



# EAT PROUDLY

2020 PILGRIM'S SUSTAINABILITY  
REPORT SUMMARY



A MESSAGE FROM OUR PRESIDENT AND CEO



**I am proud to share with you our 2020 Sustainability Report.** As one of the world's leading food companies, we are focused on providing high-quality poultry, pork, retail-ready and prepared foods products for our customers while being a responsible corporate citizen.

We are grateful to our more than 56,000 global team members across 66 facilities for ensuring families around the world had food during a very challenging year. The health of our workforce was our top priority throughout the pandemic, and Pilgrim's implemented hundreds of safety measures within our facilities, constantly evolving our operations as needed.

To support the communities where our team members live and work as they recover from the COVID-19 crisis, Pilgrim's invested more than \$20 million in local projects focused on alleviating food insecurity, strengthening long-term community infrastructure and well-being, and aiding COVID-19 emergency response and relief efforts through our Hometown Strong initiative.

Another 2020 milestone included the completion of many of our sustainability goals that were set in 2017. Because of the consistent work of our team members, we accomplished much of what we set out to achieve.

Pilgrim's is committed to helping society meet the global challenge of feeding a growing population in a responsible manner. As part of this pledge to sustainably feed the future, Pilgrim's is setting ambitious goals across our business—from improving our safety to reaching net-zero greenhouse gas emissions by 2040.

We are the first major meat and poultry company in the world to set a net-zero target, demonstrating our leadership and dedication to improving the efficiency of our operations and supporting producers to reduce our environmental footprint.

Our goal is to constantly evolve and innovate to achieve our vision—to be the best and most respected company in our industry, creating the opportunity of a better future for our team members.

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

Sincerely,

Fabio Sandri  
President and CEO, Pilgrim's



**Pilgrim's is a leading global provider of high-quality food products, including well-recognized brands and innovative value-added premium products.** As one of the world's largest poultry producers and a fully integrated pork producer, Pilgrim's has provided wholesome, high-quality products to customers and consumers for more than seven decades. As a global team, we process, prepare, package and deliver fresh,

frozen and value-added food products for sale in more than 100 countries.

As proud as we are to make high-quality food that millions of people put on their plates every day, it's just as important that we do so in ways that meet the expectations of our stakeholders, customers, consumers and the communities we call home.



