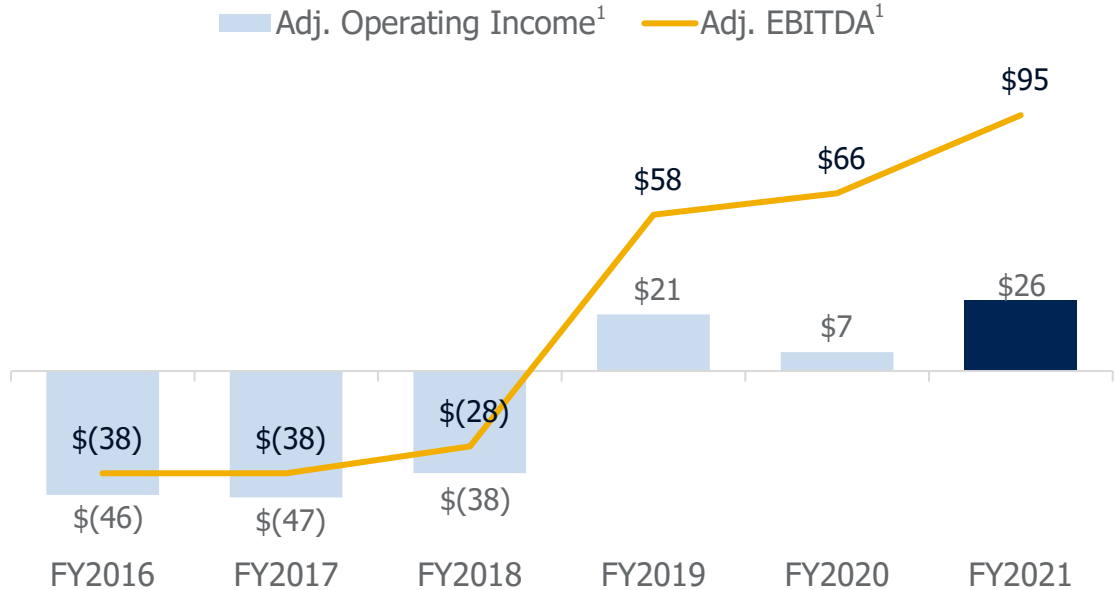
\$ in billions

38%
CAGR



Earnings

\$ in millions (non-GAAP)



¹ Represents a non-GAAP financial measure. Adjusted sales, adjusted EBITDA and adjusted operating income are explained and reconciled to comparable GAAP measures in the Appendix.

Profitably serving global demand growth in the International Business

- 1 Focused strategy with clear where-to-play choices
- 2 Capability building to create competitive advantage
- 3 Capacity expansion focused on value-added poultry



Focused strategy with clear where-to-play choices

Objectives

Investing in scale in select countries with high growth rates

Grow locally relevant value-added categories with a focus on poultry first

Prioritizing retail growth through targeted brand deployment

Actions

Focused on Asia where we see a path to being a leading protein player

Pursuing locally relevant raw and cooked poultry opportunities first followed by Processed Meats

Growing with the top local players in each market

Aggressively entering targeted markets with differentiated brands, particularly the Tyson brand

Prioritizing modern retail in every market as the next growth engine

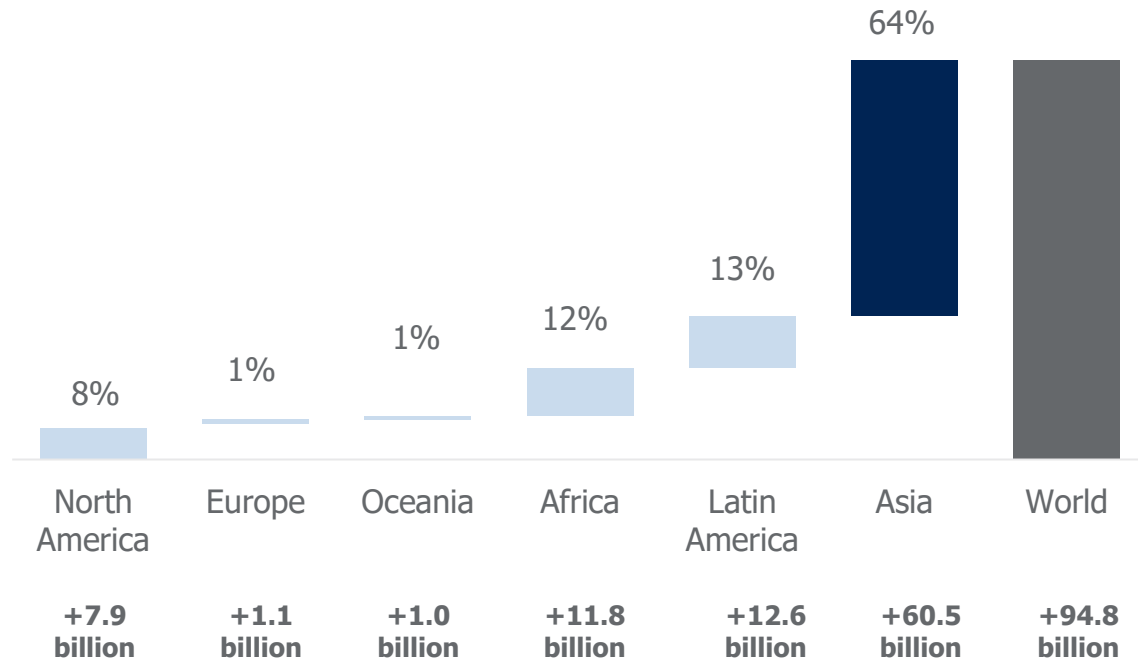
Continuing to partner with U.S. based global partners



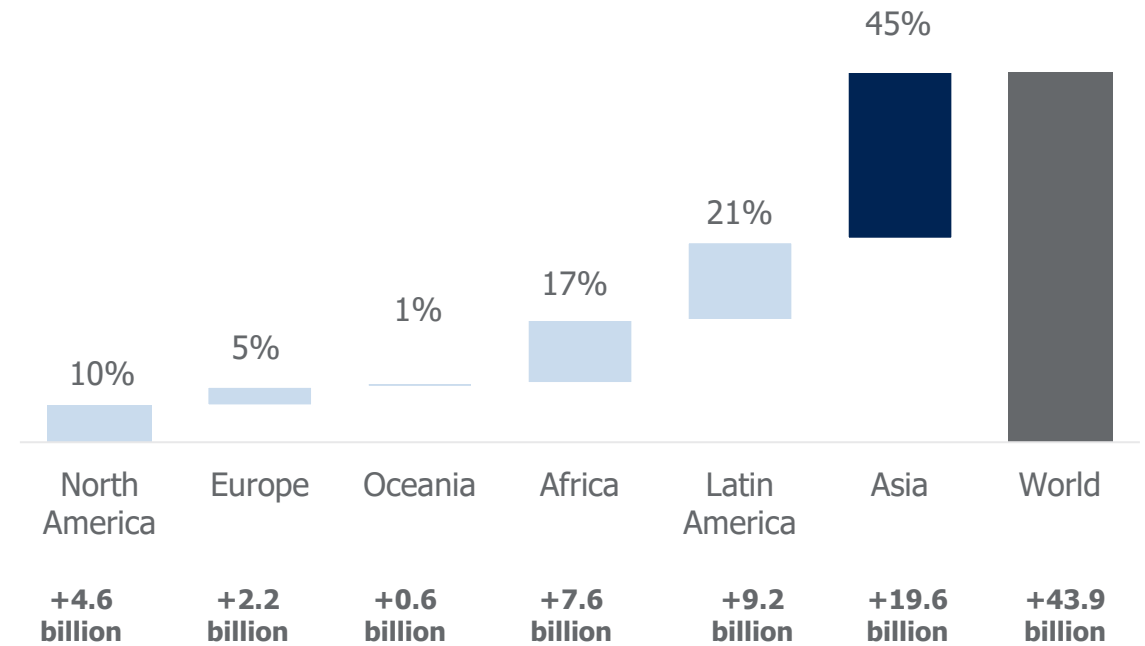
Building footprint to serve global protein demand growth

Enabling local capabilities and global supply chain to serve demand with a focus on Asia and poultry

Expected Share of Total Animal Protein Consumption Growth
(2020 – 2030)



Expected Share of Total Poultry Consumption Growth
(2020 – 2030)



Growing retail exposure through targeted brand deployment

Driving retail penetration and value-added mix improvement over the mid-term horizon

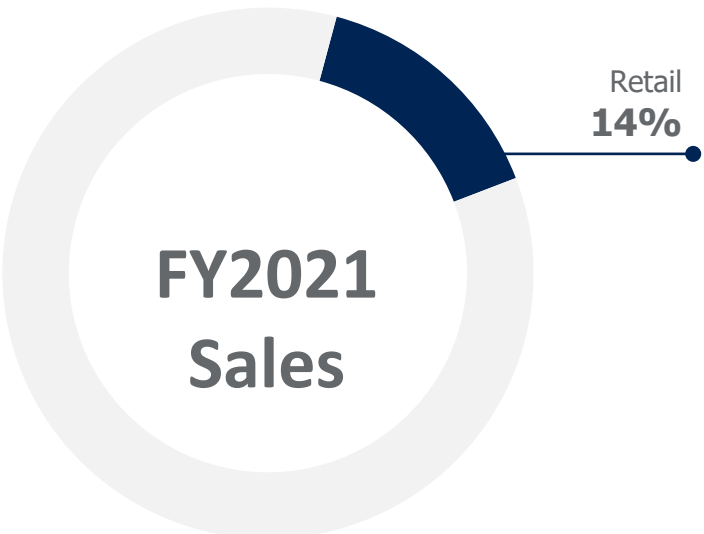
Globalizing our portfolio of “loved” brands

Tyson is the most recognized chicken brand in China

We are launching Tyson branded offerings across Asia

We are also revamping First Pride, one of our plant-based brands, and extending the launch across the region

Evaluating opportunities to globalize other iconic and established brands like Jimmy Dean



Capability building to create competitive advantage

Objectives

In-Market Capabilities

Consumer insights to innovation

Consumer go-to-market capabilities

Fresh poultry supply chain, especially for retail



OneTyson supply network

End-to-end M&A process

Centralized Capabilities

Actions

Conducted multiple focus groups to understand consumer preferences and trial barriers

Supplemented with category insights, trends and analytics

Developed channel strategies to win across channels

Appointment of distributor partners to help us build competitive advantage in “final mile”

Top-to-Top engagement to establish strategic partnerships

Close partnership with retailers to co-develop “solutions” instead of just “offering products”

Building end-to-end live and cold chain management

Robust demand planning processes to ensure supply chain agility and efficiency

Collaborate across Chicken, Beef, Pork, and Prepared Foods on innovation and reliable supply

