ONE Johnsonville®

THE JOHNSONVILLE WAY

The Path We Follow and How It Began



ONE Johnsonville®



The Story Behind the Story

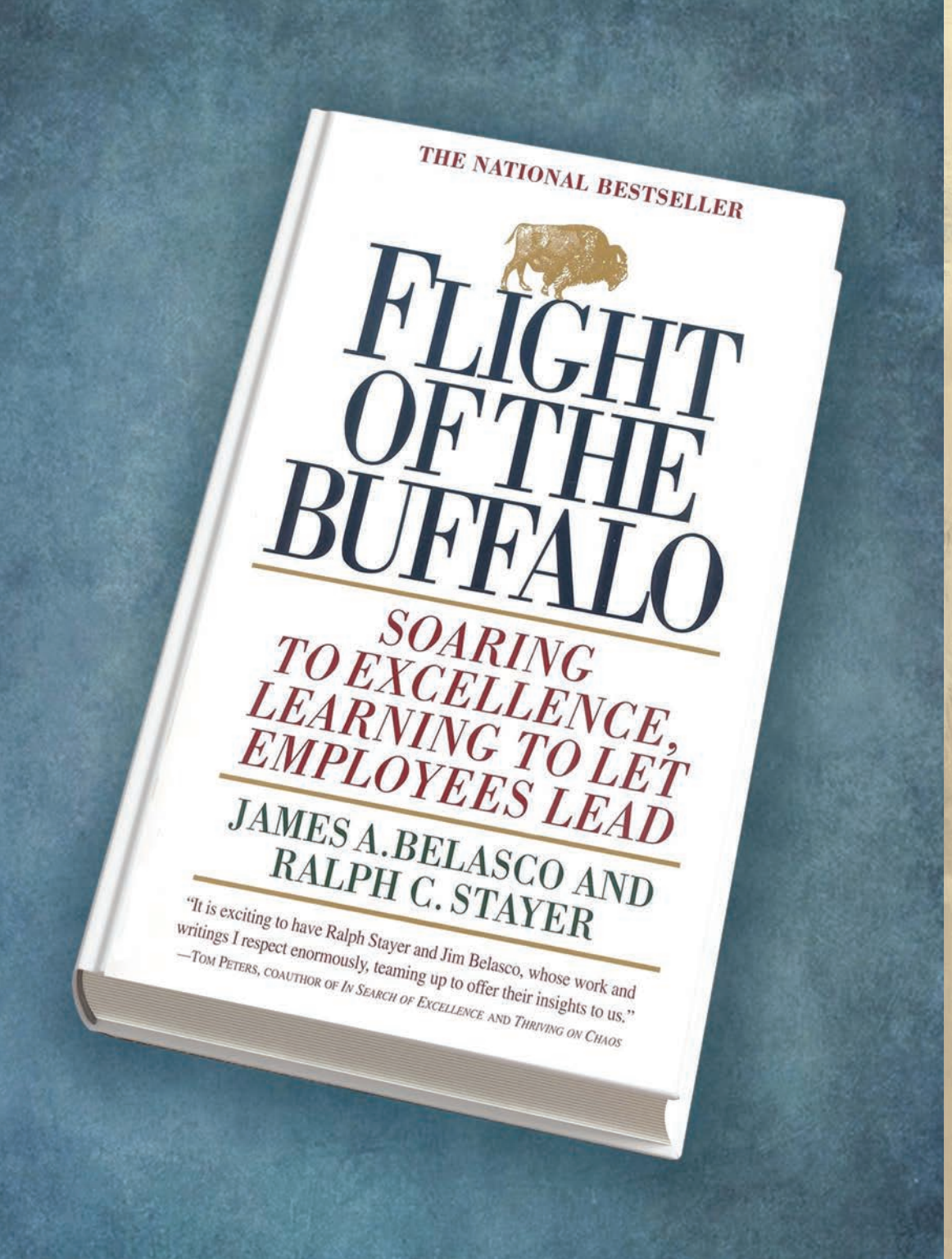
The story of Johnsonville is much more than that of America's favorite sausage. It's the story of many people.

It began in 1945 when Ralph F. and Alice B. Stayer bought a small butcher shop in the tiny town of Johnsonville, Wisconsin. The Stayers introduced the town and its surrounding communities to delicious sausage, specifically bratwurst. Demand for the sausage grew and so did the business, named after the town in which it was founded.