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

**56,000+**  
team members

  
**133 MILLION+**  
MEALS PROVIDED DAILY

**6**

**COUNTRIES  
OF OPERATION**



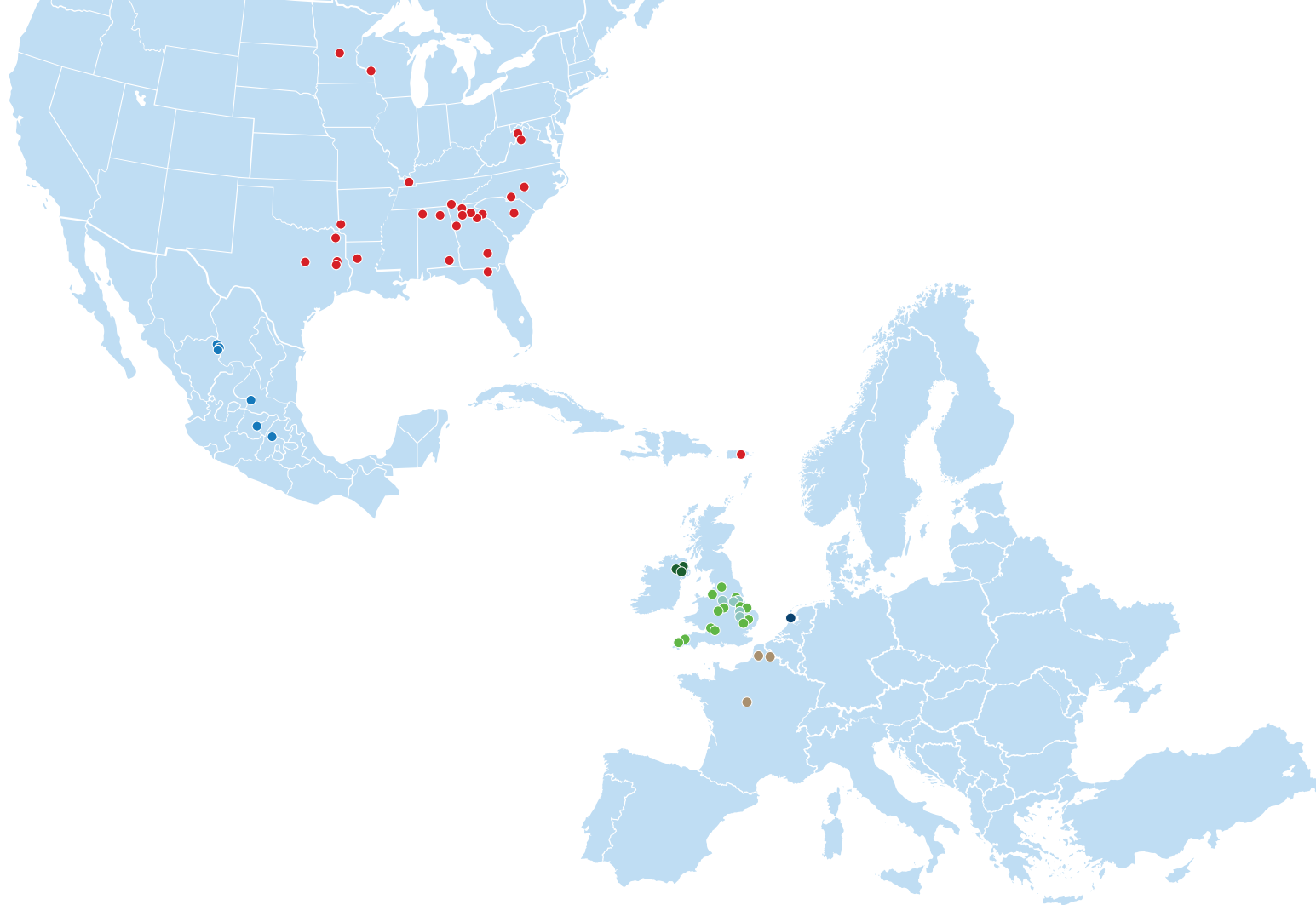
**66**

**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 is 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

Marshallville, NC  
Mayfield, KY  
Moorefield, WV  
Mt. Pleasant, TX  
Nacogdoches, TX  
Natchitoches, LA  
Russellville, AL  
Sanford, NC  
Sumter, SC  
Waco, TX

● **PILGRIM'S MEXICO**

Citra, MX  
Popular, MX  
Porvenir, MX  
Querétaro, MX  
San Luis Potosí, MX  
Tepeji Del Rio, MX  
Tultitlan, MX

- **PILGRIM'S MOY PARK**  
**NETHERLANDS**

Schagen, NL

- **PILGRIM'S MOY PARK**  
**NORTHERN IRELAND**

Ballymena, NIR  
Craigavon, NIR  
Dungannon, NIR

● **PILGRIM'S MOY  
PARK ENGLAND**

Anwick, UK  
Ashbourne, UK  
Grantham, UK  
Huntingdon, UK  
Peterborough, UK

- **PILGRIM'S MOY PARK FRANCE**

Hénin-Beaumont, FR  
Marquise, FR  
Orléans, FR

● **PILGRIM'S UK**

Ashton, UK  
Bodmin, UK  
Bromborough, UK  
Bury St. Edmonds, UK  
Coalville, UK  
Corsham, UK  
King's Lynn, UK  
Linton, UK  
Redruth, UK  
Ruskington, UK  
Spalding, UK  
Tipton, UK  
Westerleigh, UK