Building data, analytics, automation, and digitization into all operations

Active management of M&A pipeline

Targets aligned with strategic objectives in priority geographies and channels

Rigorous process for post-deal tracking of financial performance

Making investments to further expand our value-added capacity

Investing to grow fully-cooked volume by 30%+ over the next 3 years

7

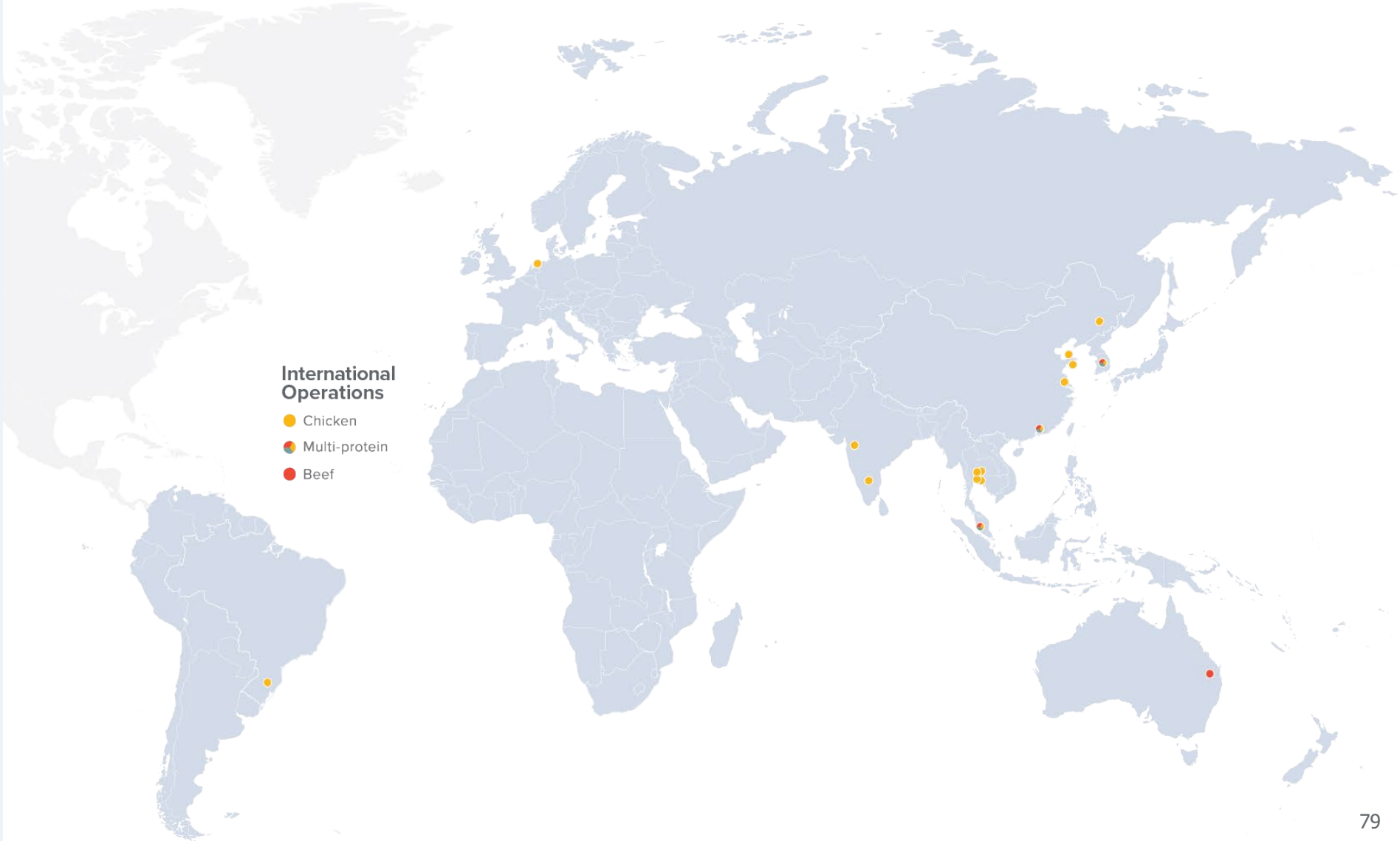
Fully-cooked capacity expansion projects over the next 3 years

Asia

- 6 fully-cooked plants

Europe

- 1 fully-cooked plant



Roadmap to profitably serving global demand

18-20%

Organic Volume
Growth Target

3-year CAGR
2021 Baseline Year

MSD%

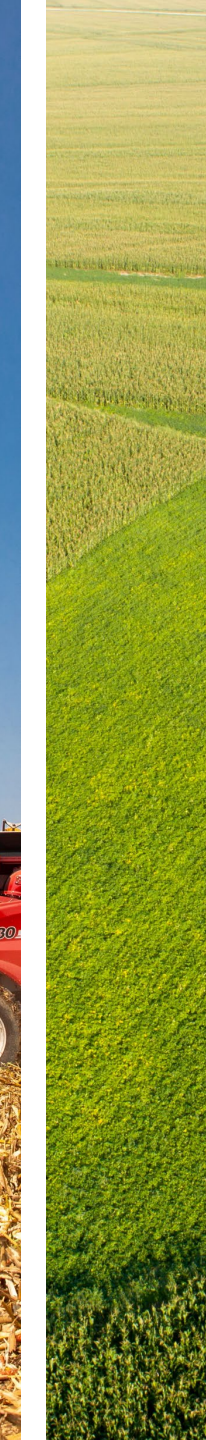
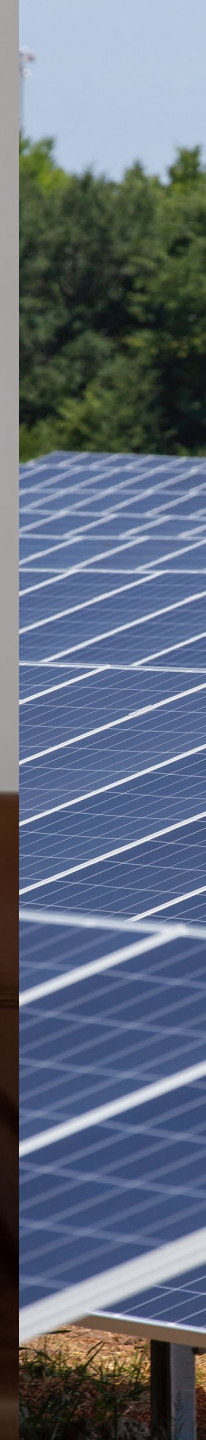
EBITDA
Margin Target

FY2024

Investments

- Capital investment to bring 7 new plants online to expand local further processed poultry capacity in key countries
- Targeted M&A to acquire assets and capabilities in key countries
- Invest in marketing and promotion spend to support brand penetration objectives





John R. Tyson
EVP, Strategy &
Chief Sustainability Officer

Strengthening our sustainability actions

Working towards goal of achieving net zero carbon emissions by 2050; 30% reduction by 2030 approved by the Science Based Targets initiative

First U.S. food company to verify sustainable cattle production practices at scale

Completed construction of Tyson Foods Center for Sustainable Broiler Research

Partnered with World Resources Institute to assess water risk and develop a water stewardship strategy

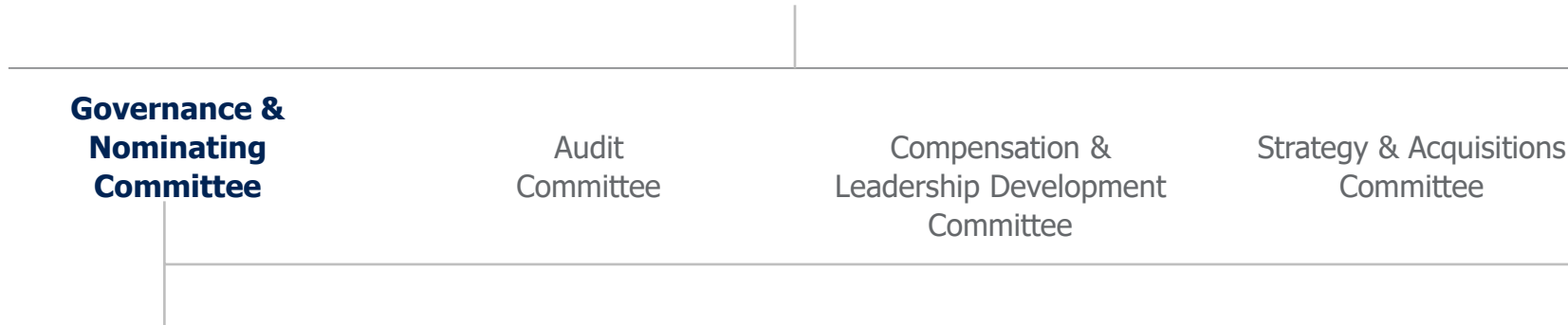
ESG oversight formally part of Governance & Nominating Committee charter

Announced Global Forest Protection Standard following deforestation risk assessment



Sustainability governance

Tyson Foods Board of Directors



Guided by our charter:

Advises the Board on matters relating to corporate responsibility and sustainability, including environmental, social and governance matters affecting the Company

Sets goals for Tyson's key ESG programs

Oversees and reviews, at least annually, the Company's integration of ESG principles into its business strategy and decision making

Ensures ESG strategy is embedded in segment and enterprise strategy and decision making

Officer-level compensation outcomes tied to certain ESG scorecard metrics

Executive Oversight



Donnie King
President & CEO



John R. Tyson
EVP, Strategy & Chief Sustainability Officer



Stewart Glendinning
EVP & CFO



Amy Tu
EVP & Chief Legal Officer & Secretary, Global Governance & Corporate Affairs

Building an equitable and resilient food system

Business priorities aligned with sustainability strategy

Empowering People

Transparent people-first business that values inclusion and equal opportunity, investing in communities, fighting hunger, and empowering our team

1

Conserving Natural Resources

Conserving water, reducing GHG emissions, eliminating manufacturing and food waste, and designing and using packaging that is reusable, recyclable, or compostable

2

Innovating Smart, Responsible Agriculture

Cultivating a food system that prioritizes agriculture in our global supply chain through land stewardship, animal welfare, education, transparency, and traceability

3

Empowering people, customers, and communities

Objectives

Team member health, safety and wellbeing

Equity, inclusion and diversity

Workforce engagement

Community outreach

Hunger relief and food access

Actions

Reduced OSHA recordables by 17% year-over-year

Increased team member retention rate by 1%

Appointed a Chief Medical Officer and Chief Diversity Officer

Donated 30+ million pounds of food, totaling 124 million meals

Mandated vaccination for all U.S. team members

Recognized on Religious Equity, Diversity & Inclusion Index

Signed the NWA Leadership Pledge for diversity and inclusion



Conserving natural resources and protecting our planet

Working towards goal of achieving net zero CO2 emissions by 2050

Our Priorities

Water conservation

Greenhouse gas reduction

Waste reduction

Sustainable packaging

Actions & Initiatives

30% GHG reduction target by 2030 approved by the Science Based Targets initiative

Achieved a 7.7% reduction in water use, against a 2015 baseline year

First U.S. food company to verify sustainable cattle production practices at scale

Announced Global Forest Protection Standard following deforestation risk assessment



Innovating for smart, responsible agriculture

Our Priorities

Animal welfare innovation

Land stewardship

Forest protection

Supply chain resiliency

Agriculture education and development

Actions & Initiatives

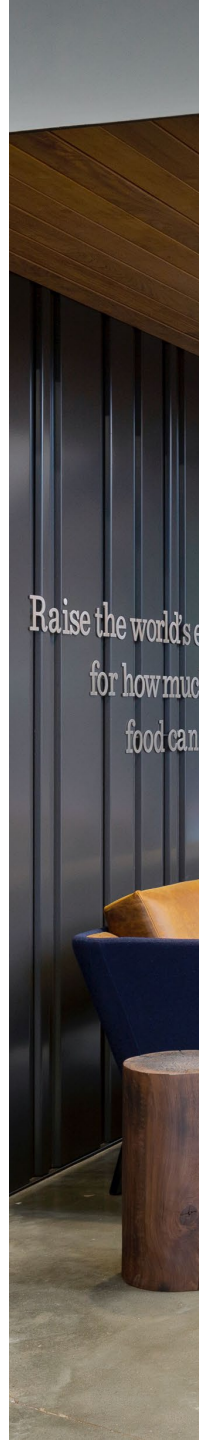
Completed construction of Tyson Foods Center for Sustainable Broiler Research

Announced Global Forest Protection Standard following deforestation risk assessment



Collaborating with a broad range of stakeholders to sustainably feed the world





Stewart Glendinning
EVP & Chief Financial Officer

We are committed to delivering shareholder value



- 1 Tyson has a track record of **driving sales and volume growth**
- 2 Compelling path forward to deliver **future earnings growth**
- 3 A strong balance sheet that **provides optionality**
- 4 **Mid-term financial targets reflect our confidence** in our earnings growth expectations
- 5 **Capital will be deployed wisely** in support of strategic objectives

Total company sales and volume have grown over time

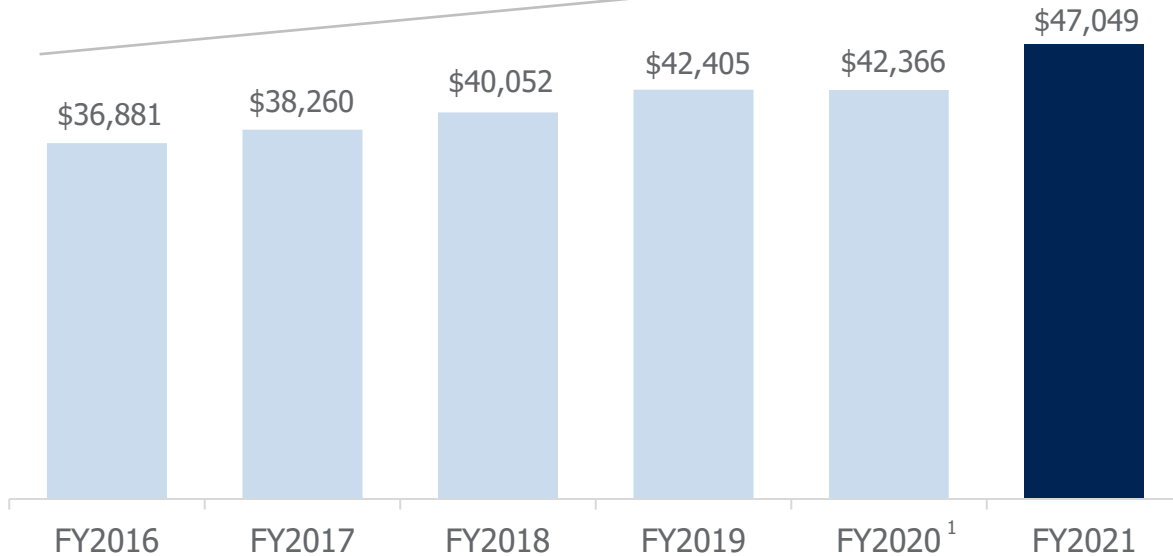
Pandemic-related labor challenges impacted recent volume performance