In 1965, the Stayer's son, Ralph C., returned from Notre Dame University and joined the business. In 1978, he became president of the company and in 1984, his sister Launa, started Johnsonville's first direct-sales force and Johnsonville Sausage grew across the country.

Today, Johnsonville is the #1 brand of brats, Italian sausage, smoked-cooked links and fresh breakfast sausage links in the U.S. and is available in more than 40 other countries. The company's story now includes the 4,000+ Members who work here, serving our global customers and consumers with flavorful sausage and other proteins across the breakfast, dinner and snacking categories.

One of the defining moments in the company's 80+ year history was the birth of The Johnsonville Way. In the following pages you'll learn about why Ralph C. Stayer authored The Johnsonville Way, and his unique perspective on this important part of our company's history.



INTRODUCTION

The Story of The Johnsonville Way

The story of Johnsonville is one of success. As we learn and grow each day, we're always adding to the tale.

But the really exciting stories are never easy or simple. We've had our challenges, which we need because challenges can be wonderful teachers. This is where the story of The Johnsonville Way begins – in a time of shining success, but with the possibility of failure ahead. From that, we learned something great!

These learnings are being applied today as we strengthen our culture – even as we've become a larger, global portfolio of other brands and companies. Our growth – while amazing for our Members and future – adds some complexity, which makes it even more important to ensure our culture remains strong no matter where we operate. Within the Johnsonville family of companies, there are affiliates that are distinct and different, which is a strength. We'll have the best chance of success if together, we live our our company vision: To compete and win as ONE Johnsonville.

ONE Johnsonville®



CHAPTER ONE

How It All Began: Learning from Mistakes

Our culture was defined in the early 1980s, when Johnsonville CEO Ralph C. Stayer discovered he had a problem employee.

By most measures, the company his family founded was doing very well. It was expanding and sales were growing tremendously. But Ralph was afraid the company's success might be fleeting. More often, he saw attitudes among employees that worried him.

One employee was having trouble. This was a man in a senior supervisor position who was very influential with others. He was considered a leader. Unfortunately, he seemed to be leading people the wrong way. He was a micromanager. He made all the decisions. He tried to do all the important things himself because he didn't trust anyone else to do them.

Ralph saw the results: employees lost their initiative and sense of responsibility because they had no opportunity to exercise them. After working in this environment, Ralph realized that Johnsonville employees were actually less capable than when they were first hired. In addition, he noticed the quality of the company's products began to decline.

Something had to be done.

The Johnsonville Way



We at Johnsonville have a moral responsibility to become the Best Company in the World.



We will accomplish this as each one of us becomes better than anyone else at defining, then serving, the best interests of all those who have a stake in our success.



We will succeed by setting near-term objectives and long-term goals that will require personal growth and superlative performance by each of us. We will change any objectives or goals that no longer require personal growth and superlative performance to ones that do.



As an individual, I understand The Johnsonville Way is about my performance and my accountability to the team. My commitment to stretch, grow and excel is an unending one.

This is The Johnsonville Way and I am committed to it.

CHAPTER TWO

Finding a New Way

Fortunately, this troublesome Johnsonville employee was capable of learning, changing and doing things a better way. This was a good thing because Ralph was the problem employee.

He took a hard look at himself, what he wanted to accomplish in life and what kind of leader he needed to be. He studied the advice of various business leadership experts and he sought input from his coworkers at Johnsonville.

He also thought about the teachings of his Christian faith – the reason people have been put on this Earth, what they should make of themselves and how they should treat each other. This is summed up as, "Love your neighbor as yourself." Here – "neighbor" refers to anyone you encounter in life and "love" doesn't mean emotions of affection. Rather, it means "treating others as God treats us: loving us unconditionally despite our faults and missteps. Probably the best earthly example of this is the way parents love their children," Ralph said. "If you can care for others with that compassion, you are truly loving your neighbor. This will be reflected in all facets of your life – not just at work."

Ralph wanted Johnsonville to be a place where individuals could learn, grow and fully develop their God-given talents. He knew words matter, so he began calling employees as Members because Members are a part of a team. Supervisors – or bosses – were referred to as Coaches, who offer advice, pitch in and care most about the success of their Members and team.

The Johnsonville Way was born.



