Meatpackers That Used Major Child Labor Contractor Have Wider Histories Of Worker Abuses And Profiteering

SUMMARY: In February 2023, the U.S. Labor Department imposed \$1.5 million in child labor fines against Packers Sanitation, Inc., a cleaning firm that employed over 100 minors in dangerous jobs at plants run by major meatpackers including JBS USA, Cargill, Tyson, and others. Troublingly, the Labor Department suggested that other plants may use child labor provided by Packers Sanitation, which has a wider reputation for "severe" worker injuries, including decapitation.

A Reuters investigation has previously revealed the meat industry relies on third-party staffing firms similar to Packers Sanitation to shield itself from liability for using migrant child labor and other worker abuses. And for years, the federal government has investigated the trafficking of migrant minors into the poultry industry.

An Accountable.US review of meatpackers that own plants named in the Labor Department's child labor citation have histories of more widespread labor abuses, price hiking, and soaring profits, with the two largest domestic meatpackers, Cargill and Tyson Foods, reporting profits jumping a combined \$1.9 billion—a nearly 25% increase—in their most recently completed fiscal years. Meanwhile, these two companies spent over \$2.5 billion on shareholder handouts, including a record \$1.2 billion in dividends to Cargill's billionaire shareholders.

JBS Foods

- Had three plants involved in the Labor Department's child labor citation
- Has faced several serious worker safety penalties and investigations after worker deaths and
- Agreed to pay \$29 million for colluding to suppress worker wages
- Has been involved in multiple legal actions totaling at least \$160 million for price-fixing
- Its Pilgrim's Pride <u>subsidiary</u> saw profits soar by over <u>2.300%</u> in its most recent fiscal year

Carqill Inc.

- Had two plants involved in the Labor Department's child labor citation
- Has seen meat workers file a class action over missing overtime wages and meal breaks
- Closed a salt plant after workers were <u>killed</u> in a mine collapse
- Paid \$15 million for a "long-running conspiracy" to suppress wages
- Faced a major lawsuit alleging it enabled child slave labor
- Saw its profit soar by 35% in its most recent fiscal year, heavily benefiting the billionaire family that receives about <u>17%</u> of the company's annual profits

Tyson Food

- Owns two plants involved in the Labor Department's child labor citation
- Faced a civil rights complaint for systematically exposing minority workers to "oppressive and dangerous" conditions
- Faced multiple serious <u>federal safety violations</u> over many years
- Refused to comply with a price-fixing subpoena despite crediting price hikes for higher profits
- Touted "'record sales and earnings" in its most recent fiscal year with prices rising by double-digits

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Background

February 2023: The U.S. Labor Department Imposed \$1.5 Million In Child Labor Fines Against Packers Sanitation Inc., A Cleaning Firm That Employed Over 100 Teenagers In Dangerous Jobs At Plants Run By JBS USA, Cargill, Tyson And Other Meat Corporations.

February 2023: The U.S. Department Of Labor Imposed \$1.5 Million In Child Labor Fines Against Packers Sanitation Inc., Which Employed Over 100 Teenagers In Dangerous Jobs At Meat Processing Plants, including Ones Run By JBS USA, Cargill, And Tyson.

February 2023: Packers Sanitation Inc., The "Leading Food Safety And Contract Sanitation Provider." Paid \$1.5 Million In U.S. Department Of Labor Penalties For "Employing More Than 100 Teenagers In Dangerous Jobs At Meatpacking Plants" Across Eight States. "A major food safety sanitation company has paid \$1.5 million in penalties for employing more than 100 teenagers in dangerous jobs at meatpacking plants in eight states, the U.S. Department of Labor said on Friday. The department said Packers Sanitation Services Inc allowed at least 102 children between 13 and 17 years old to work overnight shifts and use hazardous chemicals to clean dangerous meat processing equipment such as brisket saws and 'head splitters' used to kill animals." [Reuters, 02/17/23]

 Packers Sanitation Inc. Describes Itself As "The Industry's Leading Food Safety And Contract Sanitation Provider." "PSSI, the industry's leading food safety and contract sanitation provider, has named Lupe Gomez as Vice President of Operations for the Southwest Division and promoted Justin Seymour to Vice President of Operations for the Northeast Division." [Packers Sanitation, Inc. Ltd., accessed 02/27/23]

The Largest Penalties Were Linked To Packers Sanitation Inc.'s Contracts At Plants Run By JBS USA And Cargill—Which The Labor Department Did Not Directly Accuse Of Wrongdoing. "The largest penalties against Packers stemmed from its contracts at JBS USA plants in Nebraska and Minnesota and a Cargill Inc plant in Kansas. The Labor Department did not accuse JBS, Cargill and other meatpackers of wrongdoing." [Reuters, 02/17/23]

The Labor Department Also Imposed Penalties At Two Plants Run By Tyson Food Inc. [U.S. Department of Labor, <u>02/17/23</u>]

A Labor Department Official Said Packers Sanitation "Ignored" Flags About Child Labor And Company Supervisors "Tried To Derail Our Efforts To Investigate Their Employment Practices." "Our investigation found Packers Sanitation Services' systems flagged some young workers as minors, but the company ignored the flags,' Michael Lazzeri, a Labor Department administrator in Chicago said in a statement. When the Labor Department brought search warrants to the facilities, the adults who had hired and supervised the minors 'tried to derail our efforts to investigate their employment practices,' Lazzeri said." [The Washington Post, 02/17/23]

The Labor Department Has Suggested That Packers Sanitation—Which Has A Reputation For "Severe" Worker Injuries—May Use Child Labor More Widely As It Filed An Injunction Against The Company's "Oppressive Child Labor."

November 2022: The Labor Department Suggested That Packers Sanitation May Use Child Labor In Other Plants As It Filed An Injunction Against Packers Sanitation's "Oppressive Child Labor."

November 2022: The Labor Department Filed An Injunction Against Packers Sanitation Inc. Requiring It To Stop "Employing Oppressive Child Labor" After Finding It Employed Children Who "Suffered Chemical Burns From The Corrosive Cleaners They Were Required To Use On Overnight Shifts." "One of the largest food safety companies in the United States illegally employed more than two dozen children in at least three meatpacking plants, several of whom suffered chemical burns from the corrosive cleaners they were required to use on overnight shifts, the Labor Department found. The department filed for an injunction in U.S. District Court in Nebraska on Wednesday against Packers Sanitation Services, which Judge John. M. Gerrard swiftly ordered on Thursday. The injunction requires the company to stop 'employing oppressive child labor' and to comply with a Labor Department investigation into the practice." [The New York Times, 11/11/22]

As Of November 2022, The Labor Department Believed That Packers Sanitation "May Employ Minor Children Under Similar Conditions At Other Plants." "According to court documents, the Labor Department believes Packers may employ minor children under similar conditions at other plants." [The New York Times, 11/11/22]

Packers Sanitation—Which Already Had A Reputation For "Severe" Worker
Injuries—Hired Children As Young As 13 To Clean Highly Dangerous Equipment
With "Caustic Chemicals" For As Many As Six Days A Week, In Violation Of Child
Labor Laws.

Packers Sanitation Allegedly Hired Children "As Young As 13 To Use Caustic Chemicals To Clean 'Razor-Sharp Saws,' Head Splitters And Other Dangerous Equipment." "The company, Packers Sanitation Services, allegedly employed minors as young as 13 to use caustic chemicals to clean 'razor-sharp saws,' head splitters and other dangerous equipment at meatpacking facilities in eight states, mostly in the Midwest and the South, in some cases for years. The plants are operated by some of the country's most powerful meat and poultry producers, including JBS Foods, Tyson and Cargill. Those companies were not charged or fined." [The Washington Post, 02/17/23]

- The Children's Jobs Included "Cleaning Kill Floors, Meat- And Bone-Cutting Saws, Grinding Machines And Electric Knives." "Their jobs included cleaning kill floors, meat- and bone-cutting saws, grinding machines and electric knives, according to court documents. The mix of boys and girls were not fluent English speakers and were interviewed mostly in Spanish, investigators said." [The New York Times, 11/11/22]
- Child Labor Laws Prohibit Older Minors From Operating Hazardous Equipment. "Minors cannot operate motor vehicles, forklifts or other hazardous equipment." [The New York Times, 11/11/22]

One 14-Year-Old "Worked From 11 P.M. To 5 A.M. Five To Six Days A Week" And "Fell Asleep In Class Or Missed Class Because Of The Job At The Plant." "The Labor Department found that several minors employed by the company, including one 13-year-old, suffered caustic chemical burns and other injuries. One 14-year-old, who worked from 11 p.m. to 5 a.m. five to six days a week, suffered injuries from chemical burns

from cleaning machines used to cut meat. School records showed that the student fell asleep in class or missed class because of the job at the plant." [The New York Times, 11/11/22]

• Child Labor Laws Prohibit Minors Younger Than 14 From Working, 14- And 15-Year Olds From Working Past 7 P.M. During The School Year And Limit The Number Of Hours They May Work. "Child labor rules prohibit minors under the age of 14 from working and prohibit 14- and 15-year-olds from working later than 9 p.m. over the summer and past 7 p.m. during the school year. They are also prohibited from working more than three hours on school days, more than eight hours on non-school days and more than 18 hours per week." [The New York Times, 11/11/22]

Packers Sanitation Employees Have "Previously Suffered Severe Injuries," With One Decapitated While Cleaning Tyson Chicken Processing Equipment In 2020. "The company's workers have previously suffered severe injuries. One Packers employee was decapitated while cleaning a chicken chiller at a Tyson facility in 2020." [The Washington Post, 02/17/23]

Packers Sanitation Is Owned By Major Private Equity Firm Blackstone, Which Counts Two Executives On Packers' Board And Has Earned Hundreds Of Millions Of Dollars From The Cleaning Company.