Sales

\$ in millions

5%

CAGR

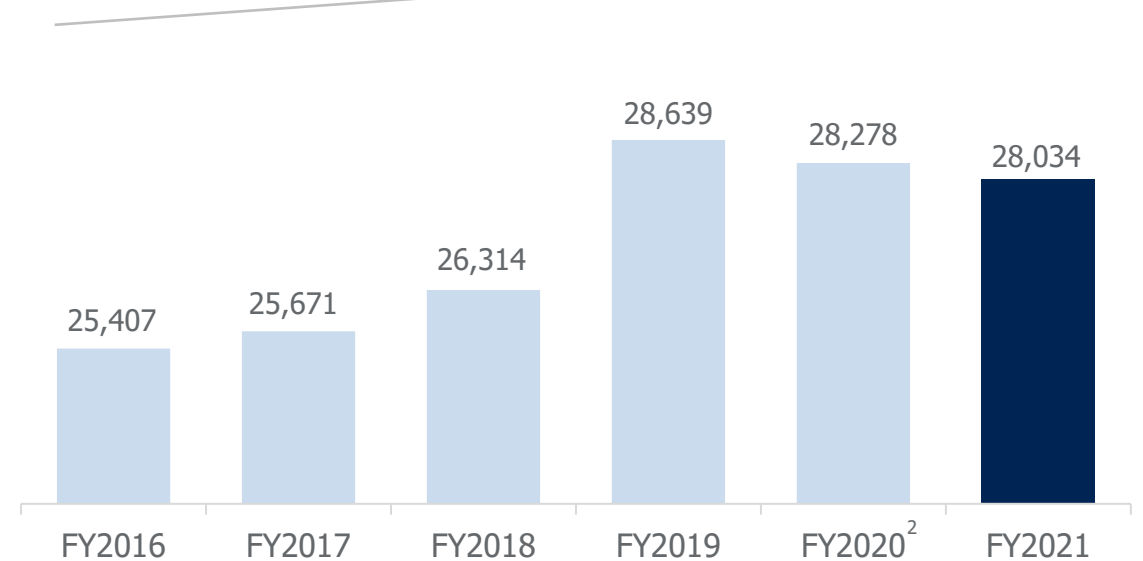


Volume

Million pounds

2%

CAGR



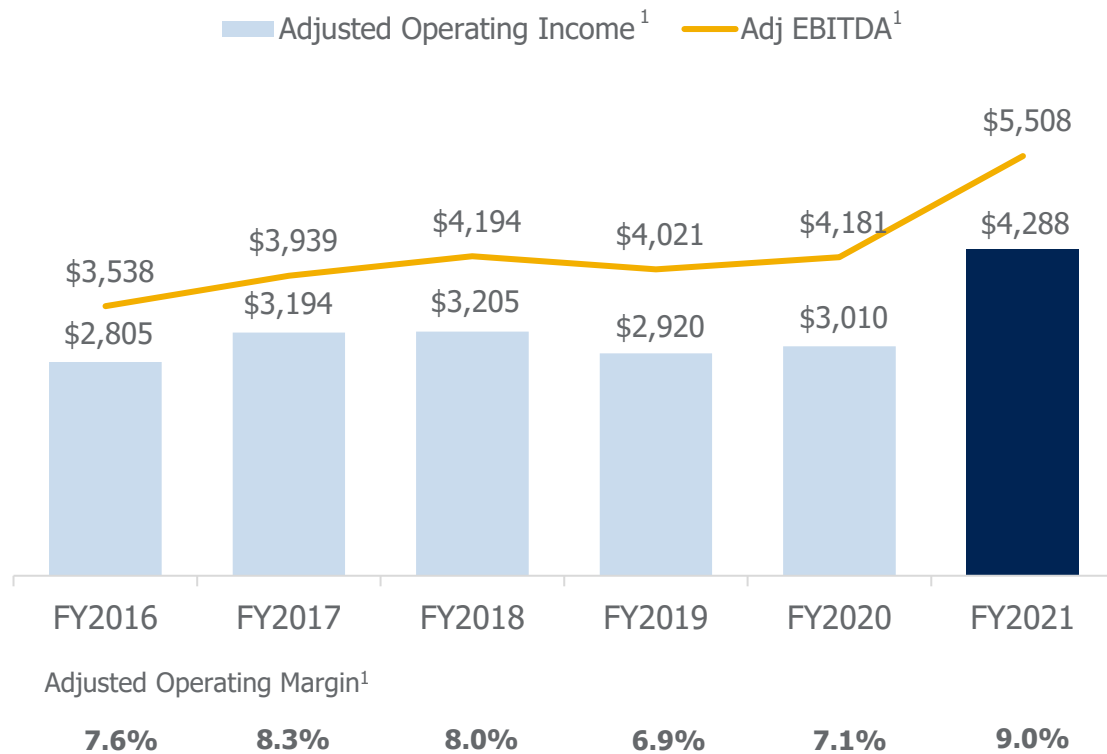
¹ Represents a non-GAAP financial measure. Adjusted sales for fiscal year 2020 is explained and reconciled to comparable GAAP measures in the Appendix.

² Volume for fiscal year 2020 has been adjusted to remove the impact of the additional week. The estimated impact of the additional week in the twelve months of fiscal 2020 was calculated by dividing the fourth quarter's sales volume by 14 weeks.

Earnings and operating cash flows have also remained strong

Earnings

\$ in millions

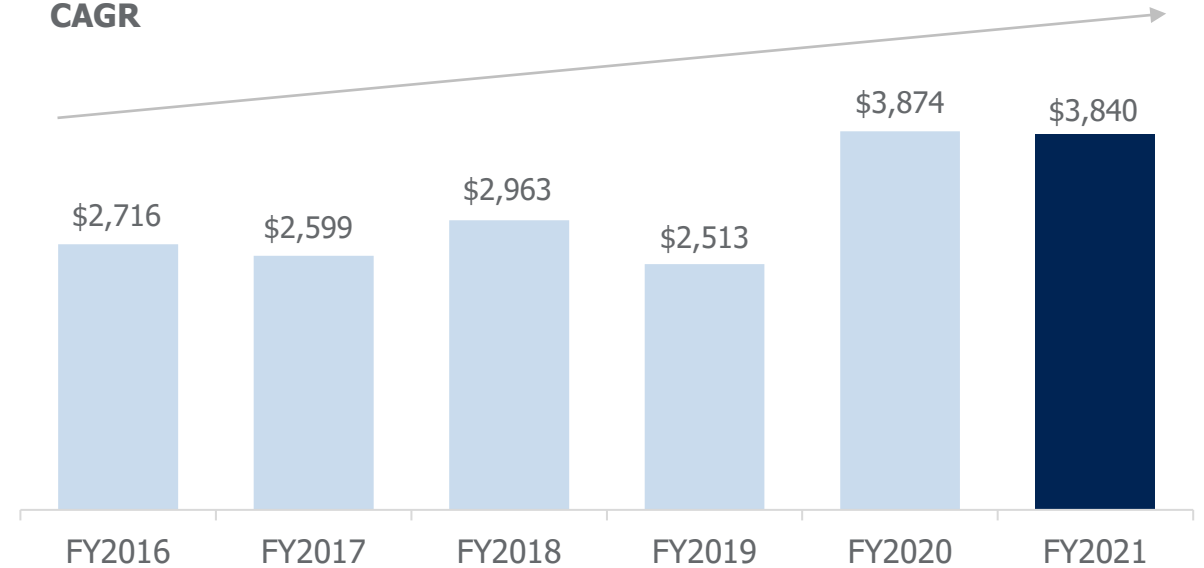


Operating Cash Flow

\$ in millions

7%

CAGR



¹ Represents a non-GAAP financial measure. Adjusted EBITDA, adjusted operating income and adjusted operating margin are explained and reconciled to comparable GAAP measures in the Appendix.

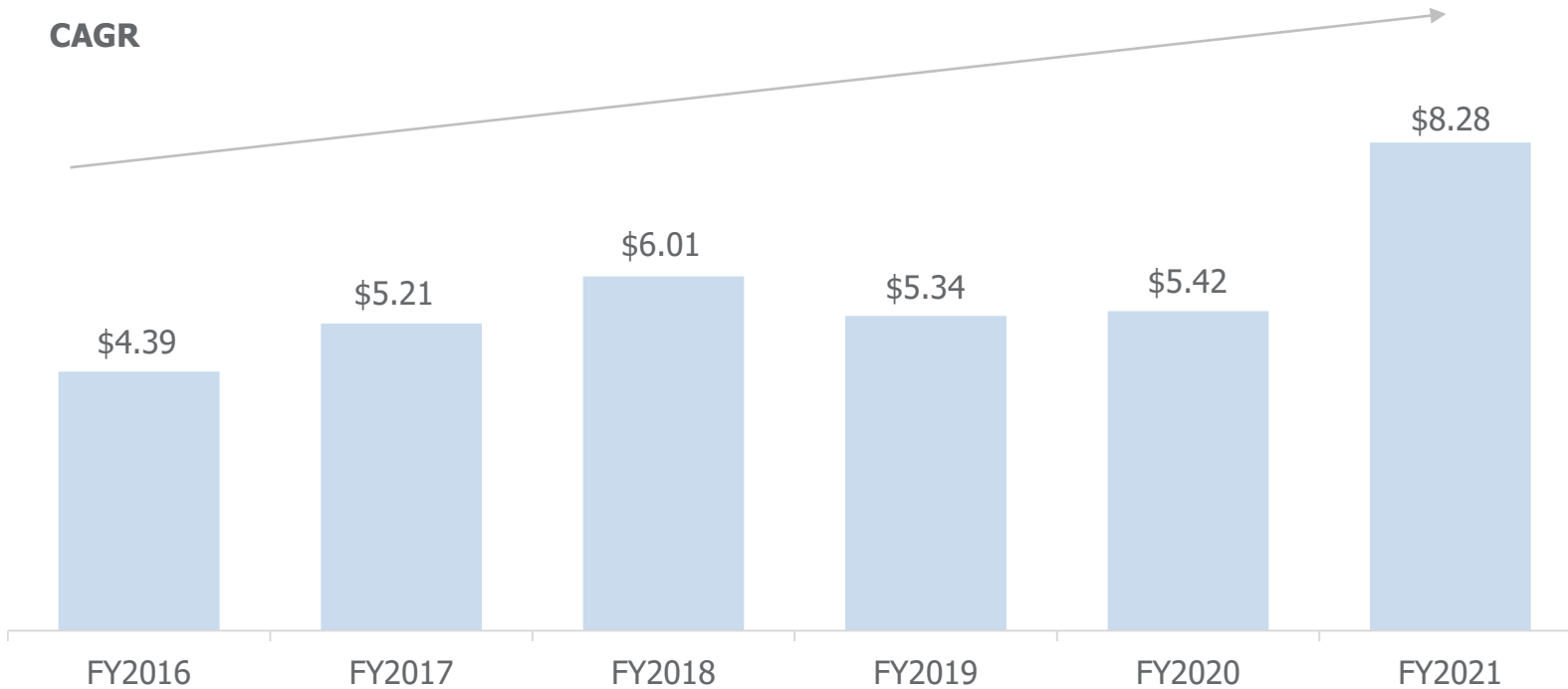
Strong earnings per share profile positions us for future growth

Adj. Earnings per share¹

\$ per share

14%

CAGR



Ingredients for earnings per share growth

- 1 Grow volume faster than the market
- 2 Improve operating margins
- 3 Drive enhanced returns



¹ Represents a non-GAAP financial measure. Adjusted earnings per share is explained and reconciled to comparable GAAP measures in the Appendix.