CHAPTER THREE

The Path We Continue to Follow

Ralph achieved a lot as Johnsonville CEO. He took the company from a small, local brand to global one. He built a culture where people are empowered to ask questions, make decisions and be accountable and proud of the work they do. He had a vision of becoming the best company in the world. Ralph knew he could not accomplish this by himself and that his biggest impact would be to set expectations and model the right behaviors. We call Ralph's path The Johnsonville Way. It is etched into our walls; it adorns our conference rooms; we hear it spoken in our hallways; and describes how we will achieve superlative performance for Johnsonville as each Member becomes the very best version of themselves.

While we will continue to follow the path Ralph developed with and for Members, there are new obstacles and horizons to navigate. A lot has happened since Members started on this path in 1980. Today, more than ever before, our path connects Members across the globe.

The text of The Johnsonville Way statement has remained remarkably steady since 1980, with only a handful of simple but powerful word changes and grammar updates. The Johnsonville Way statement reads a bit like a contract. In the first three paragraphs, Johnsonville's role in this contract is offering Members the opportunity to fully develop their God-given talents (our mission), expand their knowledge and grow their career. The last paragraph reflects the Member's role in the contract: learning, living and leading the cultural behaviors that demonstrate our core values, mission, The Johnsonville Way statement, and delivering or exceeding the expectations for their current role.

We are Members on a journey toward superlative performance. Each paragraph of The Johnsonville Way statement reflects one of our core values. The Johnsonville Way has been a journey filled with examples of Members demonstrating humble candor, collaborative teamwork, learning agility and personal commitment.



