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## An appetite for good.

2023 PILGRIM'S SUSTAINABILITY REPORT SUMMARY

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WE RECOGNIZE THAT THE ROLE WE PLAY EXTENDS BEYOND OUR OWN WALLS, AND WE CONTINUE TO WORK ON DELIVERING SCALABLE SOLUTIONS TO THE SUSTAINABILITY CHALLENGES THAT IMPACT US ALL.

- FABIO SANDRI, PILGRIM'S CEO

Mark Pilgrims "Safety is a Condition!"

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## "

I BELIEVE THAT SUSTAINABILITY MUST BE EMBEDDED IN OUR BUSINESS AS WE FACE THE GLOBAL CHALLENGE OF FEEDING A GROWING POPULATION. WF WILL CONTINUE TO EXPLORE INNOVATIVE WAYS TO LEAD AND GROW IN THIS AREA. STRIVING TO MAKE A MEANINGFUL IMPACT.



#### A MESSAGE FROM OUR CEO

As I reflect back on 2023, I am so proud of what we achieved at Pilgrim's. Around the world, once again, millions of people put our high-quality food products on their plates every day. Our business thrived, demonstrating our resilience and strong demand for our products. Just as important, we stayed true to our commitment to operate in a responsible and sustainable way that meets the expectations of our customers and the communities we call home.

In 2023, Pilgrim's made measurable strides in our sustainability efforts because of our relentless focus on ways to improve across our global footprint. There is always more work to be done, but it is also important to celebrate our collective progress. And I am proud that 2023 was a year of advancement. This report provides an in-depth view, but I would like to call out a few highlights here.

In 2023, Pilgrim's reduced absolute Scope 1 and Scope 2 GHG emissions by 17% compared to 2019 baseline. As of year-end 2023, we approved more than 130 GHG emissions reduction projects for implementation in Pilgrim's facilities since 2019. This is an area where we continue to innovate and lead sustainable transformation by example.

The safety of our employees and customers has always been paramount, and we continue to make progress to underscore that. In 2023, I am proud to report that we improved our Global Safety Index performance by 24% since 2022 and 69% compared to our 2019 baseline. This is a critical measure because we believe that safety is a condition for becoming the best and most respected company in our industry.

There are so many other efforts to take pride in-whether it's how we are tackling food waste, our dedication to humane animal handling and welfare, or the way we encourage our suppliers to join us on our journey toward collective improvement, too. Within our communities, we continue to invest in opportunities for our employees and their families while focusing philanthropic efforts on the causes that matter most to them.

I believe that sustainability must be embedded in our business as we face the global challenge of feeding a growing population. We will continue to explore innovative ways to lead and grow in this area, striving to make a meaningful impact.

It is my honor to share this report with you as it captures our successes, our aspirations, and a relentless drive to accomplish more.

Sincerely,

Fabio Sandri Pilgrim's CEO

## About Pilgrim's

As a global leader in the food industry, Pilgrim's has been delivering high-quality, wholesome, and premium products for over seven decades. As one of the world's largest poultry, pork, and prepared foods producers, we take pride in serving millions of customers worldwide every day.

At Pilgrim's, we understand that our role extends beyond just providing high-quality food products-we are committed to doing so responsibly. Our dedication to our customers and the communities we serve transcends everyday business operations. Each day, we strive to uphold our responsibility towards these stakeholders by aligning our operations with the highest standards of sustainability and ethical conduct.

69 PRODUCTION FACILITIES

47 HATCHERIES

FEED MILLS

02 PIG FARMS

## "

#### **PILGRIM'S HAS BEEN DELIVERING HIGH-QUALITY, WHOLESOME,** AND PREMIUM PRODUCTS FOR OVER SEVEN DECADES.



#### Our Why:

At Pilgrim's, our fundamental aim is to create opportunities for a better future for our team members. Our vision, strategy, and methods provide a clear roadmap of our objectives and the path we've laid out to achieve them. This purpose serves as the driving force behind our relentless pursuit of our goals and propels us in our ambition to be the most respected company in our industry.