Tyson has the right ingredients for future earnings growth

Key priorities to unlock long-term shareholder value

1

Grow volume above the market

Continue strong brand growth and innovation

Provide superior service to customers

Build capacity to meet market demands, increase utilization

Expand in growing global markets

2

Improve Operating Margins

Efficiency programs driving down cost

Increase plant utilization

Price for inflation

Target double digit capex returns

3

Drive enhanced returns

Leverage brand and product portfolio for combined consistency of returns

Capitalize on our scale and capabilities

Use our strong balance sheet and cash generation to enhance growth



Each segment has a compelling financial path forward

Prepared Foods



10-12%

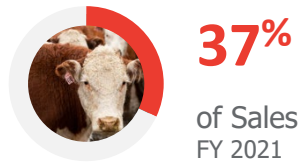
AOI Margin Target
FY2024 Range

Profitable growth

Strengthen our core | Expand into new spaces | Create fuel and flexibility

4 – 5% 3-year Volume
CAGR Target

Beef



5-7%

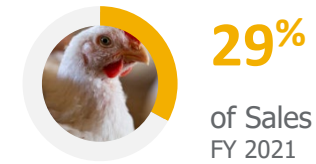
AOI Margin Target
FY2024 Range

Outperform through the cycle

Procurement excellence | Expanded case ready network | Export growth

1 – 2% 3-year Volume
CAGR Target

Chicken



7-9%

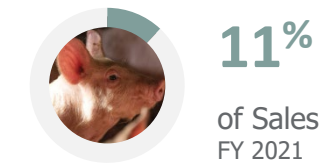
AOI Margin Target
FY2024 Range

Restore competitiveness

Go-to-supplier | Improved operational performance | Automation | Value-added volume

4 – 5% 3-year Volume
CAGR Target

Pork



5-7%

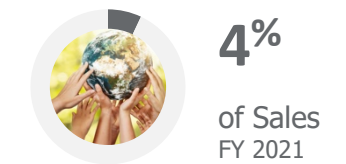
AOI Margin Target
FY2024 Range

Improve margins as headwinds continue

Procurement excellence | Specialty products growth | Expanded case ready network | Export growth

1 – 2% 3-year Volume
CAGR Target

International/ Other



MSD%

EBITDA Margin
FY2024 Range

Profitable growth

Clear where-to-play choices | Go-to-market capability building | Global supply chain | Value-added capacity expansion

18 – 20% 3-year Volume
CAGR Target

Our mid-term financial targets

Committed to outperforming the market, improving earnings, and driving stable return on invested capital

	FY 2019	FY 2021	Target
1 Grow volumes faster than annual protein consumption growth every year	28.6 billion pounds	28.0 billion pounds	+2% CAGR 2019 Baseline Year
2 Improve total company adjusted earnings per share ¹	\$5.34	\$8.28	+HSD% CAGR 2019 Baseline Year
3 Sustain operating cash flows	\$2.5B	\$3.8B	~\$4.0B
4 Deliver targeted adjusted return on invested capital (Adjusted ROIC) ¹	10.2%	13.0%	~12%

¹ Represents a non-GAAP financial measure. Adjusted earnings per share and adjusted return on invested capital are explained and reconciled to comparable GAAP measures in the Appendix.

Our capital allocation priorities are clear

We are focused on driving returns while maintaining financial strength

Objectives

Build financial strength

Invest in the business

Return cash to shareholders

Actions

Maintain a robust balance sheet by reducing debt, managing working capital and by optimizing the business portfolio

Invest in new business initiatives, support capital expenditures to maintain and grow the business, pursue attractive M&A

Manage dilution, dividend cash to shareholders and buyback stock

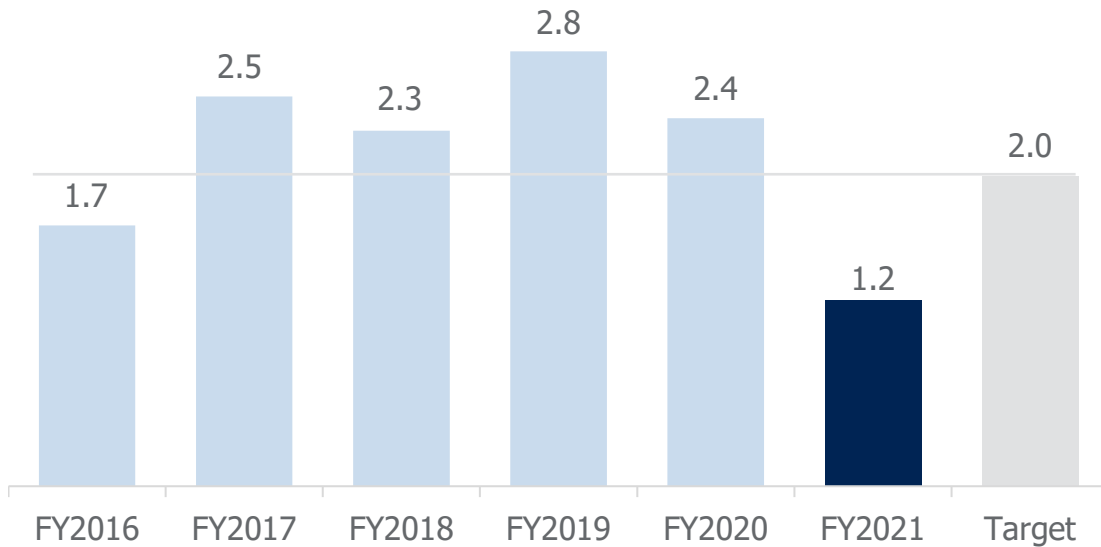


Deleveraging actions have significantly improved our debt ratio

Healthy balance sheet provides optionality for investing in growth and returning cash to shareholders

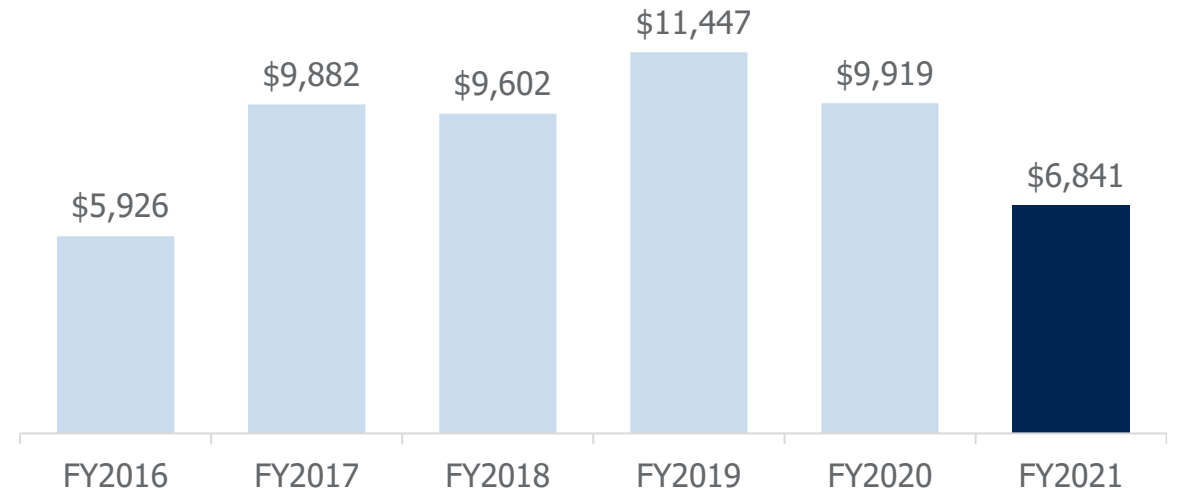
Net Debt¹/Adj. EBITDA¹

Ratio



Net Debt¹

\$ in millions

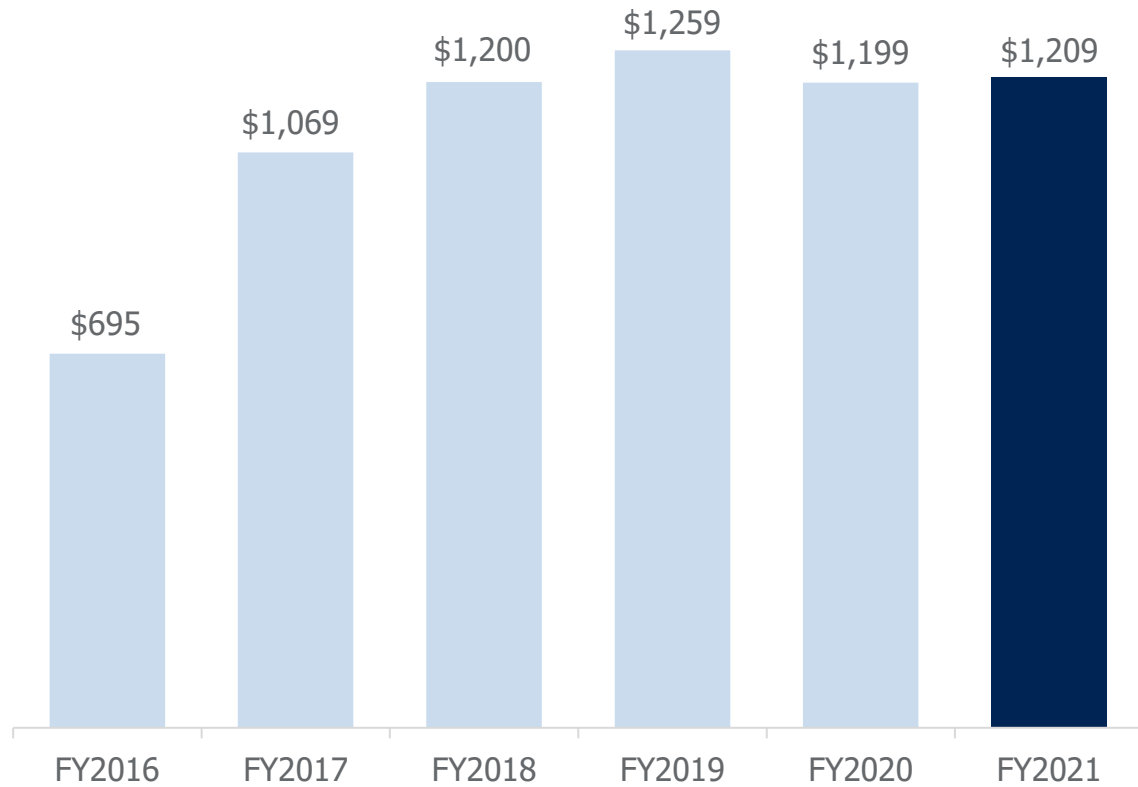


¹ Represents a non-GAAP financial measure. Adjusted EBITDA and Net Debt are explained and reconciled to comparable GAAP measures in the Appendix.