Packers Sanitation Is Owned By Major Private Equity Firm Blackstone, Which "Faced Little Public Blowback" From The Child Labor Fine, Despite Two Blackstone Executives Sitting On Packers' Board And Blackstone Earning Hundreds Of Millions Of Dollars From Packers In Recent Years.

Packers Sanitation Is Owned By Blackstone, "One Of The World's Largest Private Equity Firms." "Packers is privately owned by Blackstone, one of the world's largest private equity firms, and employs roughly 17,000 workers." [The Washington Post, 02/17/23]

Blackstone "Faced Little Public Blowback" From Investors Over Its Ownership Of Packers Sanitation Immediately Following The Labor Department Fine. "Blackstone Inc. has so far faced little public blowback from investors over its backing of a sanitation company fined for illegally using child labor, based on communications with public pensions that invest in the asset manager's funds." [Wall Street Journal, 02/24/23]

Packers Sanitation Has Been Owned By Blackstone Since 2018, With Senior Managing Director David Kestnbaum And Operating Partner Jeffrey Overly Sitting On Packer Sanitation's Board. "Blackstone has owned Packers Sanitation since 2018. Blackstone Senior Managing Director David Kestnbaum and Blackstone Operating Partner Jeffrey Overly serve on Packers Sanitation's board." [Private Equity Stakeholder Project, accessed 02/27/23]

March 2022: The Private Equity Stakeholder Project Released A Report On How Packers Sanitation "Stood Out As A Dangerous Workplace" While Blackstone Made "Hundreds Of Millions Of Dollars In Dividends From The Company." "In March 2022, The Private Equity Stakeholder Project released a report, Profit Over Safety: Private Equity's Leveraged Bet on Packers Sanitation, detailing how The Blackstone Group's Packers Sanitation Services Inc has stood out as a dangerous workplace even as Blackstone and Packers' previous private equity owners have collected hundreds of millions of dollars in dividends from the company." [Private Equity Stakeholder Project, accessed 02/27/23]

Since Blackstone Acquired Packers Sanitation In 2018, The U.S. Occupational Safety And Health Administration (OSHA) Investigated "At Least Four Amputations And Three Fatalities" Among Packer Sanitation Employees. "Since May 2018, when Blackstone acquired PSSI, the US Occupational Safety and Health Administration (OSHA) has conducted investigations of at least four amputations and three fatalities of PSSI employees, including a decapitation." [Private Equity Stakeholder Project, accessed 02/27/23]

OSHA Also Cited Packers Sanitation And Other Companies For "A Nitrogen Leak That Tragically Caused The Deaths Of Six Workers And Injured Almost A Dozen Others." "In July 2021, the US Department of Labor's Occupational Safety and Health Administration (OSHA) cited Packers Sanitation and three other companies in connection with a nitrogen leak that tragically caused the deaths of six workers and injured almost a dozen others at a Georgia poultry processing plant." [Private Equity Stakeholder Project, accessed 02/27/23]

Blackstone Earned \$432 Million In Dividends From Packers Sanitation In 2019 And 2020. "Packers Sanitation paid a \$135 million dividend to the Blackstone Group in June 2019 and another \$297 million dividend in November 2020." [Private Equity Stakeholder Project, accessed 02/27/23]

Reuters Has Revealed The Poultry Industry Uses Migrant Child Labor While Major Meat Corporations Rely On Third-Party Staffing Firms "To Avoid Liability"—And The Federal Government Has Investigated The Industry For Migrant Minor Abuses, Including Criminal Convictions Against One Staffing Firm.

<u>February 2022: A Reuters Investigation Revealed The Poultry Industry Employs Migrant Minors While Large Poultry Processors Rely On Third-Party Staffing Firms "To Avoid Liability For Hiring Undocumented Laborers."</u>

February 2022: A *Reuters* Investigation Found That Minors Migrating From Central America Were Ending Up In The Poultry Industry Plant Pipeline. "U.S. poultry plants, hungry for labor, rely on migrant workers and staffing agencies to fill jobs. With migration soaring from Central America, some minors are making their way into that pipeline. Reuters found one Guatemalan teen who, with the help of illegal brokers, landed a job at an Alabama plant." [Reuters, <u>02/07/22</u>]

Labor Law Experts Have Observed That "Large Poultry Processors At Times Have Relied On Staffing Firms To Avoid Liability For Hiring Undocumented Laborers." "Labor law experts say large poultry processors at times have relied on staffing firms to avoid liability for hiring undocumented laborers. The staffing firms, as the direct employers, by law become responsible for vetting applicants and determining if they are allowed to work. A previous federal investigation into the hiring of poultry workers in Alabama led to criminal convictions last October." [Reuters, 02/07/22]

Poultry Industry Workers Told *Reuters* That Staffing Firms "Sometimes Dock Workers' Pay For Services, Including Transportation To And From The Workplace, And Deny Them Benefits Like Overtime Pay, Sick Days, Time Off And Medical Coverage." "Poultry industry workers in and around Enterprise told Reuters that migrants, including minors, easily obtain fake credentials and supply those to staffing firms who help them find work in area plants. The firms, they said, sometimes dock workers' pay for services, including transportation to and from the workplace, and deny them benefits like overtime pay, sick days, time off and medical coverage." [Reuters, <u>02/07/22</u>]

The Federal Government Has Investigated Migrant Working Conditions In The Poultry Industry, Including Probes Into Migrant Minors Working Without Pay And Convicting A Staffing Firm That Made Millions While It Supplied Child Workers To A Poultry Plant.

In 2021, At Least Three Federal Agencies Began Investigating Migrant Working Conditions In Poultry Plants. "At least three federal agencies last year began investigating working conditions for migrants in this

growing southern hub for the U.S. poultry industry, according to people familiar with the probes. The agencies have been looking for evidence of exploitation of Hispanic migrants in the area after an unusually large number of unaccompanied minors were released from federal shelters to sponsor families here last year, these people told Reuters." [Reuters, 02/07/22]

Since 2014, The Federal Government Was On "Heightened Alert For Trafficking Of Migrant Minors Into The Poultry Industry" After Authorities Discovered Guatemalan Teenagers Working "Without Pay And Living In Ramshackle Trailers At An Ohio Egg Farm." "The U.S. government has been on heightened alert for trafficking of migrant minors into the poultry industry since 2014, when authorities discovered Guatemalan teens working without pay and living in ramshackle trailers at an Ohio egg farm." [Reuters, 02/07/22]

October 2021: A Federal Investigation Resulted In Criminal Convictions Against A Couple Who Ran A Staffing Firm Who "Supplied Undocumented Workers, Including Several Minors" To A Poultry Plant. "A previous federal investigation into the hiring of poultry workers in Alabama led to criminal convictions last October. The federal trial in northern Alabama illustrated abusive practices by one staffing firm there and how lucrative the migrant-recruiting business can be. The jury convicted a married couple, Deivin and Crystal Escalante, on charges of money laundering and conspiracy to transport migrants illegally. According to court documents and transcripts from the trial, the Escalantes supplied undocumented workers, including several minors, to a plant owned by Mar-Jac Poultry Inc. in Jasper, Alabama." [Reuters, 02/07/22]

The Couple Received Over \$16 Million In Revenue From One Poultry Company, Helping Them Buy "Multiple Properties And Luxury Cars." "In trial testimony, Deivin Escalante said that Mar-Jac paid the couple \$175 per day for each worker. The Escalantes then paid employees around \$120 a day, he said. Over three years, the couple received over \$16 million in revenue from Mar-Jac, the U.S. Department of Justice said. Before federal agents arrested the couple in October 2020, the Escalantes bought multiple properties and luxury cars." [Reuters, 02/07/22]

<u>Early 2023: Several States Have Introduced Legislation To Roll Back Child Labor Protections, Including One Bill To Allow 14-Year Olds To Work In Meatpacking Plants.</u>

January 2023: Multiple States Introduced Bills To "Roll Back Child Workplace Protections," Including An Iowa Bill To Allow 14- And 15-Year Olds To Work In Meatpacking Plants. "Last month, some states introduced bills that would roll back child workplace protections to deal with labor shortages. A measure in Iowa would allow 14- and 15- year olds to work certain jobs in meatpacking facilities. Meanwhile, a bill in Minnesota would allow 16- and 17- years olds to work in construction. Experts say the push to relax child labor laws is part of a long-standing trend in the labor market. When employers struggle to hire, they tend to look to younger, more inexperienced workers to fill open roles, rather than improve pay and benefits for their existing workforce." [The Washington Post, 02/17/23]

The Meatpacking Industry Has Been Widely Criticized For Abusing Its Market Power To "Drive Up Meat Prices" And Boost Profits As High As 500% During The Pandemic, While Lower-Income And Underserved Communities Struggled To Pay For Food.