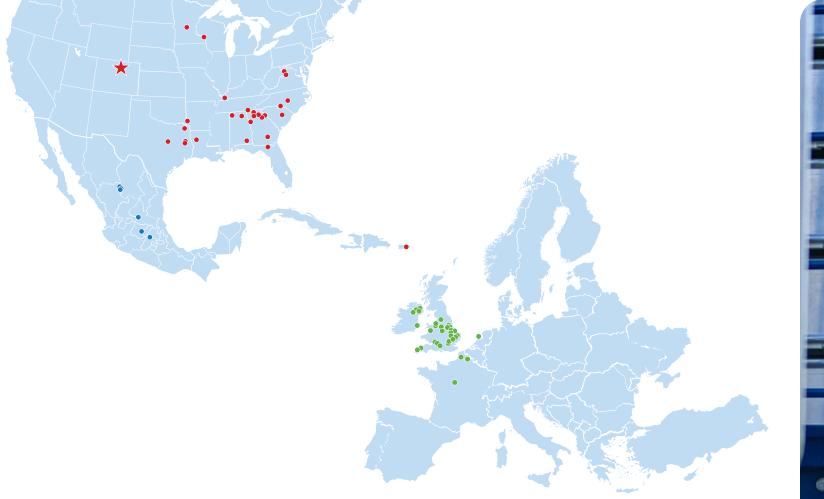
## 155 million+ **SERVINGS OF PROTEIN**

**PROVIDED DAILY** 



## 61,000+ team members





## Our Operations

#### ★ PILGRIM'S GLOBAL HEADQUARTERS

Greeley, CO

PILGRIM'S U.S.

Aibonito, PR Arcadia, WI Athens, GA Broadway, VA Canton, GA Carrollton, GA Chattanooga, TN Cold Spring, MN De Queen, AR Douglas, GA Elberton, GA Ellijay, GA Enterprise, AL Gainesville, GA

Guntersville, AL

#### Live Oak, FL Lufkin, TX Marshville, NC

Mayfield, KY

Moorefield, WV

Mt. Pleasant, TX

Nacogdoches, TX

Natchitoches, LA

PILGRIM'S MEXICO

Querétaro, MX

Tultitlan, MX

Gomez Palacio, MX

San Luis Potosí, MX

Tepeji Del Rio, MX

Russellville, AL

Sanford, NC

Sumter, SC

Waco, TX

PILGRIM'S EUROPE

Andover, UK Anwick, UK Ashbourne, UK Ashton, UK Attleborough, UK Ballymena, UK Bodmin, UK Bromborough, UK Bury St. Edmunds, UK Carrickmacross, IE Cheshire, UK Coalville, UK Corsham, UK Craigavon, UK Dungannon, UK Enniskillen, UK Greenford, UK Grantham, UK

Hénin-Beaumont, FR Huntingdon, UK King's Lynn, UK Linton, UK Llanidloes, UK Marquise, FR Orleans, FR Peterborough, UK Redruth, UK Ruskington, UK Schagen, NL Shillelagh, IE Southall, UK Spalding, UK