NORTH AMERICA



EUROPE

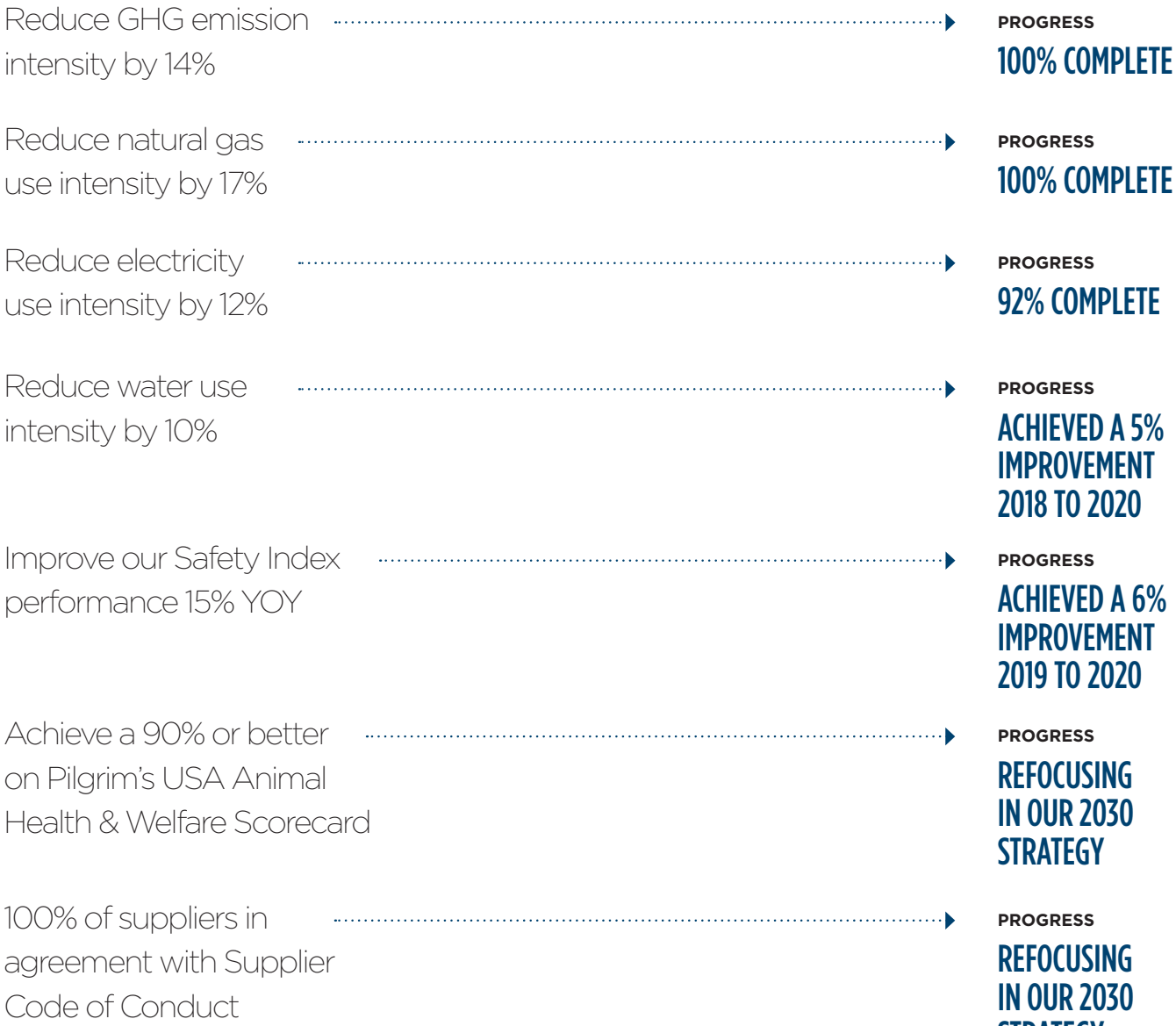




As one of the world’s leading food companies, we have a responsibility to meet today’s tastes while ensuring a more sustainable tomorrow. As Pilgrim’s continues to innovate, we are building on our success and learnings from the past, and setting new global targets across environmental,

social and governance areas to drive our business forward. Due to the COVID-19 pandemic, we did not progress on all of our goals as intended in 2020 but have recommitted to these areas in our new targets.

