



In 2021, Pilgrim's Pride Corporation (Pilgrim's Pride) successfully issued a \$1 billion sustainability-linked bond tied to efforts to reduce greenhouse gas emission intensity across its global operations, the first of its kind to be done by a global meat and poultry company.

Click to read the [Bond Framework](#) and [ISS Second Party Opinion](#).

PILGRIM'S PRIDE CORPORATION SUSTAINABILITY-LINKED BOND DECLARATION

WHEREAS, Pilgrim's Pride issued a sustainability-linked bond in accordance with ICMA's Sustainability-Linked Bond Principles (SLBP) in 2021 to demonstrate its commitment in the fight against climate change and alignment with the Paris Agreement under the United Nations Framework Convention to reduce Greenhouse Gas (GHG) emissions.

WHEREAS, Pilgrim's Pride identified select characteristics of its sustainability-linked bond, including selection of key performance indicators (KPIs), calibration of sustainability performance targets (SPTs), bond characteristics, independent verification, and reporting.

WHEREAS, Pilgrim's Pride hired a third party, SGS, to conduct a limited assurance audit for GHG Scopes 1 and 2 emissions in accordance with the bond offering requirements.

NOW, THEREFORE, LET IT BE KNOWN THAT:

1. Reporting: SGS completed a limited assurance audit for Pilgrim's Pride worldwide operations, excluding Pilgrim's Food Masters due to its recent acquisition, on May 19, 2022, for the years ended 2019, 2020, and 2021. Click each year to view the respective verification provided by SGS.
2. Independent Verification: In SGS's opinion, the GHG emission reporting assertion by Pilgrim's Pride is materially correct and is a fair representation of the GHG emissions and has been prepared in accordance with ISO 14064 – GHG quantification, monitoring, and reporting.
3. KPIs: Referencing reported GHG emission intensity performance from 2019 to 2021, verified by the limited assurance audit by SGS, Pilgrim's Pride is currently on track to meet its Scopes 1 and 2 GHG emission intensity reduction requirements as stated in the Bond Framework.

During Pilgrim's Pride's further preparation of Scopes 1 and 2 GHG emissions data, to prepare for the limited assurance audit conducted by SGS, Pilgrim's Pride identified key areas across each business unit to improve upon for data quality. The data improvement developed a more complete set of data provided to SGS for audit and resulted in a re-baselining of Pilgrim's Pride's Scopes 1 and 2 GHG Emissions listed in the Sustainability-Linked Bond for calendar year 2019 as allowed by the Bond

 1770 Promontory Circle | Greeley, CO 80634

 970.506.8000

 pilgrims.com



Framework. The table below shows a comparison of the original 2019 Scopes 1 and 2 GHG Emissions, listed in the Bond Framework, and the improved upon baseline data that was audited by SGS.

2019 Baseline (Metric Tonnes of CO ₂ e), as listed in the original Bond Framework				
Business Unit	Scope 1, Tonnes	Scope 2, Tonnes	Total Tonnes	Intensity, MT/100lbs
PPC US & PR	487,875	557,043	1,044,918	0.0103
PPC Mexico	85,821	91,787	177,608	0.0089
Moy Park	67,412	59,440	126,852	0.0094
PPC UK	25,208	31,746	56,954	0.0085
PPC Global	666,316	740,017	1,406,333	0.0099

2019 Baseline (Metric Tonnes of CO ₂ e), re-stated and confirmed via SGS Audit*				
Business Unit	Scope 1, Tonnes	Scope 2, Tonnes	Total Tonnes	Intensity, MT/100lbs
PPC US & PR	616,680	530,670	1,147,350	0.0112
PPC Mexico	174,279	115,703	289,982	0.0145
Moy Park	86,817	51,660	138,477	0.0102
PPC UK	33,496	32,408	65,904	0.0099
PPC Global	911,271	730,442	1,641,713	0.0115

*totals may not match due to rounding

Additionally, our global production volume is provided here:

	Production, including by-products (pounds)		
	2019	2020	2021
Pilgrim's Global	14,238,413,235	14,159,361,923	14,180,649,518

Due to the improved data which resulted in a re-baseline of the Sustainability-Linked Bond targets, the following Emission Reduction Targets in absolute number, are updated from the originally stated targets; however, these updated targets still represent a 30% reduction in Scopes 1 and 2 GHG emission intensity by 2030.