<u>December 2021: A White House Analysis Found The Meatpacking Industry Abused Its "Market Power" To "Drive Up Meat Prices And Underpay Farmers," Boosting Their Net Incomes By 500% From The Start Of The Pandemic To Late 2021 While Fueling Rising Food-At-Home Costs.</u>

December 2021: A White House Analysis Found That Four Of The Biggest Meatpackers—Including Hearing Witnesses Tyson, JBS, And National Beef Packing Company Majority Owner Marfrig—Used Their "Market Power" To "Drive Up Meat Prices And Underpay Farmers," Tripling Their Own Profit Margins Since The Beginning Of The Pandemic. "Four of the biggest meat-processing companies, using their market power in the highly consolidated U.S. market to drive up meat prices and underpay farmers, have tripled their own net profit margins since the pandemic started, White House economics advisers said." [Reuters, 12/10/21]

 The White House Analysis Looked At Tyson Foods, JBS SA, Seaboard Corp., And Marfrig Global Foods—Which "Owns Most Of National Beef Packing Company." "Officials studied earnings statements from Tyson Foods Inc (TSN.N), the chicken producer and biggest U.S. meat company by sales; Brazil-based JBS SA (JBSS3.SA), the world's biggest meatpacker; Brazilian beef producer Marfrig Global Foods SA (MRFG3.SA) which owns most of National Beef Packing Company (NBEEF.UL); and Seaboard Corp RIC (SEB.A)." [Reuters, 12/10/21]

The Four Meatpackers "Control 55%-85% Of The Market" And Have Claimed That Their Rising Prices Were Caused By Labor And Supply Chain Issues. "Financial statements of the meat-processing companies - which control 55%-85% of the market for beef, poultry and pork - contradict claims that rising meat prices were caused by higher labor or transportation costs, advisers led by National Economic Council Director Brian Deese wrote in an analysis published on the White House website Friday." [Reuters, 12/10/21]

The White House Analysis Found That The Meatpackers' Rising Profit Margins Contradicted Their Claims That They Were "Just Passing Along Higher Labor And Supply Costs." "Profit margins - the spread companies are making over and above their costs - have increased significantly too, belying the argument that companies are just passing along higher labor and supply costs, the analysis said, with gross margins up 50% and net margins up over 300%. 'If rising input costs were driving rising meat prices, those profit margins would be roughly flat, because higher prices would be offset by the higher costs,' the analysis said." [Reuters, 12/10/21]

The White House Analysis Found A 120% Increase In Meatpackers' Gross Profits, A "500% Increase In Net Income," And \$1 Billion In New Dividends And Stock Buybacks—In Addition To The Over \$3 Billion They Gave To Shareholders Since The Beginning Of The Pandemic. "Those statements showed a 120% collective jump in their gross profits since the pandemic and a 500% increase in net income, the analysis shows. These companies recently announced \$1 billion in new dividends and stock buybacks, on top of the more than \$3 billion they paid to shareholders since the pandemic began." [Reuters, 12/10/21]

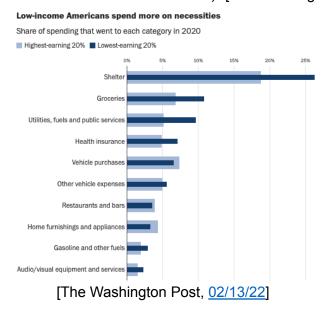
Rising Meat Prices Were Behind 25% Of The Rise In Food-At-Home Prices In November 2021, "A Big Driver" Of Inflation. "Increases in meat prices accounted for 25% of the rise in consumer prices for food consumed at home in November, a big driver in the surge in inflation seen in recent months." [Reuters, 12/10/21]

March 2022: Meat Prices For The Month Had Increased 14.8% From 2021. "Food inflation is also raising consumers' grocery bills. Meat prices were up 14.8% in March from a year ago, with hot dogs and lunch meats rising at the fastest clip since 1979." [Wall Street Journal, 04/12/22]

Increased Prices Are "Particularly Devastating" To Lower-Income Families, Who Have To Spend A Greater Share Of Their Income On Necessities Like Shelter, Food, And Utilities.

Increased Prices Are "Particularly Devastating To Lower-Income Households With Already Tight Budgets," With Most Of Their Expenses Going To Necessities Such As Food, Energy, And Housing. "While inflation is rising everywhere, price hikes are particularly devastating to lower-income households with already tight budgets. Nearly all their expenses go to necessities — food, energy, housing — which have seen some of the largest increases at different points over the past year." [The Washington Post, 02/13/22]

A Washington Post Study Found That Lower-Income Earners Spent A Greater Share Of Their Total Spending On Categories Of Goods And Services That Saw The Highest Levels Of Inflation During The Pandemic. "Of the 10 categories with the highest levels of pandemic inflation analyzed by The Washington Post, lower earners spent a greater share of their total spending on most of them, from natural gas to beef. (The highest earners outspent the lowest on cars and furniture.)" [The Washington Post, 02/13/22]



<u>Higher Food Prices Exacerbate Inequality—More Acutely Among Minority</u>

<u>Communities—And Disproportionately Harm The 42 Million Americans Who Said</u>

<u>They Couldn't Afford Enough Food As Of January 2022.</u>

Increased Food Prices Have Been "Exacerbating The Wealth And Income Disparities Between The Richest And Poorest Americans." "Prices are rising for nearly everything, biting into everyone's income. But the surging cost of food, specifically, hits especially hard, exacerbating the wealth and income disparities between the richest and poorest Americans." [CNN (Opinion), 01/26/22]

Higher Food Prices "Exacerbate Food Security," Which Affects The 42 Million Americans Who Said They Couldn't Afford Enough Food In January 2022. "These levitating prices exacerbate food insecurity. According to the Census Bureau's Household Pulse Survey, 42 million Americans said in early January that they lacked sufficient food because they couldn't afford to buy enough." [CNN (Opinion), 01/26/22]

 In April 2021, The Number Of Americans Experiencing Food Insecurity Was Only Half Of What It Was In January 2022 Due To Federal Stimulus Efforts. "That number is nearly double what it was in April as prices rose and stimulus payments (e.g., checks, enhanced federal unemployment insurance) dwindled or ended." [CNN (Opinion), 01/26/22]

Families Struggling Against Food Insecurity Generally Have Household Income Levels Below The Poverty Level And Minorities Are Far More Likely To Be Affected By Food Insecurity. "Food-insecure families tend to have incomes below the poverty line of \$26,500 for a family of four, but those with incomes just above it or in the lower middle class are also feeling food pressure. Additionally, ethnic minority groups (Black 17%, Hispanic 15%) are more likely than their White (6%) peers to cite food insecurity, according to The Conference Board's calculations of the Census Bureau's Household Pulse Survey." [CNN (Opinion), 01/26/22]

JBS Foods

JBS Foods—Which Had Three Plants Involved In The Labor Department's Child Labor Citation—Has Faced Several Serious Worker Safety Penalties After Worker Deaths And Injuries, Agreed To Pay \$29 Million For Colluding To Suppress Worker Wages, Has Been Involved In Multiple Legal Actions For Price-Fixing, And Its Pilgrim's Pride Subsidiary Saw Profits Soar By Over 2,300% In Its Most Recent Fiscal Year.

JBS S.A.—Which Claims To Be "The Largest Protein Producer In The World And The Second Largest Food Company In The World"—Owns Three Plants Cited In The Labor Department's Child Labor Investigation, Comprising Over \$800,000 Of The \$1.5 Million In Fines Against Packers Sanitation.

Three JBS Foods Plants Were Involved in The Department Of Labor's Penalties Against Packers Sanitation Services Inc., Comprising \$802,314 Of The Department's \$1.5 Million In Penalties. "One of the nation's largest food safety sanitation services providers has paid \$1.5 million in civil money penalties after the U.S. Department of Labor's Wage and Hour Division found the company employed at least 102 children – from 13 to 17 years of age – in hazardous occupations and had them working overnight shifts at 13 meat processing facilities in eight states." [U.S. Department of Labor, 02/17/23]

Name of processor	City	State	Affected minors	Penalties Assessed				
[]								
JBS Foods	Greeley	со	4	\$60,552				
[]								
JBS Foods	Worthington	MN	22	\$333,036				
[]								
JBS Foods	Grand Island	NE	27	\$408,726				

[U.S. Department of Labor, 02/17/23]

JBS Foods Is A Wholly Owned Subsidiary Of JBS S.A. "Headquartered in Greeley, JBS Foods is a world leader in beef, poultry and pork production, with operations in the U.S., Australia and Canada. Its products are sold under more than 40 brand names in the U.S. It is a wholly owned subsidiary of JBS S.A. based in Brazil, the world's largest processor of fresh beef and pork, with more than \$50 billion in annual sales." [U.S. Department of Labor, 09/28/21]

