



AN APPETITE FOR GOOD.

2021 PILGRIM'S SUSTAINABILITY REPORT SUMMARY



A MESSAGE FROM OUR PRESIDENT AND CEO



It's my pleasure to share with you our 2021

Pilgrim's Sustainability Report. As we continue to serve as a leading global producer of high-quality poultry, pork, retail-ready, and prepared-foods products for our customers, we're also making significant strides as a leading corporate citizen.

To that end, we continued to help grow the communities where our team members live and work, investing over \$15 million in more than 100 infrastructure and social services projects.

From recreation centers to mobile STEM buses, high school research facilities to soccer fields and community kitchens, the Pilgrim's Hometown Strong commitment to rural community growth and well-being has made tangible impacts across the United States.

This year, our Better Futures program also continued to grow from Hometown Strong, seeing more employees embrace the opportunity to earn a higher education for themselves, or to provide one for their children or grandchildren tuition free. With over 370 participants and two program graduates to date, we're excited to see our team members expanding their skill sets and working to make their lives—and our business—even better.

Globally, our sustainability impacts were equally resounding. As the first major meat and poultry company in the world to set a net-zero target, we continued to work toward our 2040 goal. With over 64 greenhouse gas (GHG)-saving capital expenditure projects fully funded, and another 144 in the pipeline for approval, we're approaching \$44.7 million in GHG reduction investments to date.

Additionally, we've completed our first sustainability-linked bond audit this year, tracking our commitment to achieve a 30% reduction in Scope 1 and Scope 2 GHG emission intensity by 2030. Compared against our 2019 benchmark, we've lowered GHG emission intensity by 10%, while also decreasing our absolute GHG emissions by 11%.

While our goals and efforts are constantly evolving, our vision remains consistent—to be the best and most respected company in our industry, creating the opportunity of a better future for our team members. As a result, this year also saw the launch of our internal "Speak Up Campaign" to promote use of the Pilgrim's Ethics Line, as well as the formation of the Pilgrim's Pride ESG Committee. Thinking beyond our signature initiatives—Hometown Strong, Better Futures, and Net Zero—the Committee has been tasked with overseeing our efforts in areas such as climate change, human rights, diversity and inclusion, and employee health, safety, and well-being to ensure excellence, humanity, and corporate responsibility permeate every level, and every action, of our organization.

We appreciate your ongoing support and look forward to keeping you updated on our progress.

Sincerely,

Fabio Sandri
President and CEO, Pilgrim's

As a leading global provider of wholesome, high-quality food products and one of the world's largest poultry and fully integrated pork producers, for seven decades in the business Pilgrim's has brought some of the most well-recognized brands and value-added premium products to more than 125 countries around the world. From processing and preparing to packaging and delivering, our global team works every day to meet the demands of our industry and consumers.

But it's one thing to know our high-quality food products reach millions of plates each day—it's something else entirely to know it's done the right way. It's why we balance our stakeholder expectations with doing right by our customers and the communities we call home.