Prioritizing capital investments for growth and productivity initiatives

Capital Expenditures

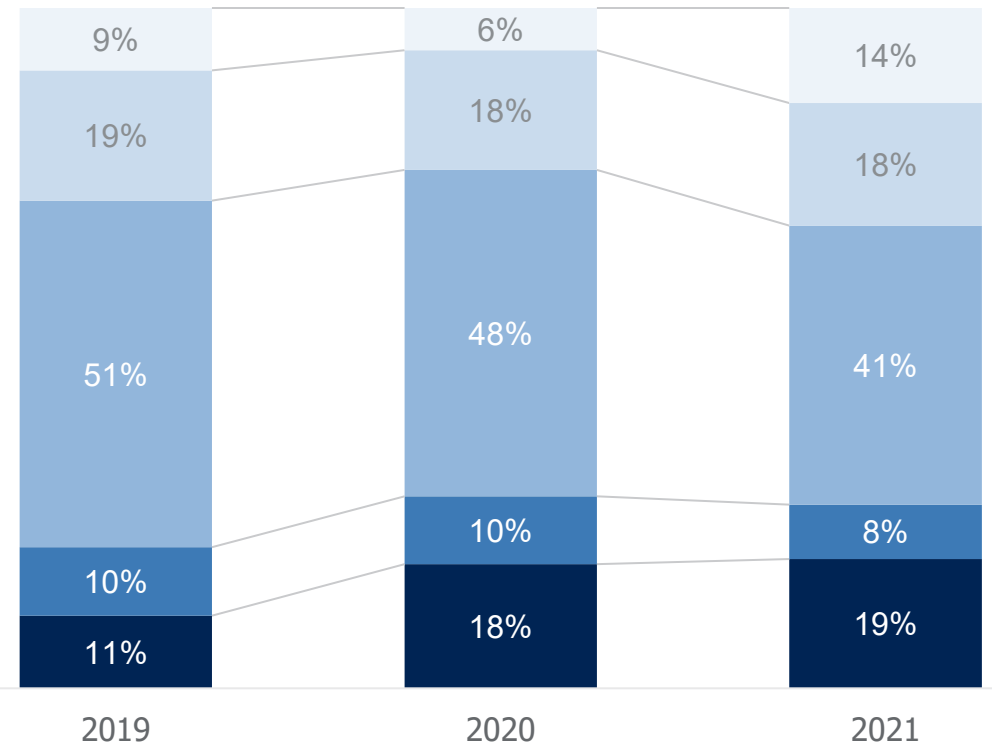
\$ Millions



Capital Expenditures

% by Segment

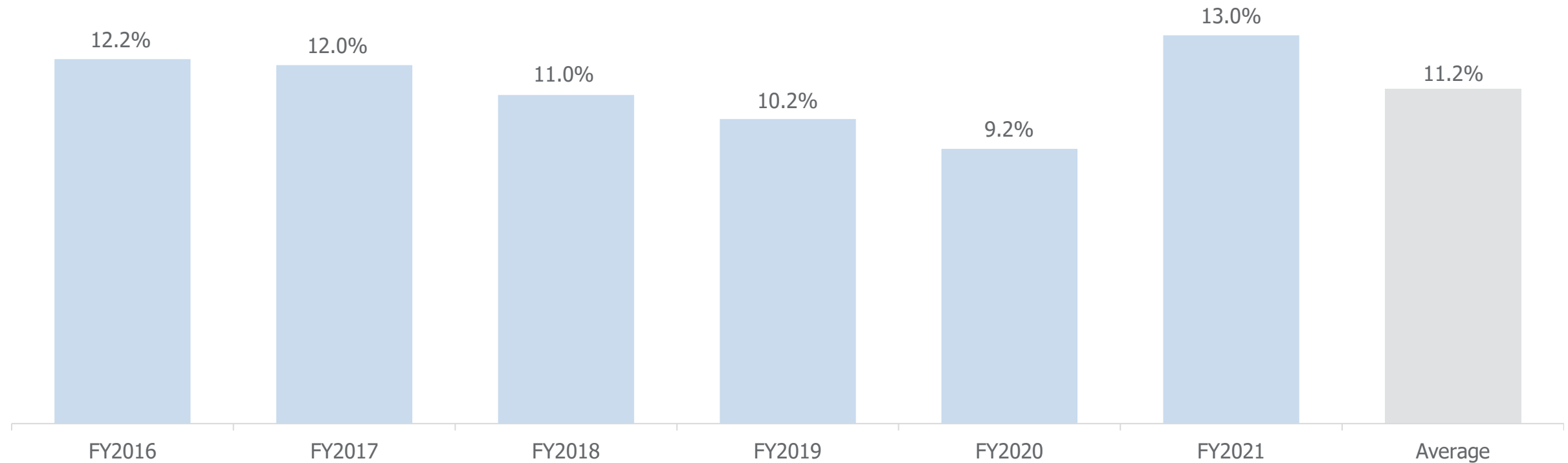
■ Beef ■ Pork ■ Chicken ■ Prepared Foods ■ International/Other



Increasing transparency and focus on improving the return on our investments

Adj. Return on Invested Capital¹

Percent



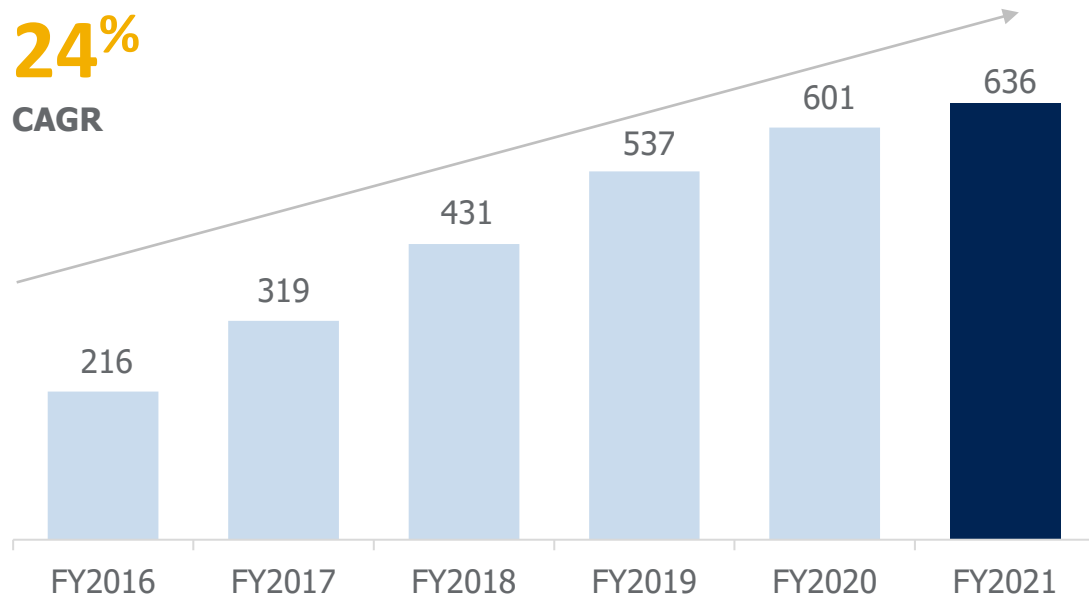
Solid balance sheet and free cash flow generation have supported dividend growth while share repurchase has been opportunistic

Dividends

dollars

24%

CAGR

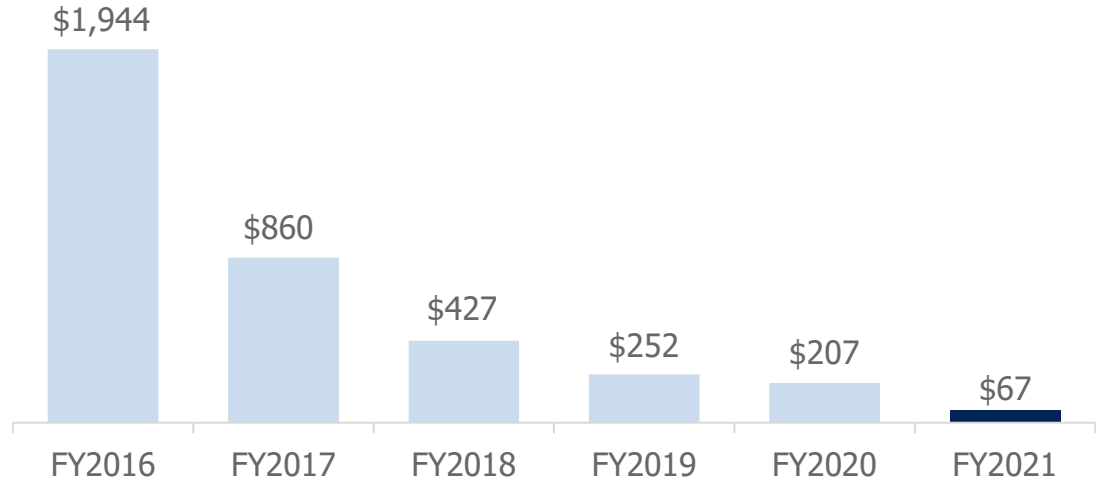


Dividend Yield

0.8% **1.3%** **2.0%** **1.8%** **2.8%** **2.3%**

Share Repurchase/(Issuance)

dollars



Cash usage parameters

Healthy Balance Sheet

Maintain leverage ratio of 2x or better

Proceeds from divestitures to support debt repayment

Fund Organic Growth

~\$4-6 billion in capital expenditures planned over the next 3 years

Fund projects at or above target ROIC

Portfolio Improvement

Strengthen portfolio through selective M&A opportunities while maintaining price discipline

Focus portfolio through continued divestment

Dividend

Solid balance sheet and free cash flow generation support dividend growth

Share Repurchase

Share buybacks will be made to offset dilution along with opportunistic purchases



Delivering long-term shareholder value



Appendix



Operating Income (Loss) & Operating Margin Reconciliations

Fiscal Year Ended October 2, 2021

(\$ in millions)

(unaudited)

	Beef	Pork	Chicken	Prepared Foods	International/Other	Intersegment Sales	Total
Reported Sales	\$ 17,999	\$ 6,277	\$ 13,733	\$ 8,853	\$ 1,990	\$ (1,803)	\$ 47,049
Reported operating income (loss)	\$ 3,240	\$ 328	\$ (625)	\$ 1,456	\$ (3)	\$ n/a	\$ 4,396
Add: Legal contingency accruals (a)	-	-	626	-	-	n/a	626
Add: Production facilities fire costs, net of insurance proceeds (b)	-	-	23	-	-	n/a	23
Add: China plant relocation charge (c)	-	-	-	-	27	n/a	27
Less: Gain on sale of business	-	-	-	(784)	-	n/a	(784)
Adjusted operating income	\$ 3,240	\$ 328	\$ 24	\$ 672	\$ 24	\$ n/a	\$ 4,288
Reported operating margin %	18.0%	5.2%	(4.6)%	16.4%	n/a	n/a	9.3%
Adjusted operating margin % (d)	18.0%	5.2%	0.2%	7.6%	n/a	n/a	9.0%

(a) Legal Contingency accruals included \$545 million recognized as a reduction of Sales and \$81 million recognized as an increase of Cost of Sales.

(b) Relates to fires at production facilities in Chicken in the fourth quarter of fiscal 2021. Amount includes direct incremental costs, net of insurance proceeds, of \$23 million net expense recognized in Cost of Sales.

(c) Relates to a plant relocation from a government land expropriation and includes accelerated depreciation and team member related charges recognized as an increase of Cost of Sales.

(d) Adjusted Operating Margin for the Chicken Segment and Total Company excludes \$545 million for the twelve months ended October 2, 2021 of legal contingency accruals recognized as a reduction to Sales.

Adjusted operating income and adjusted operating margin are presented as supplementary measures of our operating performance that are not required by, or presented in accordance with, GAAP. We use adjusted operating income and adjusted operating margin as internal performance measurements and as criteria for evaluating our performance relative to that of our peers. We believe adjusted operating income and adjusted operating margin are meaningful to our investors to enhance their understanding of our operating performance and are frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report adjusted operating income and adjusted operating margin. Further, we believe that adjusted operating income and adjusted operating margin are useful measures because they improve comparability of results of operations from period to period. Adjusted operating income and adjusted operating margin should not be considered as substitutes for operating income (loss), operating margin or any other measure of operating performance reported in accordance with GAAP. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions. Our calculation of adjusted operating income and adjusted operating margin may not be comparable to similarly titled measures reported by other companies.

Sales, Operating Income (Loss) & Operating Margin Reconciliations

Fiscal Year Ended October 3, 2020

(\$ in millions)

(unaudited)

	Beef	Pork	Chicken	Prepared Foods	International/Other	Intersegment Sales	Total
Reported Sales	\$ 15,742	\$ 5,128	\$ 13,234	\$ 8,532	\$ 1,856	\$ (1,307)	\$ 43,185
Less: Impact of additional week (a)	(306)	(98)	(245)	(163)	(35)	28	(819)
Adjusted Sales	\$ 15,436	\$ 5,030	\$ 12,989	\$ 8,369	\$ 1,821	\$ (1,279)	\$ 42,366
Reported operating income (loss)	\$ 1,580	\$ 565	\$ 122	\$ 743	\$ (2)	\$ n/a	\$ 3,008
Add: Restructuring and related charges	9	3	33	27	3	n/a	75
Add: Production facility fire costs, net of insurance proceeds	1	-	-	-	-	n/a	1
Add/(Less): Impact of additional week	(37)	(13)	(7)	(18)	1	n/a	(74)
Adjusted operating income	\$ 1,553	\$ 555	\$ 148	\$ 752	\$ 2	\$ n/a	\$ 3,010
Reported operating margin %	10.0%	11.0%	0.9%	8.7%	n/a	n/a	7.0%
Adjusted operating margin %	10.1%	11.0%	1.1%	9.0%	n/a	n/a	7.1%

(a) The estimated impact of the additional week in fiscal 2020 was calculated by dividing the fourth quarter's sales by 14 weeks.

Adjusted sales (due to the impact of the additional week in fiscal 2020), adjusted operating income and adjusted operating margin are presented as supplementary measures of our operating performance that are not required by, or presented in accordance with, GAAP. We use adjusted sales, adjusted operating income and adjusted operating margin as internal performance measurements and as criteria for evaluating our performance relative to that of our peers. We believe adjusted sales, adjusted operating income and adjusted operating margin are meaningful to our investors to enhance their understanding of our operating performance and are frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report adjusted sales, adjusted operating income and adjusted operating margin. Further, we believe that adjusted sales, adjusted operating income and adjusted operating margin are useful measures because they improve comparability of results of operations from period to period (including comparability when a fiscal year results in a 53-week accounting cycle). Adjusted sales, adjusted operating income and adjusted operating margin should not be considered as substitutes for sales, operating income (loss), operating margin or any other measure of operating performance reported in accordance with GAAP. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions. Our calculation of adjusted sales, adjusted operating income and adjusted operating margin may not be comparable to similarly titled measures reported by other companies.