JBS S.A., "The Largest Protein Producer In The World And The Second Largest Food Company In The World," Processes Beef, Pork, Lamb, Chicken, And Has Several Other Business Segments. "With six

decades of history, JBS is currently the largest protein producer in the world and the second largest food company in the world. The company operates in the processing of beef, pork, lamb and chicken, and also operates in the production of convenience foods and value added. In addition, it sells leather, hygiene and cleaning products, collagen, metal packaging, biodiesel, among others." [JBS, accessed 03/02/23]

JBS S.A. Has 400 Units, 230 Of Which Are Related To Meat Production, And Its Brands Include Pilgrim's Pride, Golden Kist Farms, And Others. "Nowadays, JBS has more than 400 units in the world, 230 of which are directly related to the production of meat and value added and convenience products. With over 240,000 team members, the company has the capacity to process more than 75 thousand heads of cattle per day, around 14 million birds per day, more than 115 thousand hogs per day and 60 thousand hides per day. In addition, JBS has a widely diversified product portfolio, with recognized brands in Brazil and abroad such as Swift, Friboi, Seara, Maturatta, Plumrose, Pilgrim's Pride, Just Bare, Gold'nPlump, Golden Kist Farms, Pierce, 1855, Primo and Beehive. This variety of products and the presence in 15 countries on five continents (between production platforms and offices), serving over 275,000 customers in more than 190 countries worldwide." [JBS, accessed 04/20/22]

August 2022: The Occupational Safety And Health Administration (OSHA) Issued "Nine Serious Citations" And Proposed Over \$110,000 In Penalties Against JBS S.A. Brand, Pilgrim's Pride, After Two Workers Were Hospitalized And 50 Others Were Evacuated Due To An Ammonia Leak.

August 2022: The Occupational Safety And Health Administration (OSHA) Found That Pilgrim's Pride "Failed To Protect Employees From Workplace Hazards" After An Ammonia Leak Hospitalized Two Workers And Led To The Evacuation Of About 50 Others. "OSHA determined company failed to protect employees from workplace hazards [...] A federal workplace safety investigation into a Jan. 19, 2022, ammonia leak that hospitalized two workers and led to the evacuation of about 50 workers at a Canton poultry processing plant found their employer might have prevented the incident by ensuring required safety standards were followed." [U.S. Department of Labor, 08/01/22]

- JBS S.A.'s Brands Include Pilgrim's Pride. "Nowadays, JBS has more than 400 units in the world, 230 of which are directly related to the production of meat and value added and convenience products. With over 240,000 team members, the company has the capacity to process more than 75 thousand heads of cattle per day, around 14 million birds per day, more than 115 thousand hogs per day and 60 thousand hides per day. In addition, JBS has a widely diversified product portfolio, with recognized brands in Brazil and abroad such as Swift, Friboi, Seara, Maturatta, Plumrose, Pilgrim's Pride, Just Bare, Gold'nPlump, Golden Kist Farms, Pierce, 1855, Primo and Beehive. This variety of products and the presence in 15 countries on five continents (between production platforms and offices), serving over 275,000 customers in more than 190 countries worldwide." [JBS, accessed 04/20/22]
- U.S. Department of Labor Press Release Headline: US Department Of Labor Cites Pilgrim's Pride Corp. After Ammonia Leak Hospitalized Workers, Led To Evacuation Of Canton Poultry Processing Plant [U.S. Department of Labor, 08/01/22]

OSHA "Issued Nine Serious Citations" Related To Ammonia Safety Lapses And Proposed Over \$110,000 In Penalties Against Pilgrim's Pride. "OSHA issued nine serious citations for inadequately implementing and maintaining the process safety management program for controlling anhydrous ammonia hazards in industrial refrigeration systems. [...] OSHA has proposed \$110,630 in penalties." [U.S. Department of Labor, 08/01/22]

An OSHA Official Said, "'The Failures Identified In This Case Are Inexcusable." "'The failures identified in this case are inexcusable,' said OSHA Area Office Director Joshua Turner in Atlanta-East. 'This incident should serve as a reminder to employers of their legal obligation to maintain a complete and up-to-date process safety

management program, and ensure workers are trained on the dangers of hazardous chemicals and the importance of following safety precautions." [U.S. Department of Labor, 08/01/22]

<u>September 2021: OSHA Issued Eight "Serious Violations" And Proposed Nearly \$59,000 In Fines Against JBS Foods After A Worker Died Installing Equipment—OSHA Noted That "Several Other Incidents," Including An Amputation, Preceded The Death.</u>

September 2021: OSHA Proposed \$58,709 In Fines For Eight "Serious Violations" Against JBS Foods After A Worker Died While Installing Equipment To Process Animal Hides. "The U.S. Department of Labor's Occupational Safety and Health Administration has cited JBS Foods Inc. – one of the nation's largest meat and pork suppliers – again, for exposing employees to safety hazards at its Greeley facilities, this time following the death of a worker who was installing a paddlewheel. OSHA investigators responded to the March 27 incident and determined that JBS failed to adequately secure a paddlewheel being installed to churn chemicals used in processing animal hides. The paddlewheel along with the trolley and hoist used to lift it fell. An employee fell into an oval vat which contained the chemicals. OSHA cited JBS Foods Inc. – operating as Swift Beef Co. – for eight serious violations related to the unsafe lifting process, for hazardous chemical and training violations. JBS faces \$58,709 in proposed penalties following this investigation." [U.S. Department of Labor, 09/28/21]

OSHA Found That "Several Other Incidents" Previously Occurred At The Same Plant, Including An Arm Amputation, Lacerations, And Burn Hazards. "The fatality occurred after several other incidents at the same facility, including a JBS worker who suffered an arm amputation after being pulled into a conveyor belt; another worker who suffered laceration injuries while removing a hide; and a third worker who was exposed to a thermal burn hazard. As a result, OSHA cited the company for 11 serious violations, including failing to ensure proper machine guarding and not implementing safe process procedures." [U.S. Department of Labor, 09/28/21]

An OSHA Official Said The Injuries Were Preventable And Noted That Workers Who "Helped Feed Our Nation And Keep Our Economy Moving" During The Height Of The Pandemic "Deserve Better Than To Fear For Their Lives." "Injuries are all too common for workers in the meat processing industry, but most are preventable when required safety and health regulations are followed,' said OSHA Area Director Amanda Kupper in Denver. 'At the height of the pandemic, food processing industry workers helped feed our nation and keep our economy moving. The employees at this facility deserve better than to fear for their lives and their safety when they come to work." [U.S. Department of Labor, 09/28/21]

July 2020: Worker Advocacy Groups Filed A Civil Rights Complaint Against Tyson Foods Alleging A Failure To Prevent COVID Outbreaks Among Largely Black And Latino Meat Processing Employees Working In "Oppressive And Dangerous" Conditions.

July 2020: Worker Advocacy Groups Filed A Civil Rights Complaint Against JBS Alleging A "Failure To Prevent Novel Coronavirus Outbreaks Among Largely Black And Latino Workers Amounted To Racial Discrimination." "Worker advocacy groups have filed a civil rights complaint against meat giants Tyson Foods and JBS with the U.S. Department of Agriculture, alleging the companies' failure to prevent novel coronavirus outbreaks among largely black and Latino workers amounted to racial discrimination. The complaint alleges that the companies' failure to follow Centers for Disease Control and Prevention guidance at their processing facilities — social distancing on meat processing lines, the use of personal protective equipment — had a discriminatory impact on the predominantly black, Latino and Asian workforce." [The Washington Post, 07/13/20]

A Lawyer Representing The Workers Said "Meat-Processing Workers Are Uniquely Vulnerable To The Coronavirus And The Risk Of Contracting It Because Of The Oppressive And Dangerous Working Conditions In These Facilities." "Meat-processing workers are uniquely vulnerable to the coronavirus and the risk of contracting it because of the oppressive and dangerous working conditions in these facilities,' says Brent Newell, senior attorney at Public Justice, which is representing the complainants. 'This is about how those black, Latino and Asian workers are more significantly affected than their white co-workers.'" [The Washington Post, 07/13/20]

Black, Latino, And Asian Workers Made Up About 70% Of Meat Processing Line Workers, But 58% Of JBS's Managers Were White. "Black, Latino and Asian workers make up about 70 percent of the processing line workers in meatpacking plants but only about 29 percent of all U.S. workers, according to a recent Center for Economic and Policy Research study. However, whites dominate the management at JBS, where 58 percent of managers are white, and Tyson, where 73 percent of managers are white." [The Washington Post, 07/13/20]

January 2020: Rep. Rosa DeLauro (D-CT) Urged OSHA To Investigate A Pilgrim's Pride Plant In Alabama After A Worker Fell From Equipment And Died—DeLauro Noted This Followed "Several Other Troubling Incidents In Recent Years" At The Same Plant.

