

**TYSON FOODS, INC.**  
**CORPORATE GOVERNANCE PRINCIPLES**

**1. Director Responsibilities**

The basic responsibility of the directors is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its shareholders. Directors are expected to attend Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities. Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the directors before the meeting, and directors should review these materials in advance of the meeting. In discharging their obligations, directors should be entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors. The members of the Board shall also be entitled to have the Company purchase reasonable directors' and officers' liability insurance on their behalf, and to the benefits of indemnification to the fullest extent permitted by law and the Company's charter, by-laws and any indemnification agreements, and to exculpation as provided by state law and the Company's charter.

**2. Director Qualifications**

The Chairman of the Board is responsible for reviewing on an annual basis, the requisite skills and characteristics of new Board members as well as the composition of the Board as a whole. Directors should advise the Chairman in advance of accepting an invitation to serve on another public company board.

No person shall be nominated to serve as a director after he or she has passed his or her 70th birthday, unless the Board of Directors has voted, on an annual basis, to waive, or continue to waive, such age limitation to permit such person to serve as a director. This age limitation for directors shall not apply to any current or former Chairman of the Board of Directors of the Corporation.

The Chairman will review each qualifying director's continuation on the Board annually. This will allow each director the opportunity to conveniently confirm his or her desire to continue as a member of the Board.

It is the sense of the Board that individual directors who materially change the responsibility they held when they were elected to the Board should volunteer to resign from the Board. It is not the sense of the Board that in every instance the directors who retire or change from the position they held when they came on the Board should necessarily leave the Board. There should, however, be an opportunity for the Chairman to review the continued appropriateness of Board membership under the circumstances.

### **3. Role of Non-Management Directors**

The Board believes that maintaining qualified non-management directors on the Board is an integral part of effective governance. The Chairman, in consultation with the Board, will make an affirmative determination annually as to the appropriate number of non-management directors seated on the board and whether such non-management directors qualify as “independent” within the meaning of the New York Stock Exchange (NYSE) rules. The non-management directors will meet, without management, in executive session at least annually. The director who presides at these meetings will be chosen by the non-management directors, and his or her name will be disclosed in the annual proxy statement.

### **4. Agenda for Board Meetings**

The Chairman will establish the agenda for each Board meeting. Each Board member is free to suggest the inclusion of items on the agenda. Additionally, each Board member is free to raise at any Board meeting subjects that are not on the agenda for that meeting. The Board will review the Company's long-term strategic plans and the principal issues that the Company will face in the future during at least one Board meeting each year.

### **5. Board Committees**

The Board will have at all times an Audit Committee, a Compensation Committee and a Governance Committee. All of the members of these committees will be independent directors under the criteria established by the NYSE. Committee members will be appointed by the Board. It is the sense of the Board that consideration should be given to rotating committee members periodically, but the Board does not feel that rotation should be mandated as a policy.

Each committee will have its own charter. The charters will set forth the purposes, goals and responsibilities of the committees as well as qualifications for committee membership. The charters will also provide that each committee will annually evaluate its performance.

The Chairman of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. The Chairman of each committee, in consultation with the appropriate members of the committee and management, will develop the committee's agenda. The schedule for each committee will be furnished to all directors.

The Board and the Audit Committee have the power to hire independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance. The Compensation Committee and the Governance Committee also have the power to hire independent legal, financial or other advisors as they may deem necessary, subject to budget approval by the Chairman of the Board.

The Board may, from time to time, establish or maintain additional committees as necessary or appropriate.

## **6. Director Access to Officers and Employees**

Directors have full and free access to officers and employees of the Company. Any meetings or contacts that a director wishes to initiate may be arranged through the Chief Executive Officer or the Secretary or directly by the director. The directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent not inappropriate, copy the Chief Executive Officer on any written communications between a director and an officer or employee of the Company.

The Board welcomes regular attendance at each Board meeting of senior officers or other members of management of the Company who (a) can provide additional insight into the items being discussed because of personal involvement or expertise in these areas and/or (b) are individuals that the senior officers believe have future potential and who should be given exposure to the Board. Board meetings may also be attended from time to time by outside advisors, to the extent such advisors' participation is deemed necessary and appropriate by the senior officers of the Company, to assist the Board in understanding the material being presented to the Board.

## **7. Director Compensation**

The Chief Executive Officer should report once a year to the Compensation Committee on the status of the Board's compensation in relation to similar companies. The Compensation Committee should initiate suggested changes in Board compensation for full discussion and concurrence by the Board. The Compensation Committee and Board will consider that independent directors' status may be jeopardized if independent director compensation and perquisites exceed customary levels, if the Company makes substantial charitable contributions to organizations with which an independent director is affiliated, or if the Company enters into consulting contracts with (or provides other indirect forms of compensation to) an independent director or an organization with which the independent director is affiliated.

## **8. Director Orientation and Continuing Education**

The Board is responsible for selecting its own members and conducting, with the assistance of management, an orientation process for new directors. This orientation process will include presentations by senior management to familiarize new directors with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Code of Business Conduct and Ethics, its principal officers, and its internal and independent auditors. In addition, the orientation Process will include visits to Company headquarters and, to the extent practical, certain of the Company's facilities. All other directors are also invited to attend the Orientation Program.

The Chairman will conduct an evaluation, in consultation with the Board, at least annually, as to whether any continuing education conducted during the year was worthwhile and effective, and will determine what, if any, future continuing education programs are necessary and appropriate.

## **9. Selection of Chairman and CEO**

The Board should be free to make this choice any way that seems best for the Company and its shareholders at a given point in time. The Board therefore has no policy with respect to the separation of the offices of Chairman and the Chief Executive Officer. The Board believes that this issue is part of the succession planning process and that it is in the best interests of the Company and its shareholders for the Board to make a determination when it elects the chief executive officer.

## **10. CEO Evaluation and Management Succession**

The Compensation Committee will conduct an annual review of the Chief Executive Officer's performance, as set forth in its charter and provide a report of such review to the full Board of Directors.

Senior management will make an annual report to the Board on management succession planning. The Company's succession planning should include policies and principles for Chief Executive Officer selection as well as policies regarding succession in the event of an emergency or the retirement of the Chief Executive Officer. The Chief Executive Officer should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

## **11. Annual Performance Evaluation**

The Board of Directors will conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Chairman will receive comments from all directors and report annually to the Board with an assessment of the Board's performance. This will be discussed with the full Board following the end of each fiscal year. The assessment will focus on the Board's contribution to the Company and specifically focus on areas in which the Board or management believes that the Board could improve.

## **12. Board Interaction with Investors, the Press, Customers, etc.**

The Board believes that the management should speak for the Company in accordance with the Company's public disclosure policy. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company. However, it is expected that Board members would do this with the knowledge of the senior officers and, absent unusual circumstances or as contemplated by the committee charters, only at the request of a senior officer.