Operating Income (Loss) & Operating Margin Reconciliations

Fiscal Year Ended September 28, 2019

(\$ in millions)

(unaudited)

	Beef	Pork	Chicken	Prepared Foods	International/Other	Intersegment Sales	Total
Reported Sales	\$ 15,828	\$ 4,932	\$ 13,300	\$ 8,418	\$ 1,289	\$ (1,362)	\$ 42,405
Reported operating income (loss)	\$ 1,050	\$ 263	\$ 621	\$ 843	\$ (7)	\$ n/a	\$ 2,770
Add: Restructuring and related charges	1	1	21	18	-	n/a	41
Add: Keystone purchase accounting and acquisition related costs (a)	-	-	13	-	24	n/a	37
Add: Production facility fire costs	31	-	-	-	-	n/a	31
Add: Impairment associated with the planned divestiture of a business	-	-	-	41	-	n/a	41
Adjusted operating income	\$ 1,082	\$ 264	\$ 655	\$ 902	\$ 17	\$ n/a	\$ 2,920
Reported operating margin %	6.6%	5.3%	4.7%	10.0%	n/a	n/a	6.5%
Adjusted operating margin %	6.8%	5.4%	4.9%	10.7%	n/a	n/a	6.9%

(a) Keystone acquisition and integration costs included \$11 million of purchase accounting adjustments and \$26 million acquisition related costs.

Adjusted operating income and adjusted operating margin are presented as supplementary measures of our operating performance that are not required by, or presented in accordance with, GAAP. We use adjusted operating income and adjusted operating margin as internal performance measurements and as criteria for evaluating our performance relative to that of our peers. We believe adjusted operating income and adjusted operating margin are meaningful to our investors to enhance their understanding of our operating performance and are frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report adjusted operating income and adjusted operating margin. Further, we believe that adjusted operating income and adjusted operating margin are useful measures because they improve comparability of results of operations from period to period. Adjusted operating income and adjusted operating margin should not be considered as substitutes for operating income (loss), operating margin or any other measure of operating performance reported in accordance with GAAP. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions. Our calculation of adjusted operating income and adjusted operating margin may not be comparable to similarly titled measures reported by other companies.

Operating Income (Loss) & Operating Margin Reconciliations

Fiscal Year Ended September 29, 2018

(\$ in millions)

(unaudited)

	Beef	Pork	Chicken	Prepared Foods	International/Other	Intersegment Sales	Total
Reported Sales	\$ 15,473	\$ 4,879	\$ 12,044	\$ 8,668	\$ 305	\$ (1,317)	\$ 40,052
Reported operating income (loss)	\$ 950	\$ 361	\$ 866	\$ 845	\$ (53)	\$ n/a	\$ 2,969
Add: One-time cash bonus to frontline employees	27	12	51	19	-	n/a	109
Add: Restructuring and related charges	4	1	30	24	-	n/a	59
Add: Impairments net of realized gain associated with the divestiture of non-protein businesses (a)	-	-	-	68	-	n/a	68
Adjusted operating income (loss)	\$ 981	\$ 374	\$ 947	\$ 956	\$ (53)	\$ n/a	\$ 3,205
Reported operating margin %	6.1%	7.4%	7.2%	9.7%	n/a	n/a	7.4%
Adjusted operating margin %	6.3%	7.7%	7.9%	11.0%	n/a	n/a	8.0%

(a) Included \$101 million of impairments net of \$33 million realized gains associated with the divestitures of non-protein businesses.

Adjusted operating income (loss) and adjusted operating margin are presented as supplementary measures of our operating performance that are not required by, or presented in accordance with, GAAP. We use adjusted operating income (loss) and adjusted operating margin as internal performance measurements and as criteria for evaluating our performance relative to that of our peers. We believe adjusted operating income (loss) and adjusted operating margin are meaningful to our investors to enhance their understanding of our operating performance and are frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report adjusted operating income (loss) and adjusted operating margin. Further, we believe that adjusted operating income (loss) and adjusted operating margin are useful measures because they improve comparability of results of operations from period to period. Adjusted operating income (loss) and adjusted operating margin should not be considered as substitutes for operating income (loss), operating margin or any other measure of operating performance reported in accordance with GAAP. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions. Our calculation of adjusted operating income (loss) and adjusted operating margin may not be comparable to similarly titled measures reported by other companies.

Operating Income (Loss) & Operating Margin Reconciliations

Fiscal Year Ended September 30, 2017

(\$ in millions)

(unaudited)

	Beef	Pork	Chicken	Prepared Foods	International/Other	Intersegment Sales	Total
Reported Sales	\$ 14,823	\$ 5,238	\$ 11,409	\$ 7,853	\$ 349	\$ (1,412)	\$ 38,260
Reported operating income (loss)	\$ 818	\$ 645	\$ 1,053	\$ 452	\$ (106)	n/a	\$ 2,862
Add: AdvancePierre purchase accounting and acquisition related costs (a)	-	-	8	34	43	n/a	85
Add: Restructuring and related charges	8	3	56	82	1	n/a	150
Add: Impairment related to the expected sale of a non-protein business	-	-	-	45	-	n/a	45
Add: San Diego Prepared Foods operation impairment	-	-	-	52	-	n/a	52
Adjusted operating income (loss)	\$ 826	\$ 648	\$ 1,117	\$ 665	\$ (62)	n/a	\$ 3,194
Reported operating margin %	5.5%	12.3%	9.2%	5.8%	n/a	n/a	7.5%
Adjusted operating margin %	5.6%	12.4%	9.8%	8.5%	n/a	n/a	8.3%

(a) AdvancePierre acquisition and integration costs included \$36 million of purchase accounting adjustments and \$49 million of acquisition related costs.

Adjusted operating income (loss) and adjusted operating margin are presented as supplementary measures of our operating performance that are not required by, or presented in accordance with, GAAP. We use adjusted operating income (loss) and adjusted operating margin as internal performance measurements and as criteria for evaluating our performance relative to that of our peers. We believe adjusted operating income (loss) and adjusted operating margin are meaningful to our investors to enhance their understanding of our operating performance and are frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report adjusted operating income (loss) and adjusted operating margin. Further, we believe that adjusted operating income (loss) and adjusted operating margin are useful measures because they improve comparability of results of operations from period to period. Adjusted operating income (loss) and adjusted operating margin should not be considered as substitutes for operating income (loss), operating margin or any other measure of operating performance reported in accordance with GAAP. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions. Our calculation of adjusted operating income (loss) and adjusted operating margin may not be comparable to similarly titled measures reported by other companies.

Operating Income (Loss) & Operating Margin Reconciliations

Fiscal Year Ended September 27, 2014

(\$ in millions)

(unaudited)

	Beef	Pork	Chicken	Prepared Foods	International/Other	Intersegment Sales	Total
Reported Sales	\$ 16,177	\$ 6,304	\$ 11,116	\$ 3,927	\$ 1,381	\$ (1,325)	\$ 37,580
Reported operating income (loss)	\$ 347	\$ 455	\$ 883	\$ (61)	\$ (195)	\$ n/a	\$ 1,429
Add: Brazil impairment/ Mexico undistributed earnings tax	-	-	-	-	42	n/a	42
Add: Hillshire Brands Acquisition, integration and costs associated with our Prepared Foods improvement plan	-	-	5	73	59	n/a	137
Add: Hillshire Brands post-closing results, purchase price accounting and ongoing costs related to a legacy Hillshire Brands plant fire	-	-	-	40	-	n/a	40
Adjusted operating income (loss)	\$ 347	\$ 455	\$ 888	\$ 52	\$ (94)	\$ n/a	\$ 1,648
Reported operating margin %	2.1%	7.2%	7.9%	-1.6%	n/a	n/a	3.8%
Adjusted operating margin %	2.1%	7.2%	8.0%	1.3%	n/a	n/a	4.4%

Adjusted operating income (loss) and adjusted operating margin are presented as supplementary measures of our operating performance that are not required by, or presented in accordance with, GAAP. We use adjusted operating income (loss) and adjusted operating margin as internal performance measurements and as criteria for evaluating our performance relative to that of our peers. We believe adjusted operating income (loss) and adjusted operating margin are meaningful to our investors to enhance their understanding of our operating performance and are frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report adjusted operating income (loss) and adjusted operating margin. Further, we believe that adjusted operating income (loss) and adjusted operating margin are useful measures because they improve comparability of results of operations from period to period. Adjusted operating income (loss) and adjusted operating margin should not be considered as substitutes for operating income (loss), operating margin or any other measure of operating performance reported in accordance with GAAP. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions. Our calculation of adjusted operating income (loss) and adjusted operating margin may not be comparable to similarly titled measures reported by other companies.

Adjusted EBITDA Reconciliations

Fiscal Year Ended October 2, 2021

(\$ in millions)

(unaudited)

	Beef		Pork		Chicken		Prepared Foods		International/ Other		Total		
Operating Income (Loss)	\$	3,240	\$	328	\$	(625)	\$	1,456	\$	(3)	\$	4,396	
Add: Other Income (Expense)		12		1		23		37		(8)		65	
EBIT	\$	3,252	\$	329	\$	(602)	\$	1,493	\$	(11)	\$	4,461	
Add: Depreciation		108		61		476		232		57		934	
Add: Amortization (a)		-		-		88		153		20		261	
EBITDA	\$	3,360	\$	390	\$	(38)	\$	1,878	\$	66	\$	5,656	
Adjustments to EBITDA:													
Add: China plant relocation charge (b)	\$	-	\$	-	\$	-	\$	-	\$	27	\$	27	
Add: Legal contingency accruals (c)		-		-		626		-		-		626	
Less: Gain on sale of business		-		-		-		(784)		-		(784)	
Less: Defined benefit plan gains		-		-		-		(34)		-		(34)	
Add/Less: Production facilities fire costs, net of insurance proceeds (d)		(6)		-		23		-		-		17	
Total Adjusted EBITDA	\$	3,354	\$	390	\$	611	\$	1,060	\$	93	\$	5,508	
Total gross debt												\$	9,348
Less: Cash and cash equivalents													(2,507)
Less: Short-term investments													-
Total net debt												\$	6,841
Ratio Calculations:													
Net debt/EBITDA													1.2x
Net debt/Adjusted EBITDA													1.2x

(a) Excludes the amortization of debt issuance and debt discount expense of \$19 million for the fiscal year ended October 2, 2021 as it is included in Interest expense.

(b) Relates to a plant relocation from a government land expropriation and includes accelerated depreciation and team member related charges recognized as an increase of Cost of Sales.

(c) Legal contingency accruals included \$545 million recognized as a reduction of Sales and \$81 million recognized as an increase of Cost of Sales.

(d) Relates to fires at production facilities in Chicken in the fourth quarter of fiscal 2021 and Beef in the fourth quarter of fiscal 2019. Amount includes direct incremental costs, net of insurance proceeds, of \$23 million net expense recognized in Cost of Sales and \$6 million net proceeds recognized in Other, net for fiscal 2021.

EBIT is defined as net income before interest and income taxes. EBITDA is defined as net income before interest, income taxes, depreciation and amortization. Net debt to EBITDA (and Adjusted EBITDA) represents the ratio of our debt, net of cash, cash equivalents, and short-term investments, to EBITDA (and Adjusted EBITDA). EBIT, EBITDA, Adjusted EBITDA, net debt to EBITDA and net debt to Adjusted EBITDA are presented as supplemental financial measures in the evaluation of our business. Adjusted EBITDA is a tool intended to assist our management and investors in comparing our performance on a consistent basis for purposes of business decision-making by removing the impact of certain items that management believes do not directly reflect our core operations on an ongoing basis.

We believe the presentation of these financial measures helps management and investors to assess our operating performance from period to period, including our ability to generate earnings sufficient to service our debt, enhances understanding of our financial performance and highlights operational trends. These measures are widely used by investors and rating agencies in the valuation, comparison, rating and investment recommendations of companies; however, the measurements of EBIT, EBITDA (and Adjusted EBITDA) and net debt to EBITDA (and to Adjusted EBITDA) may not be comparable to those of other companies, which may limit their usefulness as comparative measures. EBIT, EBITDA (and Adjusted EBITDA) and net debt to EBITDA (and to Adjusted EBITDA) are not measures required by or calculated in accordance with GAAP and should not be considered as substitutes for net income or any other measure of financial performance reported in accordance with GAAP or as a measure of operating cash flow or liquidity. EBIT and EBITDA (and Adjusted EBITDA) are useful tools for assessing, but are not a reliable indicator of, our ability to generate cash to service our debt obligations because certain of the items added to net income to determine EBIT and EBITDA (and Adjusted EBITDA) involve outlays of cash. As a result, actual cash available to service our debt obligations will be different from EBIT and EBITDA (and Adjusted EBITDA). Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions.