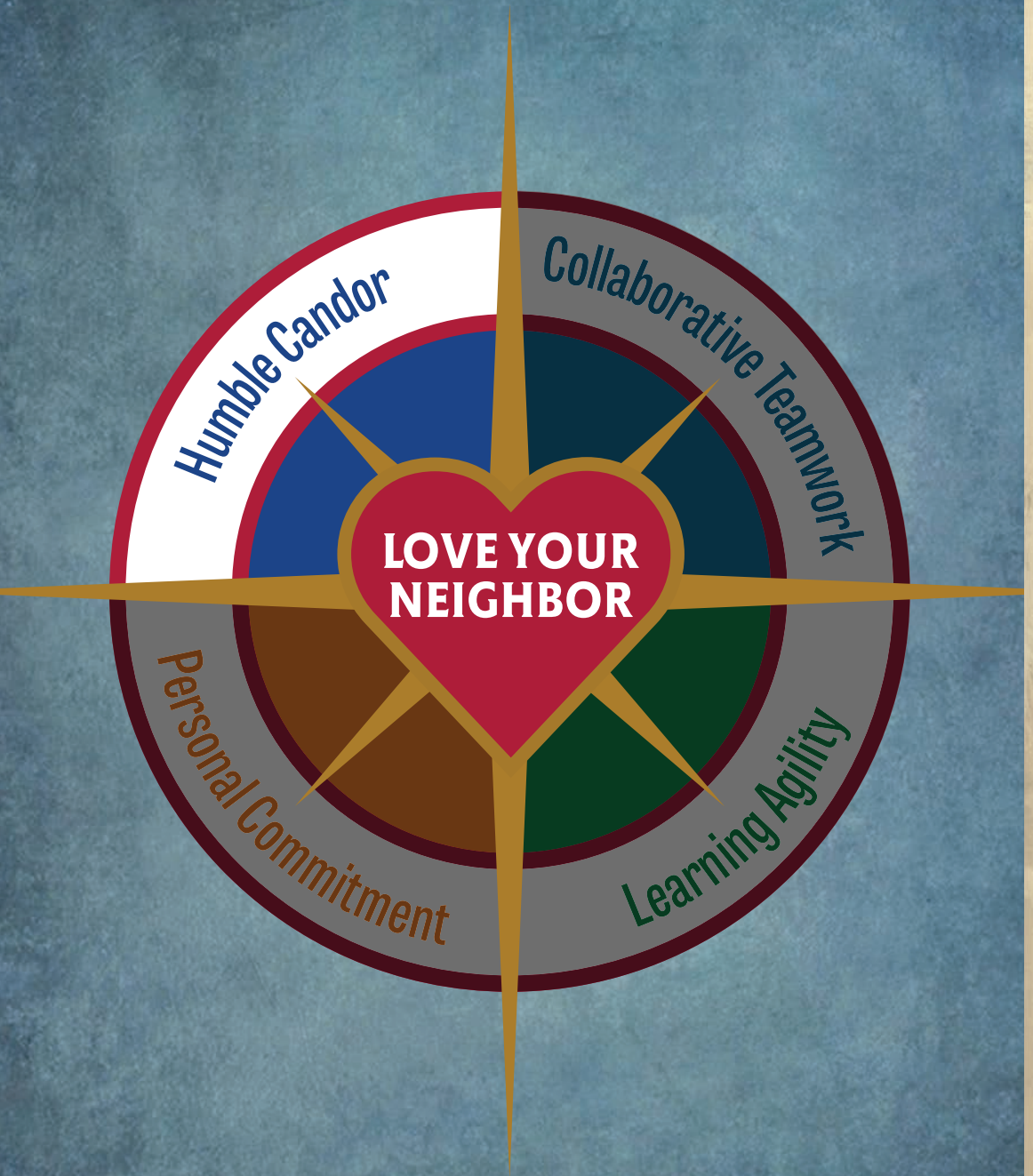
CHAPTER FOUR

Our Core Values Energize Our Culture; Our Culture Drives Superlative Performance

Most companies have specific values and for values to be effective, they need to be unique and distinctive to the organization. The four core Johnsonville values represent what makes our organization distinctly "us." They establish the foundation of our culture and differentiate us from other companies. And this is why it is so important to reference the core values at all touchpoints with Members, from before becoming applicants, and across their Johnsonville journey – "from hire to retire" – to keep our culture vibrant and healthy.

The Johnsonville Way statement has endured with only subtle changes for over four decades. As we have grown in scale, geography and membership numbers, the meaning and understanding of The Johnsonville Way have become more divergent than consistent. To achieve superlative performance outcomes, it is critical that each of us has a common understanding of what The Johnsonville Way means and the behaviors that "I" – as a Member – need to demonstrate.

This common understanding is a journey in itself. First "I" need to learn what The Johnsonville Way means. As "I" continue to learn, "I" will strive to live the core values and the associated behaviors. The more "I" live the values, "I" can understand what it means to lead The Johnsonville Way. When a majority of our Members are demonstrating the ideal behaviors for each of our values, "we" can achieve superlative performance because "we" accept nothing less than personal greatness from ourselves and others.



CHAPTER FIVE

Humble Candor

Sometimes speed is necessary to successfully complete a journey. Candor enables speed. If we wander, candor can bring us back to the right path that Johnsonville and our teams are on. At other times, we may think we are doing things the right way, but others on the journey see opportunities for us to improve. Candid feedback, when delivered with humility, helps us get better, as long as we continue to listen and learn.

At Johnsonville, every Member is also expected to coach – up, down and sideways – because we care. When we feel we're doing things the "right" way and someone cares enough about us to share their perspective on our approach, behavior or actions, consider that their perception of the situation might be a better representation of reality than our own perception. Joseph Grenny, co-author of *Crucial Conversations*, says, "If the other person trusts your INTENT, they can endure just about any CONTENT." This means that if the other person honestly believes you have their best interest in mind, then you can probably be successful in bringing up difficult feedback – especially if you are open to learning from their perspective.

None of us sets out to make life more difficult for others or make others feel worse about themselves. Each of us needs to use humble candor to step up to and address situations quickly and completely. Ralph has a charge for all of us: "Do not let Members stay mediocre in their role at Johnsonville."

CALL TO ACTION: Are you willing to step out of your comfort zone to care for a fellow Member? If not, then Johnsonville may not be the right company for you. Humble candor - at its core - is caring more for another Member's success than about the discomfort you feel about having the conversation. Once a week, find an opportunity to give or receive feedback.



CHAPTER SIX

Collaborative Teamwork

We must be doing something right if we're hearing things like:

"Members say Johnsonville is a great place to work."
"We had record numbers this year."
"Our new products are all customers talk about."