• 2023 Pilgrim's Sustainability Report Summary

## Our Brands

NORTH AMERICA















EUROPE





Ballyfree







• 2023 Pilgrim's Sustainability Report Summary

































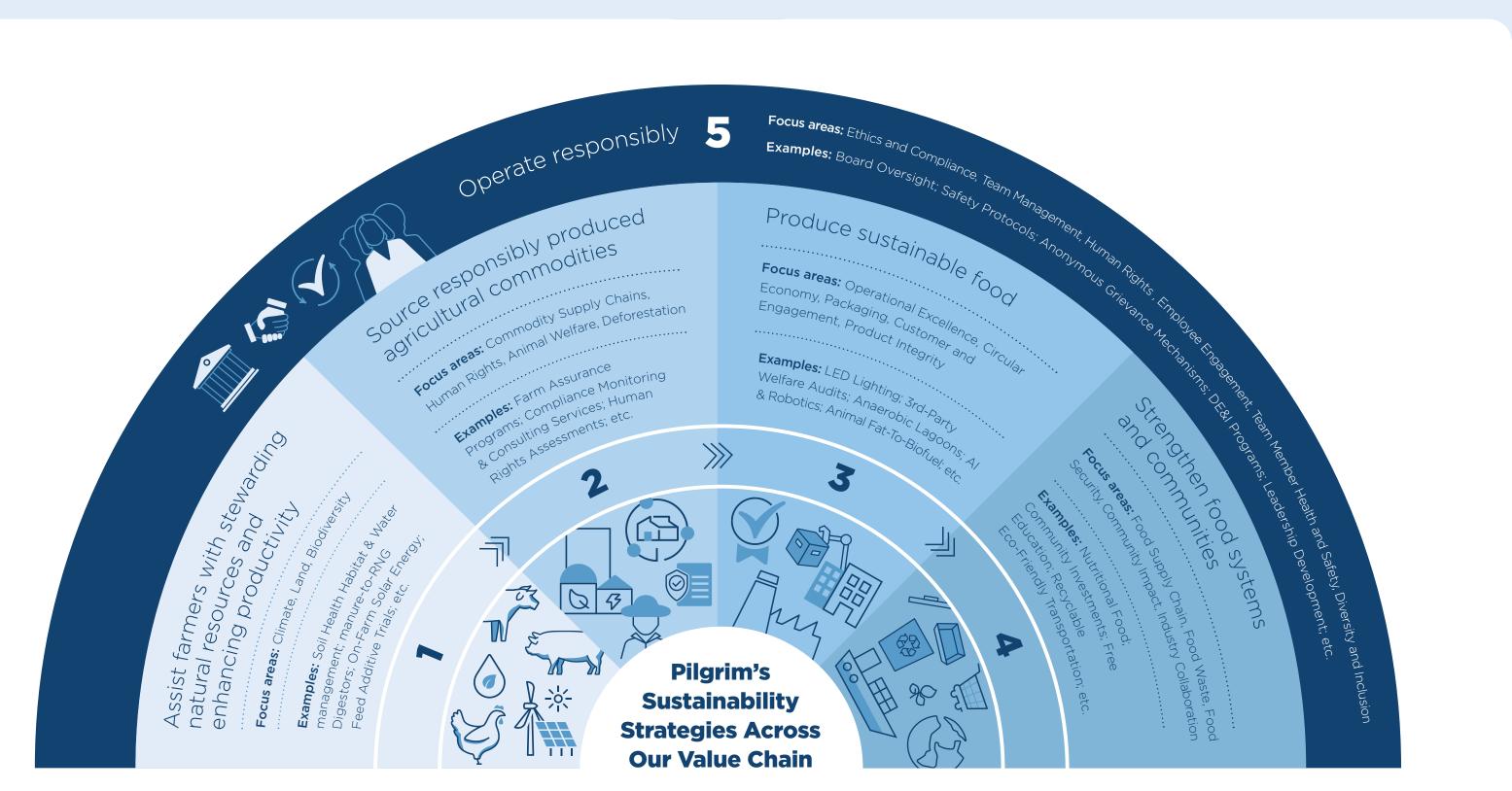






## Our Global Sustainability Strategy

At Pilgrim's, we incorporate sustainability considerations into every aspect of our operations. We are dedicated to continuous improvement, innovation, and setting increasingly ambitious goals. Our Global Sustainability Strategy reflects our supply chain connections and addresses our material sustainability topics. This strategy directs our actions in environmental, social, and governance areas, serving as the comprehensive framework for developing all our sustainability programs and initiatives. We utilize our scale and influence to ensure agriculture contributes to climate solutions. As a significant player in the food system, we strive to reduce our emissions while aiding producers and suppliers in enhancing their environmental sustainability and natural resource conservation.