2030 Sustainability Linked Bond – re-stated	
Emission Reduction Targets	2019 Baseline – updated
Scope 1 GHG, Mt. Tonnes/yr	911,271

 1770 Promontory Circle | Greeley, CO 80634

 970.506.8000

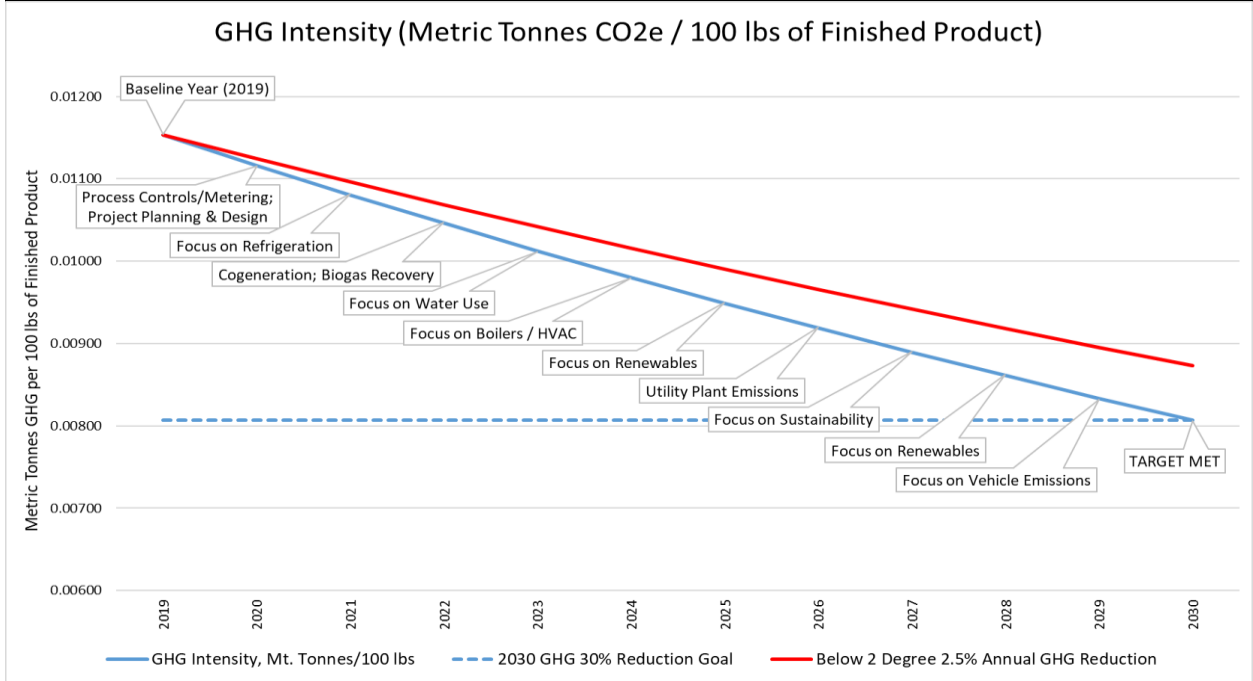
 pilgrims.com



Scope 2 GHG, Mt. Tonnes/yr	730,442
Total GHG, Mt. Tonnes	1,641,713
GHG Intensity, Mt. Tonnes/100lbs product	0.0115
2030 Goal Reduction, %	30.00%
2030 Intensity Goal, Mt. Tonnes/100lbs product	0.0081
	2021 GHG Emissions - progress
GHG Intensity, Mt. Tonnes/100lbs product	0.0103

Scopes 1 and 2 GHG emission intensity progress to date is summarized here:

Sustainability Linked Bond Progress to date			
Scopes 1 and 2 GHG Emission Intensity in Mt. Tonnes/100 lbs product			
	2019	2020	2021
Pilgrim's Global Scopes 1 and 2 GHG Emission Intensity in Mt. Tonnes/100 lbs product	0.0115	0.0108	0.0103
Pilgrim's Global Scopes 1 and 2 GHG Emission Intensity; % change year over year	-	-6%	-5%



1770 Promontory Circle | Greeley, CO 80634

970.506.8000

pilgrims.com



Since 2019, [Pilgrim's Pride has reduced Scopes 1 and 2 GHG emission intensity by 10%](#), invested \$18.7 million in capital emission-reduction projects in Pilgrim's-owned facilities, and increased our total electricity use from renewable energy sources to 7.4% with expectations for this percentage to continue increasing.

Pilgrim's Pride will continue to publish updates in the third quarter of each year in the annual sustainability report on progress against the sustainability-linked bond performance requirements for Scopes 1 and 2 GHG emission intensity reduction. For any Pilgrim's Pride sustainability-linked bond questions, please contact IRPPC@pilgrims.com.

 1770 Promontory Circle | Greeley, CO 80634

 970.506.8000

 pilgrims.com