“
**PILGRIM'S
HAS PROVIDED
WHOLESOME,
HIGH-QUALITY
PRODUCTS TO
CUSTOMERS &
CONSUMERS
FOR MORE
THAN SEVEN
DECADES.**

59,400+
team members


134 MILLION+
MEALS PROVIDED DAILY

6

**COUNTRIES
OF OPERATION**

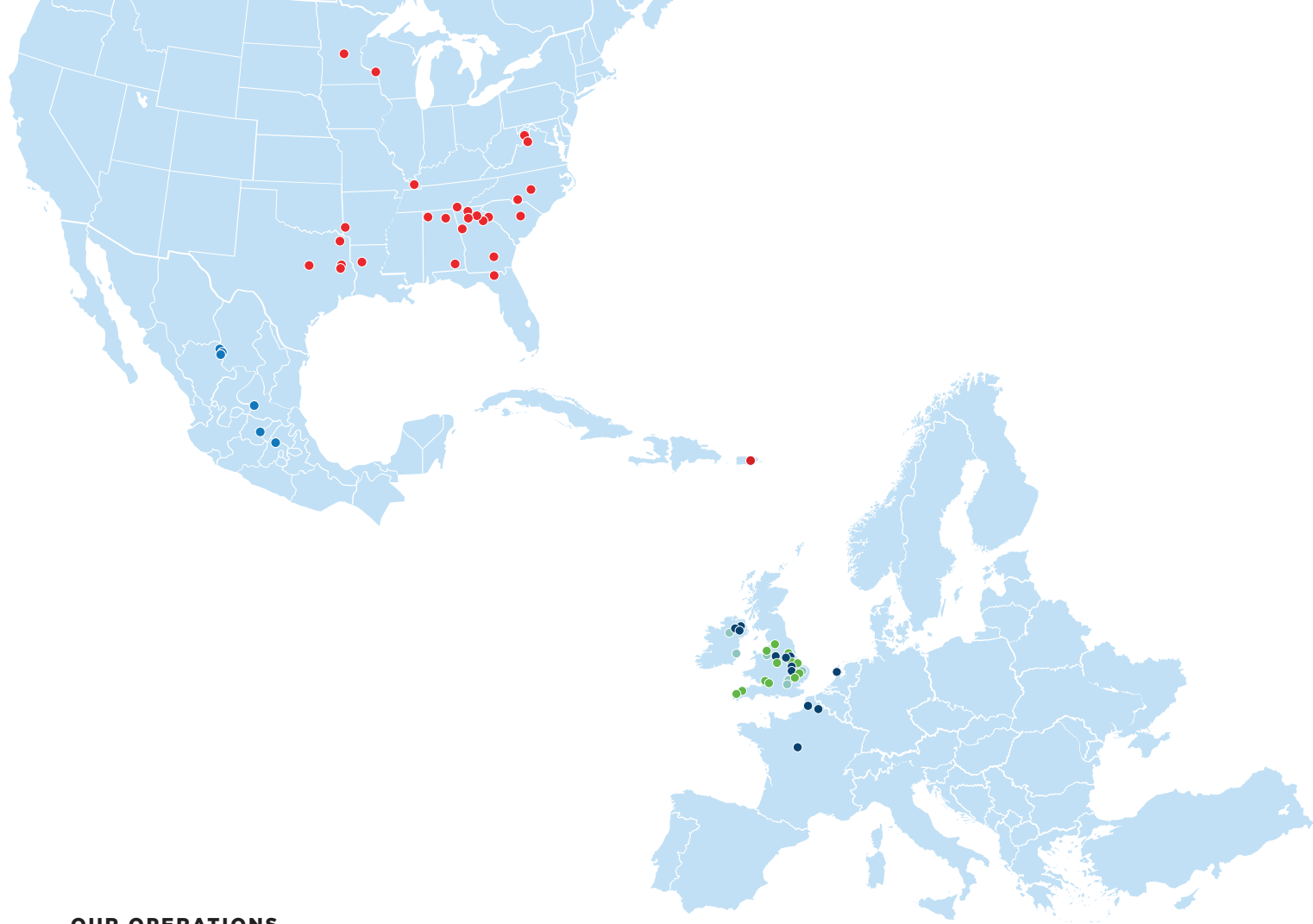


75

**PRODUCTION
FACILITIES**

Our Why: The Pilgrim's vision, strategy, and methods detail what we hope to accomplish and how we can achieve those aspirations. Most important for our team, however, is our why. Why do we work so hard each day to relentlessly pursue our goals and become the best, most respected company in our industry? It's simple: Our why is to create the opportunity of a better future for our team members.





OUR OPERATIONS

● **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

● **PILGRIM'S MEXICO**

- Marshville, NC
- Mayfield, KY
- Moorefield, WV
- Mt. Pleasant, TX
- Nacogdoches, TX
- Natchitoches, LA
- Russellville, AL
- Sanford, NC
- Sumter, SC
- Waco, TX
- Citra, MX
- Popular, MX
- Porvenir, MX
- Querétaro, MX
- San Luis Potosí, MX
- Tepeji Del Rio, MX
- Tultitlan, MX

● **PILGRIM'S MOY PARK**

- Anwick, UK
- Ashbourne, UK
- Ballymena, NIR
- Craigavon, NIR
- Dungannon, NIR
- Grantham, UK
- Henin-Beaumont, FR
- Huntingdon, UK
- Marquise, FR
- Orleans, FR
- Peterborough, UK
- Schagen, NL
- Ashton, UK
- Bodmin, UK
- Bury St. Edmonds, UK
- Bromborough, UK

● **PILGRIM'S FOOD MASTERS**

- Coalville, UK
- Corsham, UK
- King's Lynn, UK
- Linton, UK
- Redruth, UK
- Ruskington, UK
- Spalding, UK
- Westerleigh, UK
- Attleborough, UK
- Cheshire, UK
- Greenford, UK
- Monaghan, Ireland
- Southall, UK
- Wicklow, Ireland





NORTH AMERICA



EUROPE



We care about our role in the world and our responsibility as a global food company. That’s why we were the first major global protein company to commit to achieve net-zero greenhouse gas emissions by 2040, and why we’ve set 2030 improvement goals across environmental, social and governance topics.