## Our Sustainability Goals

We are continuously focused on improving our company and staying committed to our goals, which drive us to innovate. We utilize our scale and influence to ensure agriculture contributes to climate solutions. As a key player in the food system, we strive to reduce our emissions while aiding producers and suppliers in enhancing their environmental sustainability and natural resource conservation.

SUPPORTING THE U.N. SUSTAINABLE DEVELOPMENT GOALS



		OUR GLOBAL GOALS	OUR PROGRESS
Environment	Emergy & Emissions	Achieve net-zero greenhouse gas (GHG) emissions by $2040^1$	17% reduction in absolute Sco Individual Pilgrim's businesses endeavors focused on animal can reduce GHG emissions thr
		Reduce Scope 1 & 2 GHG emission intensity by 30% by 2030 vs. 2019 baseline	20% reduction from 2019 base
		Reach 60% renewable electricity by 2030	14.2% of the total electricity us
	Water	Reduce water use intensity by 2030 vs. 2019 baseline	6% increase from 2019 baseli
Social	Health & Safety	Achieve 30% improvement in Global Safety Index <sup>2</sup> performance by 2025 vs. 2019 baseline	69% improvement in 2023 cor
	People Development	Continue providing life-changing development and educational opportunities for team members and their families	Provided more than 800,000 t skills and career opportunities Enrolled more than 170 team r higher education classes via P
Governance	Ethics & Compliance	Internally investigate and close Pilgrim's Ethics Line cases within 12 months of receipt <sup>3</sup> and audit results beginning in 2025	We will begin to report in our 2
		Report 100% of substantiated critical <sup>4</sup> Pilgrim's Ethics Line cases to the Pilgrim's Board of Directors each year	On track

<sup>1</sup> When used, "net zero by 2040" or "net zero by 2040 goal" shall mean the company's goal to achieve net-zero greenhouse gas (GHG) emissions by 2040. This goal spans the company's global operations, as well as its diverse value chain of agricultural producer partners, suppliers and customers, and all other third parties in the company's value chains. Whether the company is successful in achieving this very ambitious goal will depend on numerous factors outside of the company's control, including but not limited to: legal and regulatory changes by local governments, technological innovations and infrastructures, energy advancements, economic and environmental conditions, climate change impacts, force majeures, social and cultural factors, international agreements and global trends, financial markets, collaborations and partnerships, and the resources and efforts of those in our value chains. Because of these variables, among others, the company may not be able to achieve net zero by 2040.

<sup>2</sup> Safety Index = number of severe injuries for every 100 employees ((Severe Injuries\*200,000)/Total Hours Worked). Severe Injury = Any injury resulting in amputation, fatality, in-patient hospitalization, vision loss, second- or third degree burns, or fractures that results in greater than fifteen days lost time, and any other injury that results in greater than fifteen days lost time.

<sup>3</sup> Depending on the time of receipt, Pilgrim's Ethics Line cases may not be closed within the same calendar year.

<sup>4</sup> Includes cases investigated by the Ethics and Compliance Department (related to anti-bribery/anti-corruption (ABAC), antitrust, embezzlement, falsification of corporate documents, financial wrongdoing, theft over \$2,000, and conflicts of interest) that could have potential or actual negative impacts on stakeholders.

#### cope 1 and 2 GHG emissions since 2019

es around the world are also actively engaged in research al welfare, animal nutrition, and farm management, which through improved efficiencies

aseline

used in our global operations was renewable in 2023

eline

ompared to 2019 baseline

) training hours to improve team members' professional es within the company

n members and/or their dependents in tuition-free, Pilgrim's Better Futures

2024 Sustainability Report

#### CLIMATE RESILIENCY BEYOND CARBON: AN APPROACH TO REGENERATIVE AGRICULTURE

Pilgrim's Europe's Pork Business is dedicated to holistic climate action, encompassing both emissions reduction and enhanced resilience. A key aspect of this approach involves regenerative agriculture practices, including farming pigs outdoors. This not only improves land quality but also contributes to the welfare of our British Quality Plus (BQP) program sows, which spend their entire lives outdoors.