January 2020: Rep. Rosa DeLauro (D-CT) Urged OSHA To Conduct A "'Full And Thorough Investigation" After A Pilgrim's Pride Worker Fell From A Piece Of Equipment And Died. "A congresswoman from Connecticut is urging federal officials to conduct a 'full and thorough investigation' of an accident that killed a worker last week at Pilgrim's Pride in Guntersville. Initial reports indicate Gabriel 'Seth' Brutley fell Jan. 6 from a material lift, which is similar to an elevator for freight and materials. [...] U.S. Rep. Rosa DeLauro (D-CT) sent a letter earlier today to Deputy Assistant Secretary of Labor Loren Sweatt, who leads the Occupational Safety and Health Administration." [AL.com, 01/16/20]

Rep. DeLauro Noted, "'This Tragic Fatality Comes After Several Other Troubling Incidents In Recent Years'" At Pilgrim's Pride's Guntersville, Alabama Plant, Including Four Serious Injuries Requiring Amputations Or Hospitalizations. "This tragic fatality comes after several other troubling incidents in recent years, according to OSHA's own records,' DeLauro wrote. Four serious injuries that resulted in amputations or hospitalizations have occurred at the Guntersville plant since 2016." [AL.com, 01/16/20]

• The Pilgrim's Pride Plant Was Located In Guntersville, Alabama. "Congresswoman Rosa DeLauro (CT-03) today sent a letter to Deputy Assistant Secretary for Labor Lauren Sweatt urging the Occupational Safety and Health Administration (OSHA) to conduct a comprehensive investigation into a worker fatality that occurred at a poultry processing plant in Guntersville, Alabama owned by Pilgrim's Pride—a subsidiary of the Brazilian meatpacking conglomerate JBS SA." [Rep. Rosa DeLauro, 01/16/20]

July 2021: Pilgrim's Pride Agreed To Pay \$29 Million to Workers Who Sued The Company Over Colluding With Other Poultry Companies To Suppress Wages And Benefits For Vulnerable Plant Workers, Including Migrants And Refugees.

July 2021: Pilgrim's Pride Agreed To Pay \$29 Million To Workers Who Alleged The Company Colluded With Other Chicken Companies To Suppress Wages. "UPDATE: July 8, 2021: Pilgrim's Pride has agreed to pay \$29 million to employees who claimed the chicken processor worked with other poultry companies to suppress their wages, according to Law360." [Food Dive, 09/04/19]

The Settlement Followed A Lawsuit From Former Chicken Plant Workers Against Multiple Poultry Industry Entities Who They Accused Of "Conspiring To Keep Wages And Benefits Low" At About 200 Plants Since 2009. "Three former chicken plant workers from Arkansas are suing 18 processing companies,

subsidiaries and affiliates, and two consulting firms. They accuse the companies of conspiring to keep wages and benefits low for non-supervisory production and maintenance employees at about 200 plants starting in 2009." [Food Dive, 09/04/19]

 Defendants Named In The Lawsuit Included "Tyson Foods, Perdue Farms, Pilgrim's Pride, Sanderson Farms, Koch Foods And Several Others." "The defendants include some of the largest chicken companies in the U.S. — Tyson Foods, Perdue Farms, Pilgrim's Pride, Sanderson Farms, Koch Foods and several others — which process and produce more than 90% of chicken sold in the country." [Food Dive, 09/04/19]

The Lawsuit Alleged That The Companies "Took Turns Paying For Yearly Meetings At A Florida Hotel To Share Wage And Benefit Information" And Would Then "Use The Information To Fix Wages And Benefits." "The lawsuit, filed in federal court in Maryland, claims the companies took turns paying for yearly meetings at a Florida hotel to share wage and benefit information among human resources staff and other industry representatives. They would then use the information to fix wages and benefits at their plants, according to the complaint." [Food Dive, 09/04/19]

The Lawsuit Noted The Collusion Affected Already Vulnerable Plant Workers, Including "Migrant Workers, Refugees, Asylum-Seekers, Immigrants Employed Under EB3 Visas, Prison Laborers And Participants In Court-Ordered Substance Abuse Programs." "The complaint describes plant employees as 'migrant workers, refugees, asylum-seekers, immigrants employed under EB3 visas, prison laborers and participants in court-ordered substance abuse programs.' Such people are already in a vulnerable position, according to George Farah, a lead plaintiff attorney and a partner at Handley Farah & Anderson in Washington, D.C. He told AL.com that chicken processing work is 'grueling and extremely dangerous.'" [Food Dive, 09/04/19]

February 2022: JBS S.A. Agreed To A \$52.5 Million Settlement Over U.S. Beef Price-Fixing Claims, "The First In Nationwide Antitrust Litigation" Over The Practice.

February 2022: JBS S.A. Agreed To A \$52.5 Million Settlement Over Accusations It And Other Meatpackers Conspired To Limit Supply In The U.S. Beef Market To "Inflate Prices And Boost Profit." "JBS SA (JBSS3.SA) agreed to pay \$52.5 million to settle litigation accusing meat-packing companies of conspiring to limit supply in the \$63 billion-a-year U.S. beef market in order to inflate prices and boost profit." [Reuters, 02/02/22]

The Settlement, Which Included JBS's U.S. Units, Was "The First In Nationwide Antitrust Litigation Over Beef Price-Fixing." "The preliminary settlement by the Brazilian company and its U.S. units with so-called direct purchasers was disclosed on Tuesday, and is the first in nationwide antitrust litigation over beef price-fixing." [Reuters, 02/02/22]

Lawyers For Beef Purchasers Who Sued JBS Called The Settlement An "'Icebreaker." "Lawyers for the purchasers called the accord an 'icebreaker' and an excellent recovery, citing JBS' \$24.5 million settlement in 2020 of price-fixing claims by pork purchasers. In a statement, JBS said it did not admit liability but that settling was in its best interest. It also said it will defend against beef price-fixing claims by other plaintiffs." [Reuters, 02/02/22]

The Lawsuit—Which Was Also Against Cargill, Tyson, And National Beef Packing Co.—Accused Meatpackers Of "Conspiring Since 2015 To Reduce Slaughter Volumes." "The accord requires approval by Chief Judge John Tunheim of the federal court in Minneapolis. Other defendants include Cargill Inc, National Beef Packing Co and Tyson Foods Inc (TSN.N). [...] In their lawsuit, direct purchasers accused the defendants, which controlled an estimated 80% of U.S. fresh and frozen beef supply, of conspiring since 2015 to reduce slaughter volumes, creating a shortfall that smaller companies could not make up." [Reuters, 02/02/22]

2020: Top Executives And Employees Of JBS Subsidiary Pilgrim's Pride—The U.S.'s Second Largest Chicken Company— Were Indicted For Their "Their Role In A Conspiracy To Fix Prices And Rig Bids For Broiler Chickens."

Pilgrim's Pride Is A Division Of JBS USA, Which Itself Is An "Indirect, Wholly-Owned Subsidiary Of JBS S.A." "Pilgrim's Pride Corporation, the second-largest poultry company in the U.S., is a division of JBS USA, an indirect, wholly-owned subsidiary of JBS S.A., the world's leading animal protein processor." [JBS Press Release, 04/02/15]

December 2009: JBS S.A., The Parent Company Of JBS USA, Purchased A Majority Stake In Pilgrim's Pride For \$800 Million Following The Company's Bankruptcy. "U.S. chicken producer Pilgrim's Pride Corp said on Monday it has emerged from bankruptcy protection, just over a year after beginning the process. The company's bankruptcy exit deal includes the sale of a majority stake to Brazilian meat company JBS SA for \$800 million." [Reuters, 12/28/09]

The JBS USA CEO, Andre Nogueira, Serves On The Pilgrim's Pride Board Of Directors. "Andre Nogueira is President and Chief Executive Officer of JBS USA®, the North American and Australian subsidiary of JBS SA®, and the second largest global food company in the world. [...] Mr. Nogueira currently serves on the Pilgrim's Pride Corporation® Board of Directors [...]" [JBS USA Leadership, accessed 05/15/20]

Pilgrim's Pride Is The "Second-Largest U.S. Chicken Company By Volume," With Approximately "30 Processing Plants Across The Country Along With Dozens Of Hatcheries, Feed Mills And Rendering Operations." "Pilgrim's, established in 1946, is the second-largest U.S. chicken company by volume, running about 30 processing plants across the country along with dozens of hatcheries, feed mills and rendering operations." [Wall Street Journal, 08/13/21]

June 2020: A Federal Grand Jury In Denver, Colorado Indicted Four Poultry Executives, Including Pilgrim's Pride's Then-CEO Jayson Penn And Then-Vice President Roger Austin, For "Their Role In A Conspiracy To Fix Prices And Rig Bids For Broiler Chickens." "A federal grand jury in the U.S. District Court in Denver, Colorado, returned an indictment against four executives for their role in a conspiracy to fix prices and `rig bids for broiler chickens, the Department of Justice announced. [...] According to the indictment, from at least as early as 2012 until at least early 2017, Jayson Penn, Roger Austin, Mikell Fries, and Scott Brady conspired to fix prices and rig bids for broiler chickens across the United States. Penn is the President and Chief Executive Officer, and Austin is a former Vice President, of a chicken supplier headquartered in Colorado. Fries is the President and a member of the board, and Brady is a Vice President, of a broiler chicken producer headquartered in Georgia." [United States Department of Justice, 06/03/20]