Adjusted EBITDA Reconciliations

Fiscal Year Ended October 3, 2020

(\$ in millions)

(unaudited)

	Beef	Pork	Chicken	Prepared Foods	International/Other	Total
Operating Income (Loss)	\$ 1,580	\$ 565	\$ 122	\$ 743	\$ (2)	\$ 3,008
Add: Other Income (Expense)	2	-	28	106	(5)	131
EBIT	\$ 1,582	\$ 565	\$ 150	\$ 849	\$ (7)	\$ 3,139
Add: Depreciation	106	56	462	234	42	900
Add: Amortization (a)	-	-	91	164	23	278
EBITDA	\$ 1,688	\$ 621	\$ 703	\$ 1,247	\$ 58	\$ 4,317
Adjustments to EBITDA:						
Add: Restructuring and related charges	\$ 9	\$ 3	\$ 33	\$ 27	\$ 3	\$ 75
Add: Production facility fire costs, net of insurance proceeds	1	-	-	-	-	1
Less: Defined benefit plan gains	-	-	-	(116)	-	(116)
Less: Impact of additional week	(39)	(14)	(18)	(25)	-	(96)
Total Adjusted EBITDA	\$ 1,659	\$ 610	\$ 718	\$ 1,133	\$ 61	\$ 4,181
Total gross debt						\$ 11,339
Less: Cash and cash equivalents						(1,420)
Less: Short-term investments						-
Total net debt						\$ 9,919
Ratio Calculations:						
Net debt/EBITDA						2.3x
Net debt/Adjusted EBITDA						2.4x

(a) Excludes the amortization of debt issuance and debt discount expense of \$14 million as it is included in Interest expense.

EBIT is defined as net income before interest and income taxes. EBITDA is defined as net income before interest, income taxes, depreciation and amortization. Net debt to EBITDA (and Adjusted EBITDA) represents the ratio of our debt, net of cash, cash equivalents, and short-term investments, to EBITDA (and Adjusted EBITDA). EBIT, EBITDA, Adjusted EBITDA, net debt to EBITDA and net debt to Adjusted EBITDA are presented as supplemental financial measures in the evaluation of our business. Adjusted EBITDA is a tool intended to assist our management and investors in comparing our performance on a consistent basis for purposes of business decision-making by removing the impact of certain items that management believes do not directly reflect our core operations on an ongoing basis.

We believe the presentation of these financial measures helps management and investors to assess our operating performance from period to period, including our ability to generate earnings sufficient to service our debt, enhances understanding of our financial performance and highlights operational trends. These measures are widely used by investors and rating agencies in the valuation, comparison, rating and investment recommendations of companies; however, the measurements of EBIT, EBITDA (and Adjusted EBITDA) and net debt to EBITDA (and to Adjusted EBITDA) may not be comparable to those of other companies, which may limit their usefulness as comparative measures. EBIT, EBITDA (and Adjusted EBITDA) and net debt to EBITDA (and to Adjusted EBITDA) are not measures required by or calculated in accordance with GAAP and should not be considered as substitutes for net income or any other measure of financial performance reported in accordance with GAAP or as a measure of operating cash flow or liquidity. EBIT and EBITDA (and Adjusted EBITDA) are useful tools for assessing, but are not a reliable indicator of, our ability to generate cash to service our debt obligations because certain of the items added to net income to determine EBIT and EBITDA (and Adjusted EBITDA) involve outlays of cash. As a result, actual cash available to service our debt obligations will be different from EBIT and EBITDA (and Adjusted EBITDA). Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions.

Adjusted EBITDA Reconciliations

Fiscal Year Ended September 28, 2019

(\$ in millions)

(unaudited)

	Beef		Pork		Chicken		Prepared Foods		International/Other		Total
Operating Income (Loss)	\$	1,050	\$	263	\$	621	\$	843	\$	(7)	\$ 2,770
Add: Other Income (Expense)		(1)		-		8		(12)		60	55
EBIT	\$	1,049	\$	263	\$	629	\$	831	\$	53	\$ 2,825
Add: Depreciation		97		47		420		227		28	819
Add: Amortization (a)		-		-		93		170		4	267
EBITDA	\$	1,146	\$	310	\$	1,142	\$	1,228	\$	85	\$ 3,911
Adjustments to EBITDA:											
Add: Restructuring and related charges	\$	1	\$	1	\$	21	\$	18	\$	-	\$ 41
Add: Production facility fire costs		31		-		-		-		-	31
Add: Loss from pension plan termination		-		-		15		-		-	15
Add: Keystone purchase accounting and acquisition related costs		-		-		13		-		24	37
Add: Impairment associated with the planned divestiture of a business		-		-		-		41		-	41
Less: Gain on sale of investment		-		-		-		-		(55)	(55)
Total Adjusted EBITDA	\$	1,178	\$	311	\$	1,191	\$	1,287	\$	54	\$ 4,021
Total gross debt										\$	11,932
Less: Cash and cash equivalents											(484)
Less: Short-term investments											(1)
Total net debt										\$	11,447
Ratio Calculations:											
Net debt/EBITDA											2.9x
Net debt/Adjusted EBITDA											2.8x

(a) Excludes the amortization of debt issuance and debt discount expense of \$12 million as it is included in Interest expense.

EBIT is defined as net income before interest and income taxes. EBITDA is defined as net income before interest, income taxes, depreciation and amortization. Net debt to EBITDA (and Adjusted EBITDA) represents the ratio of our debt, net of cash, cash equivalents, and short-term investments, to EBITDA (and Adjusted EBITDA). EBIT, EBITDA, Adjusted EBITDA, net debt to EBITDA and net debt to Adjusted EBITDA are presented as supplemental financial measures in the evaluation of our business.

Adjusted EBITDA is a tool intended to assist our management and investors in comparing our performance on a consistent basis for purposes of business decision-making by removing the impact of certain items that management believes do not directly reflect our core operations on an ongoing basis.

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Adjusted EBITDA Reconciliations

Fiscal Year Ended September 29, 2018

(\$ in millions)

(unaudited)

	Beef		Pork		Chicken		Prepared Foods		International/Other		Total
Operating Income (Loss)	\$	950	\$	361	\$	866	\$	845	\$	(53)	\$ 2,969
Add: Other Income (Expense)		-		-		32		24		-	56
EBIT	\$	950	\$	361	\$	898	\$	869	\$	(53)	\$ 3,025
Add: Depreciation		100		42		334		238		9	723
Add: Amortization (a)		3		-		34		172		1	210
EBITDA	\$	1,053	\$	403	\$	1,266	\$	1,279	\$	(43)	\$ 3,958
Adjustments to EBITDA:											
Add: One-time cash bonus to frontline employees	\$	27	\$	12	\$	51	\$	19	\$	-	\$ 109
Add: Impairments net of realized gain associated with the divestiture of non-protein businesses (b)		-		-		-		68		-	68
Add: Restructuring and related charges		4		1		30		24		-	59
Total Adjusted EBITDA	\$	1,084	\$	416	\$	1,347	\$	1,390	\$	(43)	\$ 4,194
Total gross debt										\$	9,873
Less: Cash and cash equivalents											(270)
Less: Short-term investments											(1)
Total net debt										\$	9,602
Ratio Calculations:											
Net debt/EBITDA											2.4x
Net debt/Adjusted EBITDA											2.3x

(a) Excludes the amortization of debt issuance and debt discount expense of \$10 million as it is included in Interest expense.

(b) Included \$101 million of impairments, net of \$33 million of realized gains associated with the divestiture of non-protein businesses.

EBIT is defined as net income before interest and income taxes. EBITDA is defined as net income before interest, income taxes, depreciation and amortization. Net debt to EBITDA (and Adjusted EBITDA) represents the ratio of our debt, net of cash, cash equivalents, and short-term investments, to EBITDA (and Adjusted EBITDA). EBIT, EBITDA, Adjusted EBITDA, net debt to EBITDA and net debt to Adjusted EBITDA are presented as supplemental financial measures in the evaluation of our business. Adjusted EBITDA is a tool intended to assist our management and investors in comparing our performance on a consistent basis for purposes of business decision-making by removing the impact of certain items that management believes do not directly reflect our core operations on an ongoing basis.

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Adjusted EBITDA Reconciliations

Fiscal Year Ended September 30, 2017

(\$ in millions)

(unaudited)

	Beef		Pork		Chicken		Prepared Foods		International/Other		Total
Operating Income (Loss)	\$	818	\$	645	\$	1,053	\$	452	\$	(106)	\$ 2,862
Add: Other Income (Expense)		(1)		-		16		(18)		(18)	(21)
EBIT	\$	817	\$	645	\$	1,069	\$	434	\$	(124)	\$ 2,841
Add: Depreciation		90		35		288		220		9	642
Add: Amortization (a)		2		1		8		95		-	106
EBITDA	\$	909	\$	681	\$	1,365	\$	749	\$	(115)	\$ 3,589
Adjustments to EBITDA:											
Add: AdvancePierre purchase accounting and acquisition related costs (b)	\$	-	\$	-	\$	8	\$	34	\$	61	\$ 103
Add: Impairment related to the expected sale of a non-protein business		-		-		-		45		-	45
Add: Restructuring and related charges		8		3		56		82		1	150
Add: San Diego Prepared Foods operation impairment		-		-		-		52		-	52
Total Adjusted EBITDA	\$	917	\$	684	\$	1,429	\$	962	\$	(53)	\$ 3,939
Total gross debt											\$ 10,203
Less: Cash and cash equivalents											(318)
Less: Short-term investments											(3)
Total net debt											\$ 9,882
Ratio Calculations:											
Net debt/EBITDA											2.8x
Net debt/Adjusted EBITDA											2.5x

(a) Excludes the amortization of debt issuance and debt discount expense of \$13 million as it is included in Interest expense.

(b) AdvancePierre acquisition and integration costs included \$36 million of purchase accounting adjustments, \$49 million acquisition related costs and \$18 million of acquisition bridge financing fees.

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EBITDA Reconciliations

Fiscal Year Ended October 1, 2016

(\$ in millions)

(unaudited)

	Beef	Pork	Chicken	Prepared Foods	International/Other	Total
Operating Income (Loss)	\$ 342	\$ 526	\$ 1,295	\$ 723	\$ (81)	\$ 2,805
Add: Other Income (Expense)	5	2	20	11	(2)	36
EBIT	\$ 347	\$ 528	\$ 1,315	\$ 734	\$ (83)	\$ 2,841
Add: Depreciation	90	32	273	212	10	617
Add: Amortization (a)	4	1	1	74	-	80
EBITDA	\$ 441	\$ 561	\$ 1,589	\$ 1,020	\$ (73)	\$ 3,538
Total gross debt					\$	6,279
Less: Cash and cash equivalents						(349)
Less: Short-term investments						(4)
Total net debt					\$	5,926

Ratio Calculations:

Net debt/EBITDA

1.7x

(a) Excludes the amortization of debt issuance and debt discount expense of \$8 million as it is included in Interest expense.

EBIT is defined as net income before interest and income taxes. EBITDA is defined as net income before interest, income taxes, depreciation and amortization. Net debt to EBITDA represents the ratio of our debt, net of cash, cash equivalents, and short-term investments, to EBITDA. EBIT, EBITDA, and net debt to EBITDA are presented as supplemental financial measures in the evaluation of our business.

We believe the presentation of these financial measures helps management and investors to assess our operating performance from period to period, including our ability to generate earnings sufficient to service our debt, enhances understanding of our financial performance and highlights operational trends. These measures are widely used by investors and rating agencies in the valuation, comparison, rating and investment recommendations of companies; however, the measurements of EBIT, EBITDA and net debt to EBITDA may not be comparable to those of other companies, which may limit their usefulness as comparative measures. EBIT, EBITDA and net debt to EBITDA are not measures required by or calculated in accordance with GAAP and should not be considered as substitutes for net income or any other measure of financial performance reported in accordance with GAAP or as a measure of operating cash flow or liquidity. EBIT and EBITDA are useful tools for assessing, but are not a reliable indicator of, our ability to generate cash to service our debt obligations because certain of the items added to net income to determine EBIT and EBITDA involve outlays of cash. As a result, actual cash available to service our debt obligations will be different from EBIT and EBITDA. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions.