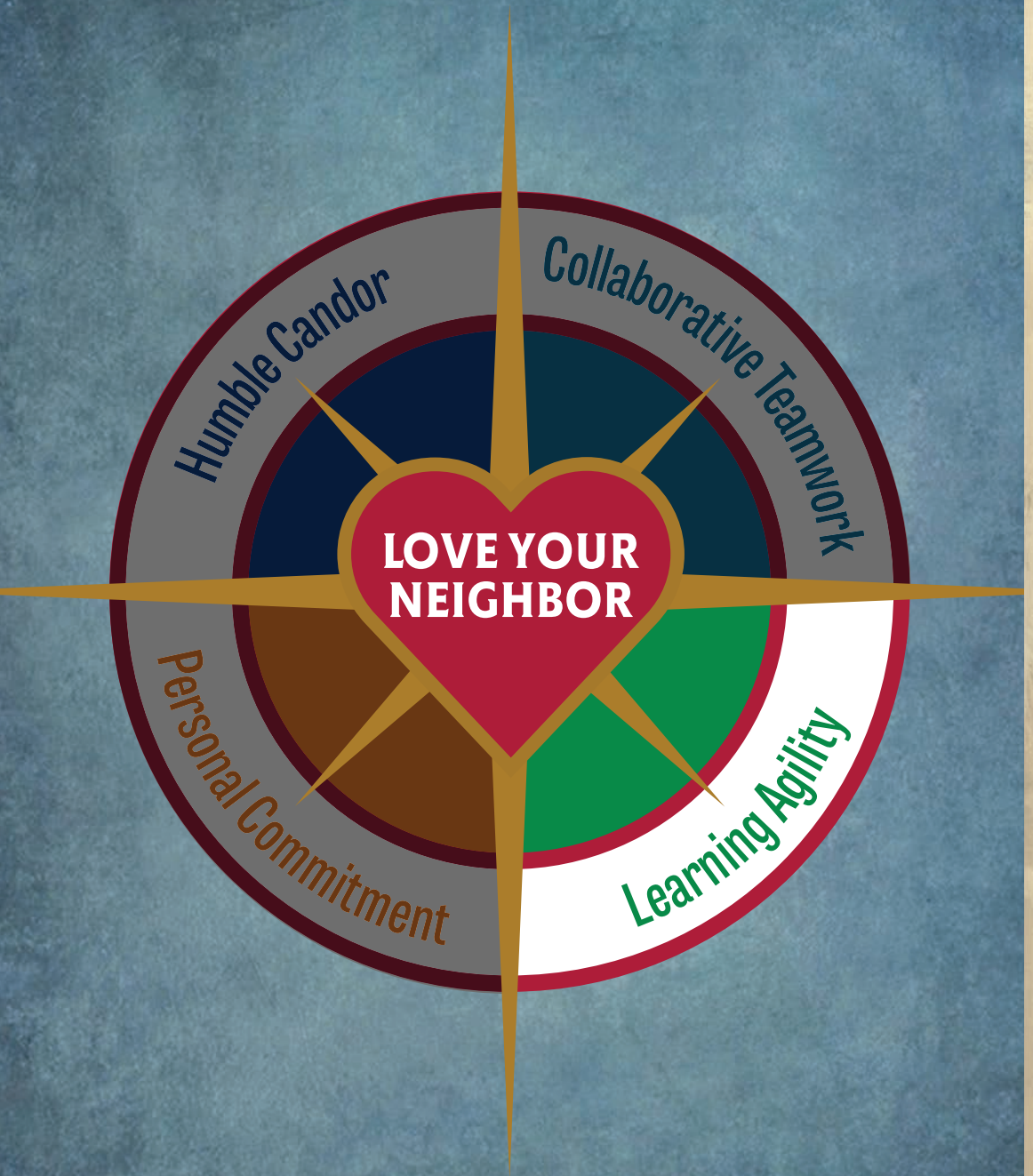
These are strong indicators that we're on the right path. But as we grow, it's easy to feel disconnected—from each other, from our work and from our shared purpose. Sometimes it's physical distance. Other times, it's systems, technology or scaled processes that make us feel isolated.

While our results have been strong, we'll face challenges that can throw us off course. The best way forward? Leverage each other's strengths and unify our efforts.

Take a moment to reflect. What are your favorite memories at work? A mentor who raised your standards? Helping someone when they couldn't help themselves? Watching someone you coached surpass their own expectations? Moments like these remind us that greatness comes from working together.

No one completes this journey alone. Some lead, some carry the load, some scout the path ahead. At times, we may even need to lift one another up. What matters most is that we're all moving together toward ONE Johnsonville.

CALL TO ACTION: Take ownership of your role. Trust others to own theirs. Share what others need to succeed. Receive knowledge with openness. This is collaborative teamwork and it's how we'll reach the extraordinary.