- September 2020: Former Pilgrim's Pride President And CEO Jayson Penn Left The Company Following His Federal Indictment On "Charges Of Conspiring To Fix Chicken Prices." "Pilgrim's Pride Corp. [...] said Jayson Penn, its president and chief executive put on leave in June after the U.S. Justice Department indicted him on charges of conspiring to fix chicken prices, has exited the company, effective Wednesday." [Wall Street Journal, 09/23/20]
- Roger Austin Is A Former Pilgrim's Pride Vice President. "Former Pilgrim's Pride Corp. (Nasdaq: PPC) CEO Jayson Penn and vice president Roger Austin were re-arraigned Tuesday after the addition of multiple other chicken industry executives to an ongoing inquiry into potential price-fixing within the sector." [Greeley Tribune, 10/14/20]

July 2021: A Federal Grand Jury In Denver, Colorado Indicted Four Former Pilgrim's Pride Executives For Their Roles In A "Nationwide Conspiracy To Fix Prices And Rig Bids For Broiler Chicken Products." "A federal grand jury in Denver, Colorado, returned an indictment yesterday charging Koch Foods, headquartered in Park Ridge, Illinois, for participating in a nationwide conspiracy to fix prices and rig bids for

broiler chicken products. Separately, a federal grand jury in Denver returned an indictment charging four executives for their roles in the same conspiracy. According to court documents, the four charged former Pilgrim's Pride executives are Jason McGuire, a former Executive Vice President of Sales for Prepared Foods; Timothy Stiller, a former General Manager of Fresh Food Services and Small Bird Debone; Wesley 'Scott' Tucker, a former National Accounts sales executive; and Justin Gay, a former Director of Fresh Foodservice Sales." [United States Department of Justice, 07/29/21]

The Former Executives Were Alleged To Have "Conspired To Suppress And Eliminate Competition For Sales Of Broiler Chicken Products." "The indictments allege that the defendants and co-conspirators conspired to suppress and eliminate competition for sales of broiler chicken products, which are chickens raised for human consumption and sold to grocers and restaurants." [United States Department of Justice, 07/29/21]

October 2020: A Federal Grand Jury In Denver, Colorado Released Superseding Indictments Against Six Chicken Executives And Employees For Their Role In A "Conspiracy To Fix Prices And Rig Bids For Broiler Chicken Products." "A federal grand jury in the U.S. District Court in Denver, Colorado, returned a superseding indictment charging six additional defendants for their roles in a previously indicted conspiracy to fix prices and rig bids for broiler chicken products, and containing additional allegations against the previously charged defendants in the same conspiracy, the Department of Justice announced today." [United States Department of Justice, 10/07/20]

Indicted Individuals Included Pilgrim's Pride's Former CEO William "Bill" Lovette And Sales Associate Jimmy Little. "The three-count superseding indictment charges 10 executives and employees at major broiler chicken producers for their participation in a conspiracy to fix prices and rig bids for broiler chicken products from at least 2012 until at least early 2019. Broiler chickens are raised for human consumption and sold to grocers and restaurants. The six additional defendants are Timothy Mulrenin, William Kantola, Jimmie Little, William Lovette, Gary Roberts, and Rickie Blake." [United States Department of Justice, 10/07/20]

• "The Ten Charged Defendants Include Bill Lovette, The Former Pilgrim CEO; Jason Penn, Pilgrim's Current CEO; Roger Austin, Pilgrim's Vice President; Jimmy Little, A Pilgrim Sales Associate; Jimmy Little Is Also Charged With Making False Statements To Law Enforcement Agents And Obstruction Of Justice." [JDSupra, 03/02/21]

October 2020: Pilgrim's Pride Agreed To Pay A Fine Of Over \$110 Million To
Settle U.S. Justice Department Antitrust Allegations It Rigged "Three Contracts
For The Sale Of Chicken Products To One Customer In The United States."

October 2020: Pilgrim's Pride Agreed To Pay A Fine Of Over \$110 Million In A Plea Agreement With The United States Department Of Justice's Antitrust Division To Settle Allegations The Company Had Rigged "Three Contracts For The Sale Of Chicken Products To One Customer In The United States." "Pilgrim's Pride Corporation (NASDAQ: PPC) today announced that it has entered into a plea agreement with the United States Department of Justice Antitrust Division in respect to its investigation into the sales of broiler chicken products in the United States. In the plea agreement, which is subject to the approval of the United States District Court of Colorado, Pilgrim's and the Antitrust Division agreed to a fine of \$110,524,140 for restraint of competition that affected three contracts for the sale of chicken products to one customer in the United States." [Pilgrim's Pride, 10/14/20]

JBS Subsidiary Pilgrim's Pride, Which Claims To Be "One Of The World's Largest Poultry Producers" And Has Credited Price Increases For Its

Performance, Saw Its FY 2022 Net Income Soar By Over 2,300% To Nearly \$746

Million And Spent Nearly \$200 Million On Stock Buybacks In The Year After Having None The Year Prior.

Pilgrim's Pride Is A Division Of JBS USA, Which Itself Is An "Indirect, Wholly-Owned Subsidiary Of JBS S.A." "Pilgrim's Pride Corporation, the second-largest poultry company in the U.S., is a division of JBS USA, an indirect, wholly-owned subsidiary of JBS S.A., the world's leading animal protein processor." [JBS Press Release, 04/02/15]

December 2009: JBS S.A., The Brazil-Based Parent Company Of JBS USA, Purchased A
Majority Stake In Pilgrim's Pride For \$800 Million Following The Company's Bankruptcy. "U.S.
chicken producer Pilgrim's Pride Corp said on Monday it has emerged from bankruptcy protection,
just over a year after beginning the process. The company's bankruptcy exit deal includes the sale
of a majority stake to Brazilian meat company JBS SA for \$800 million." [Reuters, 12/28/09]

Pilgrim's Pride Claims To Be "One Of The World's Largest Poultry Producers." "Pilgrim's Pride Corporation (NASDAQ: PPC), one of the world's largest poultry producers, reports its fourth quarter and year-end 2022 financial results." [Pilgrim's Pride, 02/08/23]

In Its FY 2022, Pilgrim's Pride's Net Income Grew By 2,306% To \$745.9 Million Over FY 2021. "GAAP Net Income of \$745.9 million. Adjusted Net Income of \$803.6 million, or adjusted EPS of \$3.34." [Pilgrim's Pride, 02/08/23]

	Three Mon	ths Ended	Year Ended			
	December	December	December	December		
	25,	25, 26,		26,		
	2022	2022 2021		2021		
	(In t	housands, ex	cept per share data)			
	[]					
Net income (loss) attributable to Pilgrim's						
Pride Corporation	\$ (154,976)	\$ 36,754	\$ 745,930	\$ 31,000		

[Pilgrim's Pride, <u>02/08/23</u>]

In Its FY 2022, Pilgrim's Pride Spent Over \$199.5 Million On Stock Buybacks After Spending Nothing The Prior Fiscal Year:

	Year Ended			
	December 25, 2022	December 26, 2021		
	(In thousands)			
[]				
Purchase of common stock under share repurchase program	(199,553)	_		
[Pilgrim's Pride, <u>02/08/23</u>]				

 March 2022: Pilgrim's Pride's Board Approved A \$200 Million Stock Buyback Plan. "Pilgrim's Pride (NASDAQ:PPC) board approved a \$200M share repurchase plan based on its growth potential of the business and its strong balance sheet position." [Seeking Alpha, accessed <u>03/09/22</u>]

In Its Q4 And FY 2022 Earnings Call, Pilgrim's Pride President And CEO Fabio Sandri Said The Company's Branded Retail Products "Maintained Their Market Share Despite Recent Price Increases To Mitigate Inflation." "Fabio Sandri - President and CEO [...] Within retail, our branded offerings have maintained their market share despite recent price increases to mitigate inflation." [Seeking Alpha, 02/09/23]

In Its Q4 And FY 2022 Earnings Call, Pilgrim's Pride President And CEO Fabio Sandri Also Said Demand For The Company's Frozen Foods "Remained Robust Even In The Face Of Elevated Pricing." "Fabio Sandri - President and CEO [...] In the frozen department, growth in value added items both volume and dollar sales, highlighting the increase consumer demand for value added products, which has remained robust even in the face of elevated pricing." [Seeking Alpha, 02/09/23]

November 2022: JBS S.A. Posted A Q3 2022 Net Profit Of \$745 Million, Credited "Significantly Higher Revenues" To Higher Prices And Lower Volumes, And Attributed Its Quarterly Revenue Growth To Pilgrim's Pride's Performance.