NET ZERO BY 2040

We are leveraging our scale and influence to help agriculture be part of the climate solution by lowering our emissions and supporting producers and suppliers to continue improving their environmental footprint and preserving natural resources.

SUPPORTING THE U.N. SUSTAINABLE DEVELOPMENT GOALS



		2030 GOALS	PROGRESS	STATUS
ENVIRONMENT	ENERGY & EMISSIONS	Reduce scope 1+2 GHG emission intensity by 30% by 2030 vs. 2019 baseline	10.3% reduction since 2019	🟡 ON TRACK
		Reach 60% renewable electricity by 2030	100% renewable electricity at Pilgrim’s UK and steadily increasing throughout our other operations	🟡 ON TRACK
		Invest in emission reduction projects in Pilgrim’s-owned facilities	64+ projects approved, totaling more than \$18.7MM in investments	🟡 ON TRACK
		Invest in R&D projects to assist producer efforts to strengthen and scale regenerative farming practices	Partnering with up to 100 of our contract growers and a third party to help identify priority, real-world opportunities to reduce GHG emissions in chicken houses	🟡 ON TRACK
		Tie senior executive compensation considerations to performance against environmental goals	Integrated ESG metrics into executive compensation	🟢 COMPLETE
	WATER	Reduce water use intensity by 15% by 2030 vs. 2019 baseline	0.98% increase since 2019	🔴 OPPORTUNITY AREA
SOCIAL	PEOPLE	30% improvement in Global Safety Index by 2030 vs. 2019–2020 average baseline	39% improvement compared to a 2019–2020 average baseline	🟢 COMPLETE
		Continue providing life-changing development and educational opportunities for team members and their families	370+ team members and/or their children have signed up to earn free higher education degrees through Pilgrim’s Better Futures	🟡 ON TRACK
		Continue investing in the towns where we operate, boosting team member, family, and community well-being	\$15MM+ invested in our local communities via 100+ Pilgrim’s Hometown Strong projects	🟡 ON TRACK
	ANIMAL WELFARE & PRODUCT INTEGRITY	Develop a globally aligned Animal Welfare Scorecard and set 2030 targets	Launched global Animal Welfare Scorecard	🟡 ON TRACK
Develop a globally aligned Product Integrity Scorecard and set 2030 targets		Launched global Food Safety and Quality Assurance (FSQA) Scorecard	🟡 ON TRACK	
GOVERNANCE	ETHICS	Continue use of the Pilgrim’s Ethics Line	Launched our “Speak Up Campaign” to encourage and promote use of the Pilgrim’s Ethics Line and other reporting avenues	🟡 ON TRACK
	COMPLIANCE	Ensure compliance with all legal and regulatory obligations of the company in all jurisdictions in which it does business, and define and promote a culture of ethical business conduct	Strengthened our capabilities and resources within our Ethics & Compliance department, and formed the ESG Committee of the Pilgrim’s Board of Directors to assist in fulfilling their responsibility for oversight related to environmental, social, and governance	🟡 ON TRACK

The communities where our team members live and work are an integral part of our company's success. As such, we made a \$20 million Hometown Strong commitment to invest in these places and further strengthen our communities. As the global pandemic pushed classrooms to go virtual, many families in the Anson County school district in Marshville, NC, did not have access to laptops nor reliable internet to support their children's learning at home. In 2021, Pilgrim's partnered with Anson County school district—a county over one-third of our Marshville team members call home—to provide 500 laptops and hotspots to students in need. The Pilgrim's company's \$250,000 donation alone was more than half the budget of the Marshville High School and made a significant impact at the height of the pandemic.

With students returning to the classroom, these devices continue to be used for testing, computer-based learning, and additional technology exposure.