CHAPTER SEVEN

Learning Agility

Weather changes. Paths shift or vanish. Sometimes we find ourselves in uncharted territory, facing challenges that feel unfamiliar or even risky. In those moments, we rely on past experience while staying open to learning new ways forward. That's what it means to be agile learners for life.

At Johnsonville, we embrace learning fast—and help others do the same. We often set superlative goals without knowing exactly how we'll reach them. Still, we explore, adapt and discover new solutions. This mindset makes Johnsonville a truly unique place to work.

Mistakes are part of the learning process. The best teams know frustration is normal when results don't come right away. They stick with it, make small adjustments and steadily improve.

Consider this example of our Johnsonville Japan sales team. They needed a clean-label formula for a national menu item at Burger King-Japan. The U.S. R&D demonstrated learning agility when partnering with Quality Assurance (QA) at our Japanese distributor to adapt the formula for compliance. This process required iterations and creativity. Riverside's Production and Cost teams worked with the International Finance team to ensure profitable pricing, while Supply Chain coordinated export timelines. These were new learnings, which had to happen efficiently to meet project demands.

Along the way, they faced missed questions, language barriers, cultural nuances and tight timelines – but they had to start somewhere even and be comfortable making and learning from mistakes as they went. Members on both sides of the Pacific made themselves available across timezones. The result was a hugely successful launch in Japan—which led to a similar initiative in South Korea the next year. This is the power of learning agility.

CALL TO ACTION: Get comfortable being uncomfortable. When frustration boils with your team or spirits are down, remind them that learning agility makes Johnsonville truly unique, and it requires pushing through challenges to deliver on our promises with speed and creativity.



CHAPTER EIGHT

Personal Commitment

When someone joins Johnsonville, it's not just about filling a role—it's about embracing responsibility. From day one, we aim to transfer both the responsibility and accountability for results to the individual. That's the heart of what makes The Johnsonville Way unique. It's a culture rooted in performance, ownership and commitment to the team.

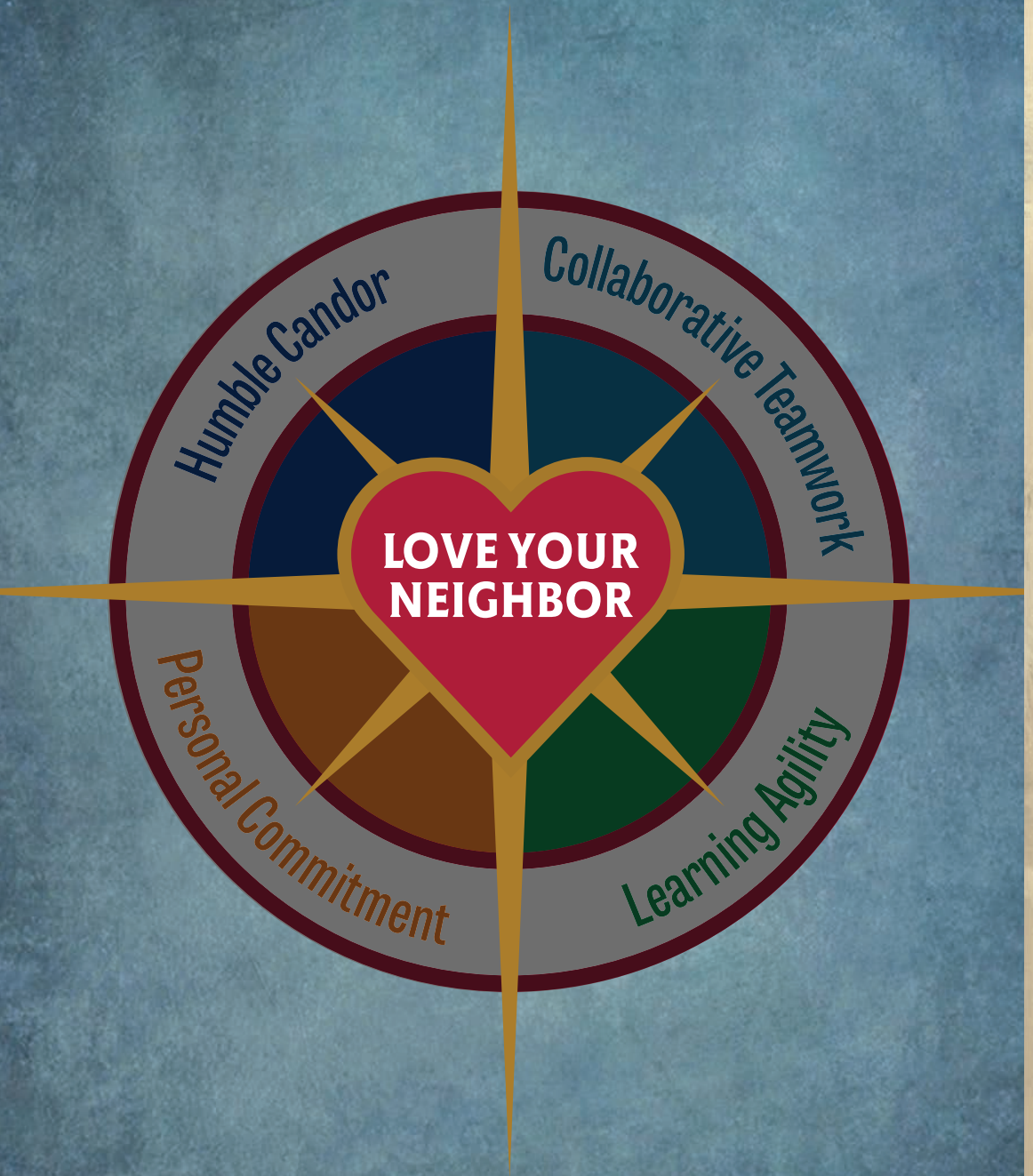
The final paragraph of The Johnsonville Way statement is powerful. It includes personal declarations like:

"I understand."
"My performance and my accountability to the team."
"My commitment to stretch, grow and excel."
"I am committed to it."

These aren't just words—they're a mindset. While you're on this journey with us, we ask for your personal commitment. Not blind loyalty, but a willingness to engage fully. And yes, there may be times when you question that commitment or feel it slipping. That's normal. When that happens, lean on your teammates. They'll help you find your way back.

Think about it: Every single day, we trade a piece of our life for something. What are you trading your day for? What are you choosing to become?

CALL TO ACTION: Personal commitment means keeping a promise—not just to your company or team, but to yourself. It's about showing up fully, taking ownership of your impact and striving to grow—even when it's uncomfortable or hard.



CHAPTER NINE

Love Your Neighbor Is Our Magnetic North

What does "Love your Neighbor" mean at Johnsonville? Notice The Johnsonville Way reads, "serve the best interests of those who have a stake in our success."

As Ralph C. Stayer said, "Loving your neighbor means caring for people. In the factory, this can mean seeing someone doing something unsafe, and stopping them right there, because you care enough about that person to keep them from getting hurt."

Love your neighbor to help them: learn, compete and win. Loving your neighbor means never allowing any Member to take the path of least resistance and not live up to their full potential. When we care enough to coach, we help each other live The Johnsonville Way. Before making any decisions and committing to actions, we should all orient ourselves to "Love Your Neighbor."

Why? Because it's the fundamental force that guides our values and enables us "to create the environment that requires each of us to fully develop our God-given talents and help others do the same." This is Johnsonville's mission and the purpose of why we exist. When we develop our own and others' talents, we can win at whatever lies ahead. We love the progress, but we never get "there." This is what fully developing our talents really means.

The minute you think you've arrived at your talent destination, you stop growing and start dying. Obstacles and challenges make the journey difficult. But the journey can be rewarding when we travel The Johnsonville Way path.

CALL TO ACTION: Don't let another Member remain mediocre in their role. If we allow Members to remain mediocre, we are not truly loving them as our neighbor. Take steps to fully develop your talents and the talents of others.

CHAPTER TEN

Where Does the Path Take Us?

These four core values make Johnsonville unique and distinct from our competitors and other companies. These core values help us achieve our company mission. It's critical that we use each of the core values in a balanced way, in harmony with the others. Over-using just one or two of the core values will misalign efforts and prevent superlative outcomes.

Throughout this booklet, we discussed "staying on the path" and "navigating" toward our vision of One Johnsonville. It may come as no surprise that we believe our core values act as a compass. But how does a compass work? Does it point in the direction you want to go? Not really. A compass always points to magnetic north. By knowing where magnetic north is, you can orient yourself on your journey. A compass can help navigate around obstacles and re-route when you find an obstacle you were not expecting. A compass keeps you on the path to your destination.