PILGRIM’S 2020 GOALS PROGRESS



\*Goals set for our U.S. and Puerto Rico facilities only. Environmental goals set based on 2013, 2014, 2015 average baseline.

NEW PILGRIM'S GLOBAL GOALS

**ENVIRONMENT**

Achieve net-zero GHG emissions by 2040

Reduce scope 1+2 GHG emission intensity by 30% by 2030 vs. 2019 baseline

Reach 60% renewable electricity by 2030

Reduce water use intensity by 15% by 2030 vs. 2019 baseline

Invest in emission reduction projects in Pilgrim’s-owned facilities

Invest in R&D projects to assist producer efforts to strengthen and scale regenerative farming practices

Tie senior executive compensation considerations to performance against environmental goals and align interim targets to SBTi criteria

SUPPORTING THE U.N. SUSTAINABLE DEVELOPMENT GOALS



OUR RESPONSIBLE BUSINESS POLICIES

- Animal Welfare
- Community Engagement
- Deforestation-free Supply Chains
- Diversity, Equity & Inclusion
- Environment and Biodiversity
- Food Waste Mitigation
- Human Rights
- Packaging and Recycling
- Responsible Raw Material Sourcing
- Team Member Health and Safety
- Water Use

**SOCIAL**

**PEOPLE**

30% improvement in Global Safety Index by 2030 vs. 2019–2020 average baseline

Continue providing life-changing development and educational opportunities for team members and their families

Continue investing in the towns where we operate, boosting team member, family, and community well-being

**ANIMAL WELFARE & PRODUCT INTEGRITY**

Develop a globally aligned Animal Welfare scorecard and set 2030 targets

Develop a globally aligned Product Integrity scorecard and set 2030 targets

**GOVERNANCE**

**ETHICS**

Continue use of the Pilgrim’s Ethics Line, a comprehensive and confidential reporting tool, to assist management and employees in working together to address fraud, abuse, and other misconduct in the workplace, with a focus on cultivating a positive work environment

**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 for the company and its team members, supportive of the company’s vision and values



CASE STUDY: TEXAS SOLAR POWER

In an effort to use more sustainable electricity through use of solar power, Pilgrim’s partnered with one of the largest energy suppliers in North America to implement our first U.S. solar energy project in Texas. West Texas has some of the greatest solar and wind power potential in the country thanks to the area’s abundant open land and sunshine. The Pilgrim’s West Texas solar project is a 15-year agreement that is expected to supply our rural Pilgrim’s locations in Nacogdoches, Waco and Lufkin with 786,938 megawatts of renewable electricity, displacing a total of 334,070 MT CO<sub>2</sub>e annually. To put this in perspective, that is the equivalent of taking more than 80,113 cars

off the road for a year. When compared to common carbon offsets, the amount of displaced CO<sub>2</sub>e from this project is also equal to the amount of carbon sequestered by more than 393,024 hectares of forest in one year or more than 5,567,836 10-year-old tree seedlings. The project is expected to be fully online in 2021.

Renewable electricity projects have historically been led by our Pilgrim’s UK facilities, whose electricity needs are 100% met by renewable sources. As solar power continues to become a more available source of renewable electricity, we believe it can help us reach our global goal of net-zero GHG emissions and meet the energy demands of our facilities.



CASE STUDY: TEXAS SOLAR POWER



WE KNOW  
SOLAR CAN  
HELP US  
REACH OUR  
GLOBAL GOAL  
OF NET-ZERO  
GHG EMISSIONS  
AND MEET  
THE ENERGY  
DEMANDS OF  
OUR FACILITIES.



“

OUR GOAL IS TO CONSTANTLY EVOLVE  
AND INNOVATE TO ACHIEVE OUR VISION—  
TO BE THE BEST AND MOST RESPECTED  
COMPANY IN OUR INDUSTRY, CREATING  
THE OPPORTUNITY OF A BETTER FUTURE  
FOR OUR TEAM MEMBERS.”