International Business Supplemental Information

Operating Income (Loss) Reconciliations

(\$ in millions)
(unaudited)

	Fiscal Year Ended					
	October 2, 2021	October 3, 2020	September 28, 2019	September 29, 2018	September 30, 2017	October 1, 2016
International business Sales	\$ 1,990	\$ 1,856	\$ 1,289	\$ 305	\$ 349	\$ 380
Less: Impact of additional week (a)	-	(35)	-	-	-	-
Adjusted International business Sales	\$ 1,990	\$ 1,821	\$ 1,289	\$ 305	\$ 349	\$ 380
International/Other operating income (loss)	\$ (3)	\$ (2)	\$ (7)	\$ (53)	\$ (106)	\$ (81)
Adjustments to remove operating income (loss) of non-International business:						
Third-party merger and integration costs	2	5	36	26	67	37
Dynamic Fuels	-	-	(11)	(11)	(9)	(2)
International business operating income (loss)	\$ (1)	\$ 3	\$ 18	\$ (38)	\$ (48)	\$ (46)
Add: China plant relocation charge (b)	27	-	-	-	-	-
Add: Restructuring and related charges	-	3	-	-	1	-
Add: Impact of additional week	-	1	-	-	-	-
Add: Keystone purchase accounting related costs	-	-	3	-	-	-
Adjusted International business operating income (loss)	\$ 26	\$ 7	\$ 21	\$ (38)	\$ (47)	\$ (46)

(a) The estimated impact of the additional week of fiscal 2020 was calculated by dividing the fourth quarter's reported sales by 14 weeks.

(b) Relates to a plant relocation from a government land expropriation and includes accelerated depreciation and team member related charges.

International business sales and operating income (loss) are included in International/Other for segment presentation purposes and are presented separately as supplemental information (and are not required to be presented in accordance with GAAP) as we believe they are meaningful to our investors to enhance their understanding of our financial performance. International business adjusted sales (due to the impact of the additional week in fiscal 2020) and adjusted operating income (loss) are presented as supplementary measures in the evaluation of our business that are not required by, or presented in accordance with, GAAP. We use international business adjusted sales and adjusted operating income (loss) as internal performance measurements and as criteria for evaluating our performance relative to that of our peers. We believe international business adjusted sales and adjusted operating income (loss) are meaningful to our investors to enhance their understanding of our financial performance and are frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report adjusted sales and adjusted operating income (loss). Further, we believe that international business adjusted sales and adjusted operating income (loss) are useful measures because they improve comparability of results of operations from period to period. Adjusted sales and adjusted operating income (loss) should not be considered as substitutes for sales, operating income (loss) or any other measure of operating performance reported in accordance with GAAP. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions. Our calculation of adjusted sales and adjusted operating income (loss) may not be comparable to similarly titled measures reported by other companies.

International Business Supplemental Information

Adjusted EBITDA Reconciliations

(\$ in millions)
(unaudited)

	Fiscal Year Ended					
	October 2, 2021	October 3, 2020	September 28, 2019	September 29, 2018	September 30, 2017	October 1, 2016
International/Other Operating Income (Loss)	\$ (3)	\$ (2)	\$ (7)	\$ (53)	\$ (106)	\$ (81)
Adjustments to remove Operating Income (Loss) of non-International business:						
Third-party merger and integration costs	2	5	36	26	67	37
Dynamic Fuels	-	-	(11)	(11)	(9)	(2)
International business Operating Income (Loss)	\$ (1)	\$ 3	\$ 18	\$ (38)	\$ (48)	\$ (46)
Add/(Less): Other Income (Expense)	(8)	(5)	60	-	(18)	(2)
Adjustments to remove Other Income (Expense) of non-International business:						
Gain on sale of investment	-	-	(55)	-	-	-
Acquisition bridge financing fees	-	-	-	-	18	-
International business EBIT	\$ (9)	\$ (2)	\$ 23	\$ (38)	\$ (48)	\$ (48)
Add: Depreciation	57	42	28	9	9	10
Add: Amortization	20	23	4	1	-	-
International business EBITDA	\$ 68	\$ 63	\$ 55	\$ (28)	\$ (39)	\$ (38)
Adjustments to International business EBITDA:						
Add: Restructuring and related charges	\$ -	\$ 3	\$ -	\$ -	\$ 1	\$ -
Add: China plant relocation charge (a)	27	-	-	-	-	-
Add: Impact of additional week	-	-	-	-	-	-
Add: Keystone purchase accounting and acquisition related costs	-	-	3	-	-	-
Total Adjusted International business EBITDA	\$ 95	\$ 66	\$ 58	\$ (28)	\$ (38)	\$ (38)

(a) Relates to a plant relocation from a government land expropriation and includes accelerated depreciation and team member related charges recognized as an increase of Cost of Sales.

International business operating income (loss) and EBIT are included in International/Other for segment presentation purposes and are presented separately as supplemental information (and are not required to be presented in accordance with GAAP) as we believe it is meaningful to our investors to enhance their understanding of our financial performance. EBIT is defined as net income before interest and income taxes. EBITDA is defined as net income before interest, income taxes, depreciation and amortization. International business EBIT, EBITDA and Adjusted EBITDA, are presented as supplemental financial measures in the evaluation of our business. International business Adjusted EBITDA is a tool intended to assist our management and investors in comparing our performance on a consistent basis for purposes of business decision-making by removing the impact of certain items that management believes do not directly reflect our core operations on an ongoing basis.

We believe the presentation of these financial measures are meaningful to our investors to enhance their understanding of our financial performance and are frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report EBIT, EBITDA and Adjusted EBITDA. EBIT, EBITDA and Adjusted EBITDA should not be considered as substitutes for net income or any other measure of financial performance reported in accordance with GAAP or as a measure of operating cash flow or liquidity. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions. Our calculation of EBIT, EBITDA and Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies.

Earnings Per Share Reconciliations

(\$ in millions, except per share data)

(unaudited)

	Fiscal Year Ended											
	October 2, 2021		October 3, 2020		September 28, 2019		September 29, 2018		September 30, 2017		October 1, 2016	
	Pretax Impact	EPS Impact	Pretax Impact	EPS Impact	Pretax Impact	EPS Impact	Pretax Impact	EPS Impact	Pretax Impact	EPS Impact	Pretax Impact	EPS Impact
Reported net income per share attributable to Tyson (GAAP EPS)		\$ 8.34		\$ 5.64		\$ 5.40		\$ 8.04		\$ 4.69		\$ 4.53
Add: Legal contingency accrual	\$ 626	1.31	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ -	-
Add: China plant relocation	27	0.06	-	-	-	-	-	-	-	-	-	-
Less: Gain on sale of business	(784)	(1.40)	-	-	-	-	-	-	-	-	-	-
Add/(Less): Defined benefit plan loss (gain)	(34)	(0.07)	(116)	(0.24)	15	0.03	-	-	-	-	-	-
Add: Production facilities fire costs, net of insurance proceeds	17	0.04	1	-	31	0.06	-	-	-	-	-	-
Add: Restructuring and related charges	-	-	75	0.16	41	0.08	59	0.12	150	0.26	-	-
Less: Impact of additional week	-	-	(65)	(0.14)	-	-	-	-	-	-	-	-
Add: Keystone purchase accounting and acquisition related costs	-	-	-	-	37	0.08	-	-	-	-	-	-
Less: Gain on sale of investment	-	-	-	-	(55)	(0.11)	-	-	-	-	-	-
Add: Impairments net of realized gains associated with the divestitures of businesses	-	-	-	-	41	0.09	68	0.34	45	(0.01)	-	-
Add: One-time cash bonus to frontline employees	-	-	-	-	-	-	109	0.22	-	-	-	-
Add: San Diego Prepared Foods operation impairment	-	-	-	-	-	-	-	-	52	0.09	-	-
Add: AdvancePierre purchase accounting and acquisition related costs	-	-	-	-	-	-	-	-	103	0.18	-	-
Less: Tax benefit from remeasurement of net deferred tax liabilities at lower enacted tax rates	-	-	-	-	-	-	-	(2.71)	-	-	-	-
Less: Recognition of previously unrecognized tax benefit and audit settlement	-	-	-	-	-	(0.29)	-	-	-	-	-	(0.14)
Adjusted net income per share attributable to Tyson (Adjusted EPS)		<u>\$ 8.28</u>		<u>\$ 5.42</u>		<u>\$ 5.34</u>		<u>\$ 6.01</u>		<u>\$ 5.21</u>		<u>\$ 4.39</u>

Adjusted net income per share attributable to Tyson (Adjusted EPS) is presented as a supplementary measure of our financial performance that is not required by, or presented in accordance with, GAAP. We use Adjusted EPS as an internal performance measurement and as a criterion for evaluating our performance relative to that of our peers. We believe Adjusted EPS is meaningful to our investors to enhance their understanding of our financial performance and is frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report Adjusted EPS. Further, we believe that Adjusted EPS is a useful measure because it improves comparability of results of operations from period to period. Adjusted EPS should not be considered a substitute for net income per share attributable to Tyson or any other measure of financial performance reported in accordance with GAAP. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions. Our calculation of Adjusted EPS may not be comparable to similarly titled measures reported by other companies.

Return on Invested Capital (ROIC) Reconciliations

(\$ in millions, except percentages)

(unaudited)

	Fiscal Year Ended							Average
	October 2, 2021	October 3, 2020	September 28, 2019	September 29, 2018	September 30, 2017	October 1, 2016		
Reported Operating Income	\$ 4,396	\$ 3,008	\$ 2,770	\$ 2,969	\$ 2,862	\$ 2,805	\$ 3,135	
Pre-tax Impact of Adjustments (a)	(108)	2	150	236	332	-	102	
Adjusted Operating Income (a)	\$ 4,288	\$ 3,010	\$ 2,920	\$ 3,205	\$ 3,194	\$ 2,805	\$ 3,237	
x (1 - Effective Tax Rate) (b)	75.7%	77.7%	83.9%	73.4%	67.8%	68.2%	74.5%	
Reported Operating Income After Tax	\$ 3,328	\$ 2,337	\$ 2,324	\$ 2,180	\$ 1,940	\$ 1,913	\$ 2,337	
x (1 - Effective Tax Rate) (b)	75.7%	77.7%	83.9%	73.4%	67.8%	68.2%	74.5%	
Adjusted Operating Income After Tax	\$ 3,246	\$ 2,339	\$ 2,450	\$ 2,354	\$ 2,166	\$ 1,913	\$ 2,411	
Total Debt	\$ 9,348	\$ 11,339	\$ 11,932	\$ 9,873	\$ 10,203	\$ 6,279	\$ 9,829	
Total Shareholders Equity	17,854	15,386	14,094	12,721	10,523	9,624	13,367	
Less Cash	(2,507)	(1,420)	(484)	(270)	(318)	(349)	(891)	
Total Capitalization	\$ 24,695	\$ 25,305	\$ 25,542	\$ 22,324	\$ 20,408	\$ 15,554	\$ 22,305	
Average beginning and ending total capitalization	\$ 25,000	\$ 25,424	\$ 23,933	\$ 21,366	\$ 17,981	\$ 15,631	\$ 21,556	
ROIC	13.3%	9.2%	9.7%	10.2%	10.8%	12.2%	10.8%	
Adjusted ROIC	13.0%	9.2%	10.2%	11.0%	12.0%	12.2%	11.2%	

(a) Refer to the separate Operating Income and Operating Margin Reconciliations for fiscal years presented for a reconciliation of adjusted operating income to reported operating income.

(b) The effective tax rate for the fiscal year ended September 29, 2018 excludes the impact of approximately \$1 billion related to the tax benefit from remeasurement of net deferred tax liabilities at lower enacted tax rates.

Return on Invested Capital (ROIC) is calculated by dividing after-tax operating income (and after-tax adjusted operating income), calculated by applying the Company's effective tax rate to operating income (and adjusted operating income), by the average of beginning and ending total debt and shareholders' equity less cash and cash equivalents. ROIC and Adjusted ROIC are presented as supplementary measures in the evaluation of our business that are not required by, or presented in accordance with, GAAP. We use ROIC and Adjusted ROIC as internal performance measurements. We believe ROIC and Adjusted ROIC are meaningful to our investors to evaluate the efficiency and effectiveness of the Corporation's long-term capital investments and are frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report ROIC and Adjusted ROIC. Adjusted ROIC is a tool intended to assist our management and investors in comparing our ROIC performance on a consistent basis by removing the impact of certain items that management believes do not directly reflect our core operations on an ongoing basis. ROIC and Adjusted ROIC should not be considered as substitutes for other information reported in accordance with GAAP. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions. Our calculation of ROIC and Adjusted ROIC may not be comparable to similarly titled measures reported by other companies.