"Love Your Neighbor" is our magnetic north. Just as a compass points toward magnetic north and guides us on a journey around the Earth, if we orient ourselves to "Love Your Neighbor" and reference our core values, we will stay on The Johnsonville Way path – the path to superlative performance.

Will we make mistakes? We hope so! Because we believe if we are not making mistakes along the way, we aren't stretching ourselves far enough. "Superlative performance" lies not in eliminating our troubles or mistakes but in growing through and with them. The Johnsonville Way says that we will change objectives and goals that no longer require personal growth and superlative performance to ones that do. There is only one thing more painful than learning from experience and that is not learning from experience.



Summary

Each of the four core values is purposefully connected to a paragraph within The Johnsonville Way statement.

When we learn, live and lead these values and love our neighbor, we can walk into any Johnsonville plant or office and see that, sure, the Members and the products on the line may look a little different. But as we interact with Members and talk about their work, we'll know we're in a facility that is part of the Johnsonville family of companies.

How? Because we should be able to feel it, sense it and just know it, by the words they use to describe their work, how they solve problems, how they interact with and treat each other; by the pride they take in showing us their team's work; and how they're achieving against their metrics.

Our geographical footprint will continue to grow, our destinations will change, but the path we continue to follow will always be there to guide us. Real learning comes not from adapting to the world around us, but by changing the world to what we believe it needs to be.

Collaborative Teamwork

Ideal Behaviors
- Contribute to team's success by completing my tasks at – or above – expectations.
- Trusting that other Members/teams/facilities are doing their job and will share information that is relevant to me.
- Share relevant information that helps others do their job effectively.
- Step in to help a team Member(s) if they are struggling.

Too Much
- Expect to be involved in, or part of, every decision.
- Micromanage others' tasks or responsibilities.
- Interrupt or dominate conversations during team meetings.

Too Little
- Work in isolation by avoiding seeking others' input and not sharing information.
- Believing my idea is the best idea or dismissing others' ideas without considering them.
- Not asking myself when problems arise, "What am I doing or not doing to cause this issue?"

Humble Candor

Ideal Behaviors
- Have timely discussions about gaps and issues; coach in-the-moment to avoid letting things fester.
- Be receptive to feedback from others while assuming positive intent.
- Strengthening trust through open, honest, and respectful communication.
- Create a safe and supportive environment where "see something, say something, do something" is celebrated.

Too Much
- Too much candor and not enough humility or the other way around.
- Provide feedback by criticizing others in front of the group instead of providing the feedback privately.
- I only give feedback to others and never seek out feedback for myself.

Too Little
- Being more concerned with my personal discomfort around a conversation than others' success.
- Give feedback without care by doing so in a condescending or dismissive tone.
- Take feedback personally or become defensive.

Learning Agility

Ideal Behaviors
- Keep exploring and learning in my work, even when the path to completion isn't clear.
- Get comfortable initially performing poorly or making mistakes, recognizing this is how individuals build skills and knowledge.
- Respond to changing conditions, opportunities, and challenges with speed, flexibility, and creativity.
- Experiment with new ideas or approaches and conduct trial runs for long-term benefits.

Too Much
- Change for the sake of change without clear benefits.
- Frequently engage in learning driven by personal curiosity, unrelated to business objectives.
- Dismiss feedback or advice to prove I can figure things out on my own and that I have the best solutions.

Too Little
- Resist change because it's outside my comfort zone or different from how it has always been done.
- Repeating the same mistakes by not reflecting on how to avoid them.
- Hold back from asking questions because I am worried about looking foolish.

Personal Commitment

Ideal Behaviors
- Live up to my promises and be someone who can be counted on to deliver results.
- When I make a mistake, acknowledge it, work hard to correct it and learn from it.
- Seek feedback regularly from Members and customers to assess and improve my performance.
- Accept nothing less than personal greatness from myself and others by setting superlative goals and strive daily to achieve them.

Too Much
- Saying "yes" to a project or task when I know I can't accomplish it or I know it does not align with priorities.
- Prioritizing "getting work done" over living Johnsonville values.
- Focusing on results and/or profits over long-term personal health and well-being.

Too Little
- Avoiding accountability by blaming others for issues or failures.
- Ignore tasks because they aren't directly part of my job description.
- Tolerate mediocrity in my performance and others.