November 2022: JBS S.A. Reported A Q3 2022 Net Profit Of \$745 Million Even Though Its "Quarterly Profit Plunged 47.1%." "Brazil's JBS SA (JBSS3.SA), the world's largest meat producer, on Thursday said quarterly profit plunged 47.1%, but results still beat analysts' estimates as higher revenues helped offset shrinking margins in its U.S. beef division. The company posted a third-quarter net profit of 4.01 billion reais (\$745.35 million), while analysts polled by Refinitiv had expected it to land at 3.75 billion reais." [Reuters, 11/10/22]

November 2022: JBS S.A. Credited "Significantly Higher Revenues" In Its Q3 2022 To "Increased Sales Prices Of 20%, While Volume Was 2% Higher." "Despite margins in its North America beef business reporting a rare decline that contributed to lower net income, JBS SA reported significantly higher revenues in its latest quarterly report. The company attributed the higher quarterly revenues to increased sales prices of 20%, while volume was 2% higher." [Meat + Poultry, 11/11/22]

JBS S.A. Stated, "'In 3Q22, The Higher Production Cost Was Offset By Price Pass Throughs.'" "In 3Q22, the higher production cost was offset by price pass throughs, combined with a better mix of markets, channels and products, in addition to management's focus on operational efficiency and innovation,' the company said." [Meat + Poultry, 11/11/22]

JBS S.A. Credited Its Q3 2022 Revenue Growth To "Growth In Its Pilgrim's Pride Subsidiary," Which Saw Net Revenue Grow By Over 17% To \$4.42 Billion In The Quarter. "Besides price increases, the company attributed overall higher revenue numbers to growth in its Pilgrim's Pride subsidiary as well as its JBS Australia and Seara poultry business units. Pilgrim's reported net revenue of 23.44 billion reals (\$4.42 billion), up 17.2% compared last year's 20 billion reals (\$3.78 billion)." [Meat + Poultry, 11/11/22]

In Its FY 2021, JBS S.A. Said U.S. Prices Were "Robust" As It Reported \$4.15 Billion In FY 2021 Net Income, A 345% Increase From FY 2020 And Credited Double-Digit Revenue Growth To Increased Prices Despite Falling Volume.

March 2022: JBS S.A. Reported \$4.15 Billion In FY 2021 Net Income—A 345% Increase From FY 2020—Including \$1.31 Billion In Q4 2021 Net Income. "JBS SA reported net income for the fiscal fourth quarter ended Dec. 31, 2021, totaling 6.5 billion reals (\$1.31 billion), which increased 61% from the previous year. For the fiscal year 2021, JBS SA showed a net income of 20.5 billion reals (\$4.15 billion) which was a 345% increase year over year." [Meat + Poultry, 03/22/22]

In Its Q4 And FY 2021 Earnings Report, JBS S.A. Reported That Its Q4 2021 Net Revenue Climbed 10.2% "Due To An Increase Of 17.3% In Price, Despite A Decrease Of 6% In Volume." "In US GAAP and US\$, net revenue was US\$1.9 billion, an increase of 10.2% compared to 4Q20, due to an increase of 17.3% in price, despite a decrease of 6% in volume. Adjusted EBITDA was US\$229.8 million, with a margin of 12.1%. In 2021, net revenue was US\$7.6 billion, an increase of 22.5% compared to 2020, and adjusted EBITDA was US\$765.8 million (+26.1% y/y), with a margin of 10%." [JBS, 03/21/22]

• JBS S.A. Also Stated, "In The United States, Demand And Prices Have Remained At Robust Levels." [JBS, 03/21/22]

In Its Q4 And FY 2021 Earnings Call, JBS S.A. Chief Financial Officer Guilherme Perboyre Cavalcanti Said "Demand And Price Have Been Robust" In The U.S With Retail Sales "Above Pre-Pandemic Levels." "Guilherme Perboyre Cavalcanti – CFO [...] In the United States, demand and price have been robust given the improvement in the foodservice channel, while retail sales remained strong, and we're above pre-pandemic levels." [Seeking Alpha, 03/22/22]

Cargill

Cargill Inc.—Which Had Two Plants Involved In The Labor Department's Child Labor Citation—Has Seen Meat Workers File A Class Action Over Missing Overtime Wages And Meal Breaks, Closed A Salt Plant After Workers Were Killed In A Mine Collapse, Paid \$15 Million For A "Long-Running Conspiracy" To Suppress Wages, Has Faced A Major Lawsuit Alleging It Enabled Child Slave Labor, And Saw Its Profit Soar By 35% In Its Most Recent Fiscal Year.

<u>Cargill Inc. Owns Two Plants Cited In The Labor Department's Child Labor Investigation, Comprising Nearly \$409,000 Of The \$1.5 Million In Fines Against Packers Sanitation.</u>

Two Cargill Inc. Plants Were Involved In The Department Of Labor's Penalties Against Packers Sanitation Services Inc., Comprising \$408,726 Of The Department's \$1.5 Million In Penalties. "One of the nation's largest food safety sanitation services providers has paid \$1.5 million in civil money penalties after the U.S. Department of Labor's Wage and Hour Division found the company employed at least 102 children – from 13 to 17 years of age – in hazardous occupations and had them working overnight shifts at 13 meat processing facilities in eight states." [U.S. Department of Labor, 02/17/23]

City	State	Affected minors	Penalties Assessed				
[]		1					
Dodge City	KS	26	\$393,588				
[]							
Fiona	TX	1	\$15,138				
	[] Dodge City	[] Dodge City KS	[] Dodge City KS 26				

[U.S. Department of Labor, 02/17/23]

May 2022: Former Cargill Meat Solutions Employees Filed A Class Action Lawsuit Alleging The Company Did Not Pay Certain Overtime Wages And Failed To Provide Meal Breaks, Rest Periods, And Accurate Wage Statements.

May 2022: Former Cargill Meat Solutions Corp. Employees Filed A Class Action Lawsuit Alleging Workers At A Fresno, California Beef Processing Plant Were Not Paid Certain Overtime Wages. "Former employees of Cargill Meat Solutions Corp. recently filed a class-action complaint, which recently moved from the Superior Court of California to the Eastern District of California. The original filing by plaintiffs, Richard Marin and Samantha Lopez, alleged that workers at Cargill's beef processing plant in Fresno, Calif., were not paid certain overtime wages." [Meat+Poultry, 05/20/22]

 Cargill Meat Solutions Is Now Known As Cargill Protein. "Cargill Protein - North America, formerly known as Cargill Meat Solutions, provides safe, delicious, nourishing protein products and food ingredients—bringing more to the table for customers, employees, consumers, and the communities where we live and work." [Cargill, accessed <u>03/03/23</u>]

The Lawsuit Also Alleged That Cargill Workers "Often Worked Over Eight Hours A Day And 40 Hours In A Week" And The Company Failed To Provide Meal Breaks, Rest Periods, And Accurate Wage Statements. "Other complaints in the document included failure to provide meal breaks and rest periods and failure to provide accurate wage statements. In the complaint, plaintiffs also stated that workers often worked over eight hours a day and 40 hours in a week." [Meat+Poultry, 05/20/22]

The Lawsuit Alleged That Workers' Regular And Overtime Wages Were Lower Than They Should Have Been In Certain Pay Periods. "At certain pay periods, the hourly rate reflected as being lower than their actual rates and that overtime was even slightly lower than 1.5 times the base rate," the lawsuit argues." [Meat+Poultry, 05/20/22]

January 2021: A Cargill Subsidiary Announced It Would Close A Louisiana Salt Mine After Two Workers Were Killed In A Collapse—Cargill Faced A Wide Variety Of Federal Safety Citations Before And After The Incident.

January 2021: Cargill Subsidiary Cargill Deicing Technologies Announced It Would Close A Louisiana Salt Mine Shortly After A Roof Collapse Killed Two Miners. "Cargill Deicing Technologies announced plans to end its salt mining operations at Avery Island in Iberia Parish Thursday, just over six weeks after a collapse at the mine killed two employees in December. [...] The move comes just six weeks after a roof collapse at the salt mine on Dec. 14 resulted in the death of two miners who were thought to be missing for two days before their bodies were found." [Lafayette Daily Advertiser, 01/28/21]

- Cargill Deicing Technology Is A Cargill Subsidiary. "Our environmental commitment is a key factor
 in the Cargill Deicing Technology mission statement: 'Providing customers with deicing solutions that
 save lives, enhance commerce and reduce environmental impact." [Cargill, accessed 03/03/23]
- Cargill Expected To Finish Closing The Mine In 2024. "The company announced the closure in a
 release, saying that it will halt salt production at the mine but will continue work necessary to close the
 mine until 2024 and will help employees find new work in the meantime." [Lafayette Daily Advertiser,
 01/28/21]

Following The Mine Collapse, The Mine Safety And Health Administration (MSHA) Cited Cargill For Six Violations Including Failure To Install Barriers Or Warnings Outside Unsafe Parts Of The Mine, Failure To Correct Equipment Defects, And Failure To Clearly Mark Escape Routes. "In the weeks since the mine's collapse, the company has been cited for six federal mining violations, though the fine amounts for those have not yet been determined by the MSHA. Those violations include four citations for failures to install barriers or warning signs outside unsafe parts of the mine, as well as one citation for not correcting defects in

equipment, machinery, and tools to avoid hazardous conditions and one for not clearly marking escape routes." [Lafayette Daily Advertiser, 01/28/21]

Before The Mine Collapse, Cargill Was Cited For Multiple Safety Violations Involving Equipment, Communications, And Operations Amounting To "Thousands Of Dollars In Fines." "In the year before the collapse, the mine received citations for not properly securing unattended mining equipment, not maintaining two-way communications systems for underground workers and not properly halting other activities during blasting operations among many other violations that have amounted to thousands of dollars in fines. The salt mine was also cited for improper maintenance of escape routes in November 2019, the fine for which remains on hold with the MSHA." [Lafayette Daily Advertiser, 01/28/21]

July 2022: The Justice Department Filed An Antitrust Lawsuit Against Cargill And Other Poultry Processors For Their "Long-Running Conspiracy" To Suppress Poultry Worker Wages—Cargill Was Ordered To Pay \$15 Million.