In communities like Marshville, we are supporting local education beyond elementary schools to community and technical colleges. Through our Better Futures program, all Pilgrim's team members and their child dependents have the opportunity to pursue their higher education dreams for associate degrees and trade certificates, tuition free. This program has supported more than 125 Pilgrim's team members and dependents since its inception with college tuition, and has the potential to become the largest free college tuition program in rural America.



“
**GREATER
EDUCATION
IS THE
FOUNDATION
FROM WHICH
WE'LL BE
ABLE TO BETTER
OUR WORLD.**”



“

WITH AN INCREASED FOCUS ON BEING A STRONG CORPORATE CITIZEN AND SETTING AGGRESSIVE GOALS, OUR COMMITMENT TO THE PILGRIM'S VISION REMAINS THE SAME—TO BE THE BEST AND MOST RESPECTED COMPANY IN OUR INDUSTRY, WHILE CREATING THE OPPORTUNITY OF A BETTER FUTURE FOR OUR TEAM MEMBERS.

—FABIO SANDRI, PILGRIM'S GLOBAL CEO

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The success of our company and that of our team members is one and the same.

Throughout 2021, as our world continued to cope with the COVID-19 pandemic and the changing landscape it brought forth, we remained resolute in our commitment to our team members across the globe.

Between strict safety standards that help protect our employees and supply chains, and efforts to provide vaccination access at facilities across the world, the last year has shown us once again how crucial these areas are to our operations, actions, and decisions. We are proud to have improved our Global Safety Index by 39 percent in 2021 compared to a 2019–2020 average baseline.

With the launch of our Better Futures initiative in the spring of 2021, we set out to help our team members and their families achieve the educational opportunities they deserve. An extension of our Pilgrim’s Tomorrow Fund, Better Futures is the largest free-tuition program of its kind across the rural United States and provides access to community colleges and trade programs in Pilgrim’s communities as well as an online option for employees and their children. To date, 373 participants have enrolled.

Our dedicated workforce of more than 59,400 team members across the U.S. and Puerto Rico, Mexico, the UK, and Europe continues to humble and impress us on a daily basis. We’re proud to have such a diverse team in both background and talent.

560,000+

HOURS OF TEAM MEMBER TRAINING IN THE U.S., MEXICO, AND EUROPE

39% 

IMPROVEMENT IN THE PILGRIM’S GLOBAL SAFETY INDEX COMPARED TO 2019–2020 AVERAGE BASELINE

2 inaugural Better Futures graduates



PROVIDING MORE THAN 30K TEAM MEMBERS AND THEIR CHILDREN THE OPPORTUNITY TO PURSUE HIGHER EDUCATION THROUGH THE LAUNCH OF BETTER FUTURES AND THE TOMORROW FUND





WE ARE PROUD TO PROVIDE OUR CUSTOMERS AND CONSUMERS WITH CHOICES THAT MEET THEIR NUTRITIONAL NEEDS AND ETHICAL EXPECTATIONS.



Consumers around the world have delighted in the Pilgrim's selection of safe, wholesome, top-quality food products for more than seven decades. And whether it's our carefully crafted quality-control standards applied across our entire company or the choice of nutritionally rich, ethically sourced items our consumers crave, our commitment to excellence remains true.

We understand there's no one way to enjoy an eating experience. From traditional, antibiotic-free and organic items to customized, consumer-ready prepared foods, our product range appeals to both people's palates and their ethical expectations—the high standards of excellence we bring to the table.



Launched our Global Food Safety and Quality Assurance Scorecard

100% OF OUR U.S. AND EUROPEAN FACILITIES ARE GLOBAL FOOD SAFETY INITIATIVE CERTIFIED

100%

OF OUR FOOD PRODUCTS ADHERE TO FEDERAL LABELING REQUIREMENTS

1,515

GLOBAL FOOD SAFETY & QUALITY ASSURANCE TEAM MEMBERS

58,900+

CUSTOMERS IN MORE THAN

125 COUNTRIES

ARE SERVED BY PILGRIM'S

The global challenge of feeding an ever-growing population is no secret. But by making a responsible commitment to improving the efficiency of our operations as well as honest, measurable efforts to reduce our environmental footprint, Pilgrim's is meeting this challenge head on.