—FABIO SANDRI, PILGRIM'S GLOBAL CEO

## CHAPTERS

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The success of our company starts with the success of our people and we were reminded of this throughout 2020. As we faced the COVID-19 pandemic, Pilgrim's remained dedicated to our global team members, producer partners, and to feeding people.

We are committed to upholding strict safety standards to protect our employees and entire supply chain. This past year has proven our work to be more important than ever. Team member health and safety has remained our top priority, guiding all our actions and decisions.

We are also encouraging our team members to get the COVID-19 vaccine and offering support and incentives to increase employee inoculation across our facilities.

178,000+

HOURS OF LEADERSHIP TRAINING AND DEVELOPMENT IN THE U.S., MEXICO AND EUROPE

5,000+



FRONTLINE LEADERS TRAINED THROUGH PEOPLE FIRST PROGRAM

Dart rate & safety index improvements across all business regions from 2019 to 2020



We launched Better Futures in the spring of 2021 as a way to help our team members and their families achieve educational opportunities. Building on the success of our Pilgrim's Tomorrow Fund, Better Futures is the largest free tuition program of its kind across the rural United States. Better Futures provides access to community colleges and trade programs across our communities, as well as an online option, for employees or their children.

We are humbled by our committed and dedicated workforce of more than 56,000 team members—30,900 of whom are based in the U.S. and Puerto Rico, 10,500 in Mexico, and 15,000 in Europe.

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







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



For more than seven decades, Pilgrim's has produced safe, wholesome, high-quality food products enjoyed by consumers around the globe. Our commitment to excellence begins with exceptional quality-control standards that are integrated throughout our operations.

We are proud to provide 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 employ the same high standards of excellence to provide a safe and enjoyable eating experience.