Integrating livestock into crop rotation serves as a restorative measure for the land, offsetting the nutrient depletion and soil health compromise caused by continuous crop production. In the BQP program, pigs are kept on partner farmers' fields for two years, enriching the soil with manure, reducing weeds and disease, increasing nutrient retention, and boosting biodiversity. These practices lead to improved crop yields and reduced dependency on synthetic fertilizers.

A collaborative study between Pilgrim's Europe Pork and Intellync on nine farms in Southeast England substantiated the financial and sustainability advantages of incorporating free-range pigs into agricultural practices. The study reported increased organic matter and soil carbon, decreased fertilizer use, and yield improvements. However, these benefits require ongoing pig inclusion in rotations for sustained results, underscoring the synergy between livestock and crop production.



#### "

PIGS ARE KEPT ON PARTNER FARMERS' FIELDS FOR TWO YEARS, ENRICHING THE SOIL WITH MANURE, REDUCING WEEDS AND DISEASE, INCREASING NUTRIENT RETENTION, AND BOOSTING BIODIVERSITY.



Our Sustainability Goals | 17

## People & Partnerships

#### **INVESTING IN OUR PEOPLE**

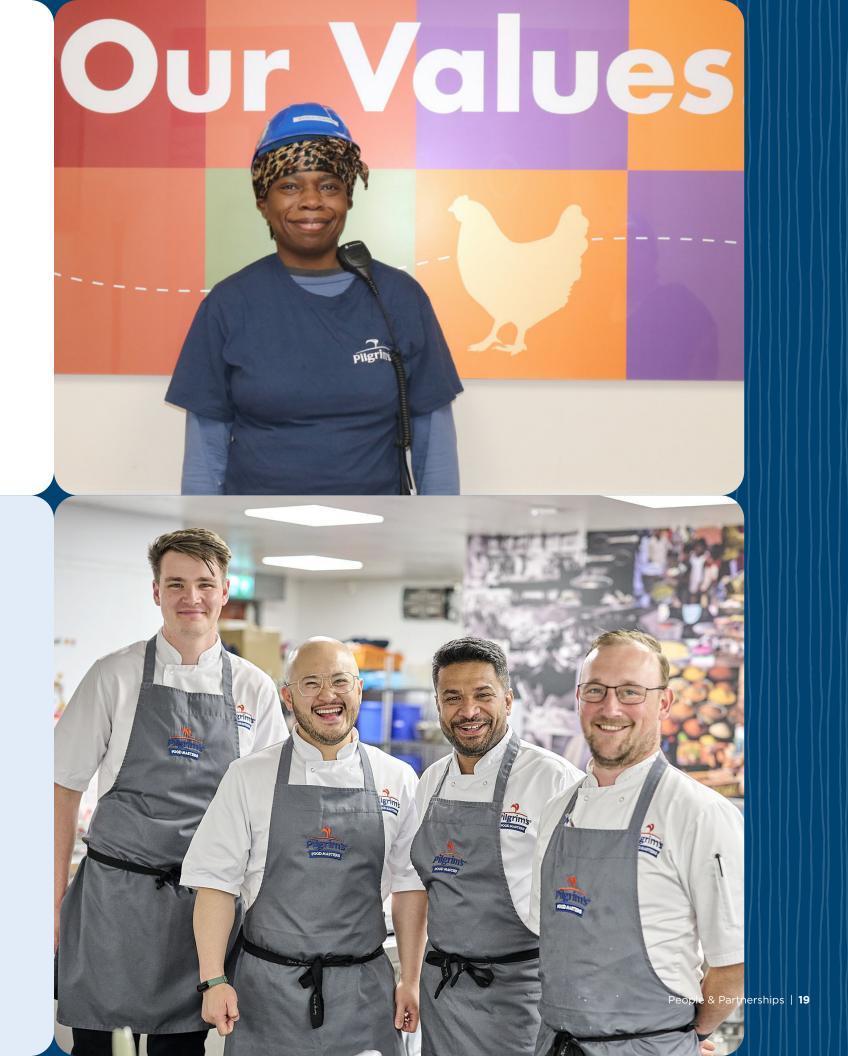
At Pilgrim's, our people come first. We're building a workplace where everyone feels safe, respected, and valued, empowering them to achieve their personal and professional goals. Through active partnerships, we're expanding access to education, promoting healthy living, and supporting the causes that matter most to our employees. We're also committed to making a real difference in the communities where we live and work, especially in rural areas where we serve as significant employers. Our commitment to people in and around our Pilgrim's facilities ensures we uplift those vital to the health of our business.