To help keep these efforts on track, we launched our 2040 net-zero goal, with target milestones in place to support 2030 goals as well. This includes a \$1 billion sustainability-linked bond requiring us

to reduce GHG emission intensity across Scope 1 and Scope 2 and commitments to invest in emission reduction projects within Pilgrim's-owned facilities and throughout our value chain. Our mission is to make the agricultural industry part of the climate-change solution—leveraging our global scale and influence to lower emissions, support our supply-chain partners to reduce their environmental footprint, and preserve our natural resources.



\$18.7MM

IN GHG EMISSION REDUCTION PROJECTS APPROVED IN PILGRIM'S OWNED FACILITIES

64+

GHG EMISSION REDUCTION PROJECTS APPROVED

10% ↓

DECREASE IN GLOBAL SCOPE 1 & 2 GHG EMISSION INTENSITY FROM 2019-2021

11% ↓

DECREASE IN GLOBAL ABSOLUTE SCOPE 1 & 2 GHG EMISSIONS FROM 2019-2021

2% ↓

DECREASE IN GLOBAL ENERGY USE INTENSITY FROM 2019-2021

Integrated ESG metrics into executive compensation considerations



Ensuring the well-being of animals under our care is an uncompromising commitment at Pilgrim's. By leveraging the latest technologies and implementing internal standards that meet and exceed regulatory requirements and industry guidelines, we continue to make strides in this area. Our animal welfare programs, implemented across all of our business units, detail the appropriate practices, controls, documentation,

and training to promote our animals' comfort and well-being at all stages of life.

But it doesn't stop there. Pilgrim's knows that by continuing to identify, develop, and implement best care practices, we can only improve the care of our livestock and poultry in the future. This includes updated animal welfare metrics and data points in our 2030 goals.



100% of team members who have contact with animals are trained according to our animal welfare programs

100%

OF INTERNAL AND EXTERNAL ANIMAL WELFARE AUDITS PASSED ACROSS ALL REGIONS



LAUNCHED OUR GLOBAL ANIMAL WELFARE SCORECARD





100+ HOMETOWN STRONG PROJECTS LAUNCHED ACROSS INFRASTRUCTURE, RECREATION, SOCIAL SERVICES, AND MORE IN OUR LOCAL COMMUNITIES

\$20MM COMMITMENT

32 MILLION+

DONATED SERVINGS (4 OZ.) OF FOOD IN 2020 AND 2021



At Pilgrim's, the communities where our team members live and work are as important to us as the products we provide. We know the hardships brought on by the COVID-19 pandemic exist all over the world. And so, as our communities rebuild, we're placing ourselves right alongside them with our Hometown Strong program, which pledges \$20 million in local community support. In partnership with local agencies, municipalities, and nonprofits,

these donations help fund passion projects with lasting positive impact.

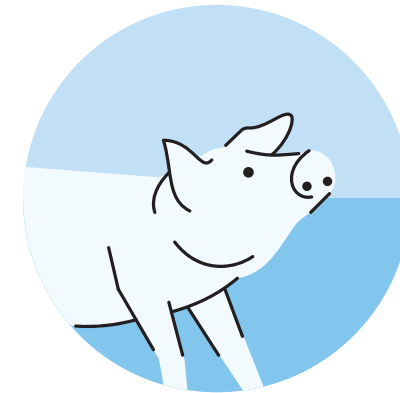
By placing the livelihood of our communities first, dedicating the time and resources to causes that make a difference, offering employment, and participating in volunteerism, we do more than take an interest in the areas we operate—we invest in them.



From family farm partners who raise our chickens and hogs to multinational companies that manufacture and provide services for our production facilities, our supplier networks are as robust as they are unique. By working in close collaboration with our suppliers, we not only ensure high-quality standards and best process practices—we identify key ways to improve our sustainability efforts across our entire supply chain.



Our mission to achieve a more sustainable food supply requires participation and input from each of our unique suppliers, often aligning with the type of livestock they raise or the services they provide. And while our ability to direct these impacts exactly as needed is often outside our immediate control, we're intentionally partnering with groups and organizations that share our drive and ideals.



\$2.2 BILLION+

PAID TO LIVESTOCK & POULTRY PRODUCER PARTNERS

6,070+

LIVESTOCK & POULTRY PRODUCER PARTNERS

11,500+

SERVICE PROVIDERS AND VENDORS

\$181 MILLION+

PAID TO MINORITY-OWNED BUSINESSES IN THE U.S.



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[Pilgrims.com](https://www.pilgrims.com)

For our full 2021 Pilgrim's Sustainability Report,
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