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

100%  
OF OUR FOOD PRODUCTS  
ADHERE TO FEDERAL  
LABELING REQUIREMENTS

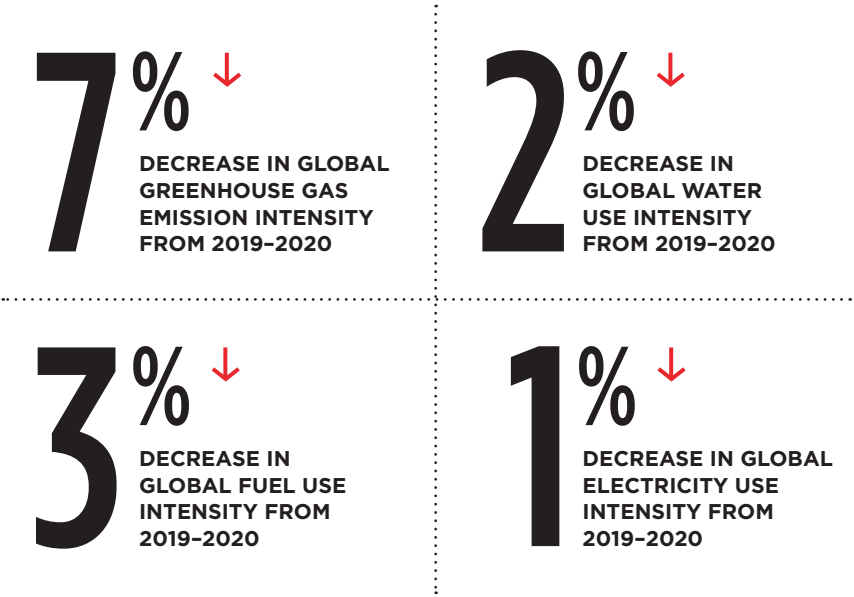
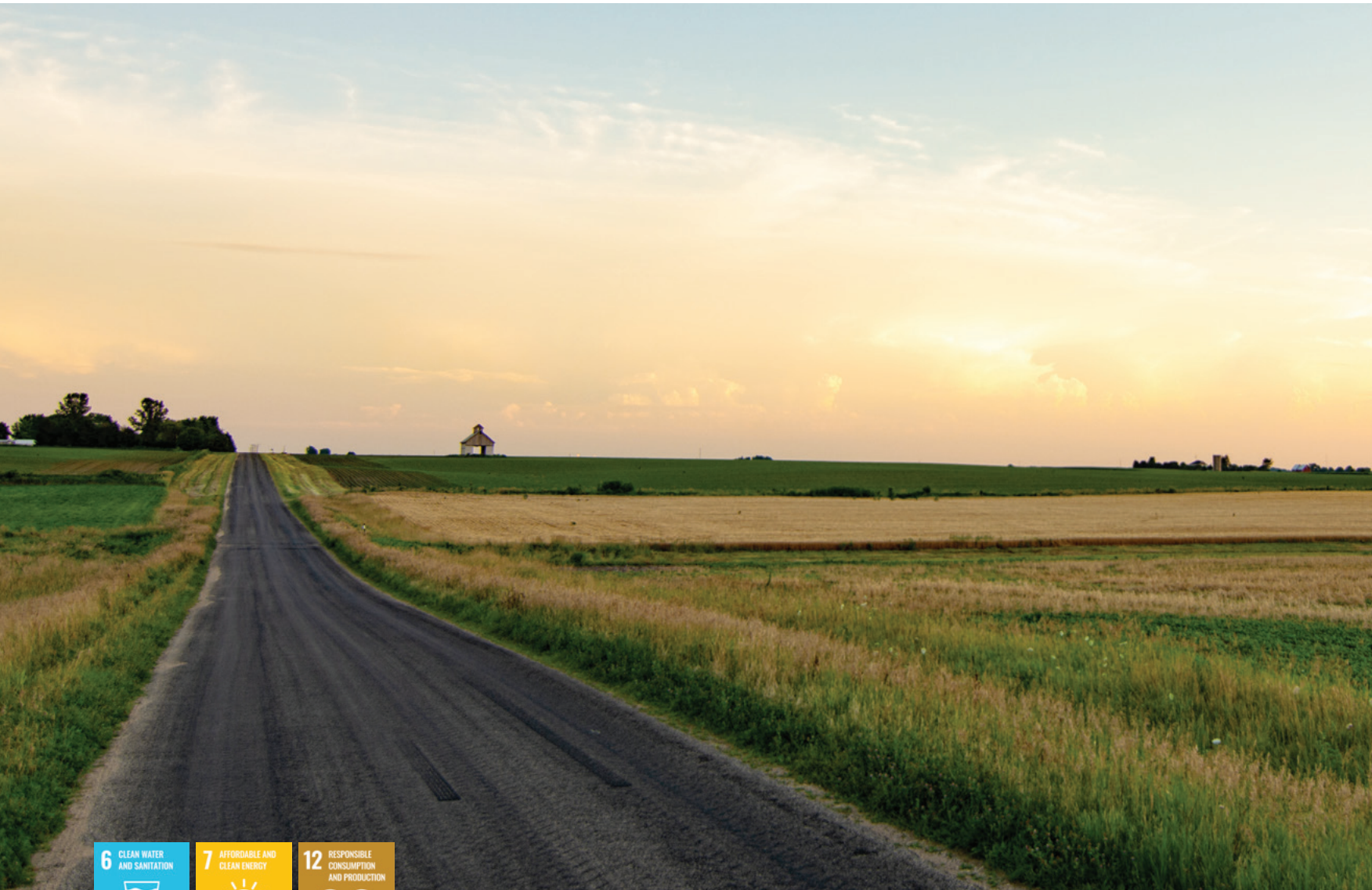
1,389  
GLOBAL FOOD SAFETY  
& QUALITY ASSURANCE  
TEAM MEMBERS

6,100+  
CUSTOMERS  
IN MORE THAN  
100  
COUNTRIES  
ARE SERVED BY PILGRIM'S



Pilgrim’s is committed to helping meet the global challenge of feeding a growing population, responsibly, by improving the efficiency of our operations and minimizing our environmental footprint. We launched our 2040 net-zero goal to help us achieve this ambition and included targets to track our progress in our new 2030 goals. Pilgrim’s also became the first major global protein company to issue a \$1 billion sustainability-linked bond tied to our 2030 efforts to reduce GHG

emission intensity across scope 1 and scope 2 and ultimately reach net-zero emissions. 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.





