



Pilgrim's Pride Corp (PPC)

Vote Yes: Item #5 – Racial Equity Reporting

Annual Meeting: April 29, 2026

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THE RESOLUTION

Shareholders request that Pilgrim's Pride issue a public report, at reasonable cost and omitting proprietary information, disclosing its internal diversity and inclusion policies and practices.

RATIONALE FOR A YES VOTE

1. Companies benefit from diverse and inclusive workplaces.
2. There are indications that Pilgrim's Pride's corporate policies may allow harassment and discrimination which can undermine its business success.
3. Pilgrim's Pride's reporting disclosure lags peers, exposing the Company to competitive risk.

DISCUSSION

1. Companies benefit from diverse and inclusive workplaces.

Pilgrim's Pride acknowledges the benefits of a "skilled and dedicated workforce" and notes that "Our strategy for fostering a skilled and dedicated workforce is guided by our belief that combining different backgrounds and experiences is what drives innovation, creativity, and productivity within our organization."¹ The Company provides pie charts on a variety of issues, including percentage of management team members by gender; total workforce members by gender; and percentage of team members by race, using EEO-1 characteristics as a guide. Beyond these charts, the Company's public disclosures offer little insight into specific policies, actions, and progress on diversity and inclusion.

Numerous studies have shown that equity-based policies and programs which focus on creating and maintaining a diverse, equitable, and inclusive work environment strengthen workforce effectiveness and corporate performance.

- Companies with the strongest racial and ethnic diversity are 35% more likely to outperform their industry medians for earnings before interest and tax.²
- Organizations that lead with inclusion are eight times more likely to have better business outcomes.³

¹ <https://sustainability.pilgrims.com/people-and-partnerships/diverse-and-dedicated-workforce>

² <https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/delivering-through-diversity>

³ <https://www.ceoaction.com/purpose/>



- 80% of workers prefer to work for a company that values DEI.⁴
- A recent study of EEO-1 forms found a “positive association between diverse representation in management and positive financial performance.”⁵
- As You Sow’s 2022 review of 277 EEO-1 reports which detail the diversity of a company’s workforce found a positive association between diversity in management and cash flow, net profit, revenue, and return on equity.⁶

Given these benefits, investors are incentivized to ensure that the companies they hold are proactive and intentional in addressing their workplace diversity, equity and inclusion efforts. Our Company’s lack of transparent policies and practices that foster these outcomes undermines investors’ ability to assess and benchmark the Company’s current corporate commitment to “promoting collaboration and inclusion” in its workplace.⁷

2. There are indications that Pilgrim’s Pride’s corporate policies may allow harassment and discrimination which can undermine its business success.

Pilgrim’s Pride has faced multiple high profile public reports and lawsuits alleging racial discrimination, raising investor concern that corporate policies permitting harassment and discrimination could threaten the Company’s long-term business performance. Pilgrim’s Pride faced serious reputational damage due to reports of dangerous and abusive work conditions for undocumented and immigrant employees. In two separate 2024 reports regarding its West Virginia facility, the Company was accused of “profit[ing] from immigrant labor,”⁸ allegedly exposing predominantly Black and Brown workers to dangerous and abusive conditions.⁹ These concerns are not isolated. In 2021, a Pilgrim’s Pride employee filed a complaint in federal court in Alabama alleging racial discrimination and retaliatory termination after being assaulted by a co-worker.¹⁰ In 2025, another case regarding Pilgrim’s Pride’s parent company, JBS, received national attention when Salima Jandali, a former JBS worker who is Muslim and from Morocco, filed a complaint in federal court in Colorado, alleging systematic workplace discrimination based on her religion and retaliation for refusing to participate in “illegal, dangerous and exploitative practices.”¹¹

These issues reflect weak internal accountability at Pilgrim’s Pride and its parent company, JBS, regarding workplace policies and enforcement. The Company can mitigate material risk and enhance performance by improving workforce policies that not only create but foster the retention of a diverse workforce. Disclosing such policies can demonstrate to investors that issues such as those described above are being proactively addressed.

⁴ <https://www.cnn.com/2021/04/30/diversity-equity-and-inclusion-are-important-to-workers-survey-shows.html>

⁵ <https://www.asyousow.org/report-page/workplace-diversity-and-financial-performance>

⁶ <https://www.asyousow.org/report-page/workplace-diversity-and-financial-performance>

⁷ <https://sustainability.pilgrims.com/people-and-partnerships/diverse-and-dedicated-workforce/>

⁸ <https://mountainstatespotlight.org/2024/06/05/pilgrims-pride-moorefield-immigrant-workers/>

⁹ <https://www.business-humanrights.org/en/latest-news/usa-migrant-workers-incl-undocumented-workers-face-abusive-working-conditions-at-pilgrims-prides-west-virginia-chicken-factory-incl-cos-comments/>

¹⁰ <https://www.wattagnet.com/home/article/15534916/lawsuit-accuses-pilgrims-of-racial-discrimination>

¹¹ <https://www.denverpost.com/2025/08/28/jbs-falsify-safety-training-lawsuit/>



3. Pilgrim's Pride's reporting disclosure lags peers, exposing the Company to competitive risk.

Despite the Company's public statements about its willingness to cultivate a skilled and dedicated workforce, the Company's weak diversity and inclusion disclosures reduce clarity on whether our company actually attracts and retains diverse talent critical to long-term success.

The Company lags peers on diversity and inclusion disclosure and policies and practices. According to a 2025 Racial Justice Scorecard report,¹² Pilgrim's Pride earned a 3% score compared with Tyson Foods' 11% and General Mill's 12%. The Racial Justice Scorecard monitors 27 Key Performance Indicators on six pillars: Corporate Responsibility, Internal DEI Policies and Programs, Workforce Data Disclosure, External Actions within local communities, and Environmental Justice. The Company's low score reflects minimal transparency on workforce data, including for instance, retention rates of employees, and its failure to disclose related diversity and inclusion policies and practices. Due to Pilgrim's limited reporting, investors lack information on whether the Company currently maintains key components of a robust employee diversity and inclusion program. Additionally, while the Company has released limited metrics, it has not reported critical promotion and retention rates by race and ethnicity, which are key indicators of success in ensuring a safe and equitable workplace.

The Company can demonstrate ongoing success and performance in this area by increasing transparency around its diversity and inclusion policies and practices.

CONCLUSION

Vote "Yes" on this Shareholder Proposal #5. Greater public transparency on diversity and inclusion policies and programs are necessary for investors to understand the full scope and accountability within the Company which appears to be struggling to maintain safe spaces for employees of color, and lags behind peers on similar issues and disclosures.

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For questions, please contact Olivia Knight, As You Sow, oknight@asyousow.org

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¹² <https://www.asyousow.org/our-work/social-justice/reports>