# A state of the state of the

IN GLOBAL SAFETY INDEX VS. 2019 BASELINE



TRAINING HOURS PROVIDED TO IMPROVE TEAM MEMBERS' PROFESSIONAL SKILLS AND CAREER OPPORTUNITIES WITHIN THE COMPANY



AT PILGRIM'S, **THE SAFETY** OF OUR **MORE THAN** 61,000 TEAM **MEMBERS IS PARAMOUNT.** 

Safety is a Condition

Pilgrim

#### 2023 Pilgrim's Sustainability Report Summary

At Pilgrim's, the safety of our more than 61,000 team members is paramount. Our comprehensive Occupational Health and Safety Management System prioritizes training, education, and hazard elimination to create a safe work environment.

To ensure safety protocols are effectively implemented and monitored, each Pilgrim's facility has a dedicated Safety Manager and a safety committee comprised of key team members. With hundreds of individuals directly responsible for workplace safety, we maintain

69%

24%

IMPROVEMENT YEAR OVER YEAR.

#### **TEAM MEMBER HEALTH & SAFETY**

a proactive and vigilant approach to hazard identification and prevention.

We are committed to continuous improvement in our safety practices. We establish companywide and facility-specific safety goals annually, tracking key safety indicators and reporting performance metrics to management teams daily, weekly, and monthly. This data-driven approach allows us to identify and address potential risks promptly, ensuring a safe and healthy work environment for all.





IMPROVEMENT IN OUR GLOBAL SAFETY INDEX FROM 2019-2023 AND A





#### A COMMITMENT TO OUR COMMUNITIES

Pilgrim's recognizes the significant role we play in the well-being of the rural communities where we operate. We go beyond providing employment opportunities and actively invest in initiatives that strengthen these communities and improve the lives of our neighbors.

Through programs like Hometown Strong and Better Futures in the U.S., along with our Tomorrow Fund scholarships, we provide financial support, product donations, event sponsorships, and volunteer hours to address critical community needs. We prioritize local causes that are important to our team



members and their families, ensuring our efforts have the most meaningful impact.

We believe that strong communities are built by engaged citizens. That's why we encourage our team members to actively participate in local organizations and initiatives. Each Pilgrim's facility partners with non-profits addressing crucial needs in their area, providing opportunities for team members to volunteer their time and talents. Our human resources directors and general managers demonstrate their commitment to building stronger, more vibrant communities by actively engaging in both financial support and hands-on volunteering initiatives.

## ENROLLED MORE THAN 170 TEAM MEMBERS AND/OR THEIR CHILD DEPENDENTS IN TUITION FREE, HIGHER EDUCATION CLASSES VIA PILGRIM'S BETTER FUTURES



## Product Integrity



#### **FOOD SAFETY, QUALITY & INNOVATION**

For more than seven decades, Pilgrim's has produced safe, wholesome, high-quality food products enjoyed by consumers around the globe. We take pride in our commitment to providing our customers and consumers with choices that meet their nutritional needs and ethical expectations. From traditional, antibiotic-free and organic products to customized and consumer-ready prepared foods, we hold ourselves to high standards of excellence to provide a safe and enjoyable eating experience.

Food safety is foundational to our business. Our ongoing and rigorous reviews of every aspect of our daily operations ensure safe, high-quality products for our customers and consumers.