**Ensuring the well-being of animals under our care is an uncompromising commitment at Pilgrim's.** We continually strive to improve our welfare efforts through the use of new technologies and the implementation of standards that meet and exceed regulatory requirements and industry guidelines. Pilgrim's has established and implemented animal welfare programs in all of our business units that lay out the appropriate practices, controls, training and documentation

to promote the well-being of our livestock and poultry throughout every stage of life.

We are confident that by focusing on the health and welfare of our livestock and poultry, we will continue to identify best practices and improve animal care for the future. We are continuing to enhance our animal welfare metrics and have included additional data points in our 2030 goals.



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



**97.7%-100% SCORES ACHIEVED ON EXTERNAL ANIMAL WELFARE AUDITS IN THE U.S.**







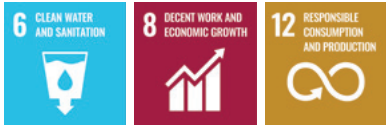
LAUNCHED 80 HOMETOWN STRONG  
PROJECTS ACROSS INFRASTRUCTURE,  
RECREATION, AND SOCIAL SERVICES  
IN OUR COMMUNITIES AND COUNTRY

**\$7.1 MILLION**  
FOR COMMUNITY INFRASTRUCTURE

**\$2.0 MILLION**  
FOR EDUCATION

**\$20MM  
COMMITMENT**

**21 MILLION+**  
DONATED SERVINGS (4 OZ.) OF FOOD



At Pilgrim's, we value the important role we play in the communities where our team members live and work. As our communities rebuild from the hardships faced during the pandemic, we have launched Hometown Strong, pledging \$20 million to support local communities. These grants will support projects that will have a lasting positive impact on the areas where our team members

live and are in partnership with local agencies, municipalities and nonprofits.

We continue to dedicate our time and resources to the well-being of our communities by providing gainful employment opportunities and participating in volunteerism, donation and sponsorship opportunities.

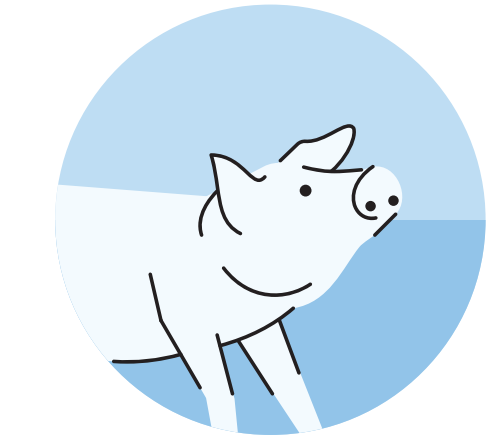




**We partner with a diverse set of suppliers** that range from family farm partners who raise our chickens and hogs to large, multinational companies that manufacture and provide services for our production facilities. Globally, Pilgrim's works in partnership with suppliers to ensure the highest-quality inputs. Collaborative relationships are key to improving the overall sustainability of our supply chain.



As part of the Pilgrim's supply chain, our vendors contribute to our overall sustainability. Impacts related to the environmental and social pillars of sustainability differ for each of our unique suppliers based on the material they manufacture, the species of livestock or poultry they raise, and the service they provide. Our ability to directly affect these impacts is often outside of our immediate control; however, we strive to partner with suppliers to achieve a more sustainable food supply.



**\$2 BILLION+**  
PAID TO LIVESTOCK & POULTRY  
PRODUCER PARTNERS

**6,100+**  
LIVESTOCK & POULTRY  
PRODUCER PARTNERS

**11,500+**  
SERVICE PROVIDERS  
AND VENDORS





1770 Promontory Circle, Greeley, CO 80634  
(970) 506-8000

**Pilgrims.com**

For our full 2020 Pilgrim's Sustainability Report,  
visit [sustainability.pilgrims.com](https://sustainability.pilgrims.com)

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Photos are from 2019, before enhanced PPE implementation.