Our global approach allows us to share best practices across the company, in areas of regulatory compliance, pathogen control, modernization and other innovations. In partnership with JBS, Pilgrim's hosts an annual Global Food Safety and Quality Conference to identify common challenges, industry trends and opportunities to support the company's effort to be the worldwide leader in highquality, innovative protein and value-added food products. Our production facilities have been audited and certified by audit schemes recognized by the Global Food Safety Initiative (GFSI):

> 100% FACILITIES IN THE U.S. ARE CERTIFIED

100% FACILITIES IN EUROPE ARE CERTIFIED

71% FACILITIES IN MEXICO ARE CERTIFIED

Product Integrity | 25

#### **ANIMAL HANDLING & WELFARE**

Pilgrim's is committed to meeting or exceeding government and industry standards for humane animal handling and expects animals to be handled in a safe and humane manner. Our animal welfare programs include specific requirements and procedures to protect the health and welfare of our livestock and poultry during transportation, unloading, handling, and processing, as well as the safety of our team members. All animal handling at all Pilgrim's facilities, including vaccinations, treatment, and movement to new facilities or processing is done using approved methods to avoid injury.

**100%** of internal and external animal welfare audits passed across Pilgrim's Europe and Mexico facilities

**100%** of internal and external transportation audits passed across Pilgrim's Europe and Mexico facilities

93% of internal animal welfare audits and 100% of external animal welfare and transportation audits passed across Pilgrim's U.S. facilities





#### SUPPLIER RELATIONS

We are committed to continually improving our business, our products and our supply chain. We understand our responsibility spans beyond production under our direct control and that we must collaborate with our supplier partners to improve the overall sustainability of our supply chain.

We strive to engage in supplier relationships with vendors who share our values to achieve a more sustainable food supply. Impacts



related to the environmental and social pillars of sustainability differ for each of our unique suppliers based on the material they manufacture or sell, the species of livestock or poultry they raise, and the service they provide. Our approach to managing our supply chain includes consistent collaboration with all our suppliers. We establish long-term supplier relationships built on trust and shared values that contribute to continued progress for our sourcing programs and sustainability goals.



## Environment

#### FEEDING A GROWING POPULATION

We are committed to helping society meet the<br/>global challenge of feeding a growing population<br/>in an environmentally responsible manner by<br/>improving the efficiency of our operations and<br/>minimizing our environmental impact.As we work toward our climate aspiration<br/>we continue to channel investments into<br/>projects that help reduce GHG emissions<br/>our operations while also reducing the int<br/>of Scope 3 emissions. We promote on-the

At Pilgrim's, we believe everyone must do their part to reduce the impacts of climate change. Our company is well-positioned to engage our suppliers, food system partners, and consumers on how to collectively address our shared GHG emissions and improve the resiliency and productivity of the global food system. Our climate ambitions have not changed, and we continue to invest in four core areas:

- 1) decarbonizing our business and supply chain;
- reducing emissions and increasing our reliance on renewable electricity sources;
- reducing water use and improving water quality without sacrificing our high safety standards; and
- reducing, reusing, and recycling the maximum number of materials to ensure we minimize the amount of waste sent to landfills.

As we work toward our climate aspirations, we continue to channel investments into projects that help reduce GHG emissions in our operations while also reducing the intensity of Scope 3 emissions. We promote on-theground collaboration and firmly believe that we cannot be successful without the efforts of those taking action in agricultural landscapes, including our farmers.



## 20%

DECREASE IN SCOPE 1 AND 2 EMISSION INTENSITY FROM 2019-2023

## 17%

REDUCTION IN ABSOLUTE SCOPE 1 AND 2 GHG EMISSIONS FROM 2019-2023





**RENEWABLE ENERGY USE** 



#### GHG EMISSION REDUCTION PROJECTS APPROVED



1770 Promontory Circle, Greeley, CO 80634 (970) 506-8000 For our full 2023 Pilgrim's Sustainability Report, please visit sustainability.pilgrims.com

**Pilgrims.com** 

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