July 2022: The U.S. Justice Department Filed An Antitrust Lawsuit Against Cargill, Other Poultry Processors, And A Data Consulting Firm "To End A Long-Running Conspiracy" Where The Companies Exchanged Information To Suppress Wages. "The Department of Justice filed a civil antitrust lawsuit in the U.S. District Court for the District of Maryland against a data consulting firm and its president, as well as three poultry processors, to end a long-running conspiracy to exchange information about wages and benefits for poultry processing plant workers and collaborate with their competitors on compensation decisions in violation of the Sherman Act." [U.S. Department of Justice, 07/25/22]

Cargill Inc. And Cargill Meat Solutions Corporation Were Named In The Lawsuit. "At the same time, the department filed proposed consent decrees with Defendants Webber, Meng, Sahl and Company (WMS) and its President, G. Jonathan Meng, as well as Cargill Inc., Cargill Meat Solutions Corporation, Sanderson Farms Inc. and Wayne Farms LLC." [U.S. Department of Justice, 07/25/22]

A Principal Deputy Assistant Attorney General Said Cargill And The Other Companies "'Harmed A Generation Of Plant Workers Who Face Demanding And Sometimes Dangerous Conditions To Earn A Living." "'Through a brazen scheme to exchange wage and benefit information, these poultry processors stifled competition and harmed a generation of plant workers who face demanding and sometimes dangerous conditions to earn a living,' said Principal Deputy Assistant Attorney General Doha Mekki of the Justice Department's Antitrust Division. 'Today's action puts companies and individuals on notice: the Antitrust Division will use all of its available legal authorities to address anticompetitive conduct that harms consumers, workers, farmers and other American producers." [U.S. Department of Justice, <u>07/25/22</u>]

The Justice Department's Consent Decree Required Cargill Meat Solutions To Pay \$15 Million In Restitution To Affected Poultry Plant Workers. "The proposed consent decree with defendant poultry processors Cargill, Sanderson Farms and Wayne Farms would prohibit them from sharing competitively sensitive information about poultry processing plant workers' compensation. It would also: [...] Require the companies to commit to pay \$84.8 million, collectively, in restitution for poultry processing plant workers who were harmed by the information exchange conspiracy." [U.S. Department of Justice, 07/25/22]

 Cargill Meat Solutions Was Required To Pay \$15 Million In Restitution Under The Consent Decree. "'Restitution Amount' means \$15 million for Cargill Meat Solutions, \$38.3 million for Sanderson, and \$31.5 million for Wayne." [Consent Decree, U.S. v. Cargill Meat Solutions Corp. et al., 07/25/22] June 2021: The Supreme Court Sided With The Trump Administration In Striking Down A Lawsuit Against Cargill Alleging It "Knowingly" Bought Cocoa Beans From Farms That Used African Child Slave Labor—A Circuit Court Held That The Case Could Proceed Because Cargill Enabled This Through "Major Operational Decisions" Made In The U.S.

June 2021: The Supreme Court Sided With The Trump Administration In Declining To Hear A Case Against Cargill And Nestle For "Knowingly" Buying Cocoa Beans From African Farms That Used Child Slave Labor. "The Supreme Court sided with food giants Nestle and Cargill on Thursday and threw out a lawsuit that claimed they knowingly bought cocoa beans from farms in Africa that used child slave labor." [PBS NewsHour, 06/17/21]

• The Trump Administration Backed Cargill And Nestle In The Case. "The case had been twice dismissed at an early stage before being revived by the U.S. Court of Appeals for the Ninth Circuit. When the case was argued in December, then-President Donald Trump's administration backed Nestle and Cargill." [PBS NewsHour, 06/17/21]

Malian Citizens Who Filed The Lawsuit Alleged That Cargill And Nestle "'Aided And Abetted" Their Slavery As Children. "The Malian citizens had argued that Minneapolis-based Cargill and the American arm of Switzerland-based Nestle 'aided and abetted' their slavery as children by, among other things, buying cocoa beans from farms that used child labor. The group sued seeking to bring a class action lawsuit on behalf of themselves and who they say are thousands of other former child slaves." [PBS NewsHour, 06/17/21]

Although The Ninth Circuit Court Of Appeals Held That The Malian Plaintiffs Could Sue In The U.S. Because Cargill And Nestle Made "'Major Operational Decisions'" In The U.S., The Supreme Court Held That The Circuit Court "Erred." "'Although respondents' injuries occurred entirely overseas, the Ninth Circuit held that respondents could sue in federal court because the defendant corporations allegedly made 'major operational decisions' in the United States. The Ninth Circuit erred by allowing this suit to proceed,' Justice Clarence Thomas wrote in a majority opinion for the court." [PBS NewsHour, 06/17/21]

• The Ninth Circuit Noted That Cargill And Nestle Provided "Personal Spending Money" To The African Farmers, Held That These Payments Were "Akin To Kickbacks" To These Farmers, And That The Low Price Of Cocoa Relied On Child Slave Labor. "The San Francisco-based 9th U.S. Circuit Court of Appeals in 2018 revived the claims, citing the allegations that the companies provided 'personal spending money' to local farmers to guarantee the cheapest source of cocoa. The 9th Circuit found that the payments were akin to kickbacks and that the low price of cocoa was dependant [sic] upon the child slave labor." [Reuters, 06/17/21]

The Lawyer For The Malian Citizens Vowed To Amend The Lawsuit To Show That Cargill And Nestle "'Controlled The System Of Forced Labor From The United States." "Attorney Paul Hoffman, who argued the case for the Malian citizens at the high court, said in a statement that he was 'disappointed that the Court has delayed our clients' long quest for justice.' But he said it was not the end of the case. He said intends to ask a lower court to be allowed to amend the group's lawsuit and allege that Cargill and Nestle 'controlled the system of forced labor from the United States.'" [PBS NewsHour, 06/17/21]

May 2011: OSHA Cited Cargill With 23 "Serious Violations" And Proposed \$176,400 In Fines For Multiple Hazards At Its Dodge City, Kansas Plant That "Existed For A Long Period Of Time."

May 2011: OSHA Cited Cargill Meat Solutions With 23 "Serious Violations" And Two Repeat Violations For "Exposing Workers To Numerous Occupational Hazards" At Its Dodge City, Kansas Plant—OSHA Proposed \$176,400 In Fines. "The U.S. Department of Labor's Occupational Safety and Health Administration

has cited Cargill Meat Solutions of Dodge City with two repeat and 23 serious violations for exposing workers to numerous occupational hazards. Proposed fines total \$176,400 following a combined safety and health inspection at the facility." [Occupational Safety and Health Administration, 05/11/11]

An OSHA Official Said, "'Many Hazards At This Facility Existed For A Long Period Of Time, And There Is Just No Excuse For Exposing Workers To Them." "Many hazards at this facility existed for a long period of time, and there is just no excuse for exposing workers to them,' said Charles Adkins, OSHA's regional administrator in Kansas City, Mo. 'It is imperative that employers take the necessary steps to eliminate hazards and provide a safe working environment for all of their employees." [Occupational Safety and Health Administration, 05/11/11]

The 23 Serious Violations Were Related To A Variety Of Safety Deficiencies Related To Process Safety, Fall Hazards, Material Storage, Personal Protective Equipment, And Other Items. "The 23 serious violations address hazards associated with process safety management, fall protection, access and egress, lockout/tagout of energy sources, material storage, personal protective equipment, machine guarding, electrical deficiencies, compressed gas cylinders and hazard communication. A serious violation occurs when there is substantial probability that death or serious physical harm could result from a hazard about which the employer knew or should have known." [Occupational Safety and Health Administration, 05/11/11]

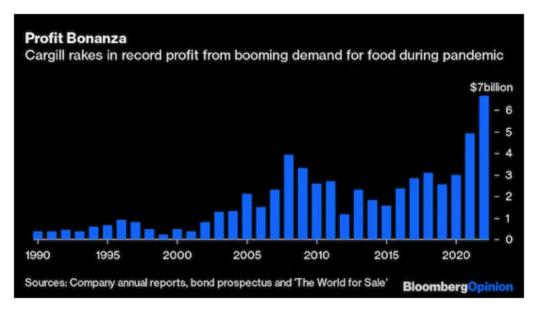
May 2022: Cargill, Which "Counts 14 Billionaires Among Its Ruling Circle," Saw Net Profit Soar 35% To A New Record \$6.7 Billion In FY 2022 From Its Record FY 2021, When Its Profits Were Seen As "A Headache For Consumer Goods Companies And Ultimately Households" Amid Rising Inflation.

May 2022: Cargill Released Its Annual Report, Showing That Its Annual Revenues "Soared 23% To A Record \$165 Billion" In Its 2022 Fiscal Year. "Commodities giant Cargill Inc. said annual revenues soared 23% to a record \$165 billion in a fiscal year marked by 'extreme events.' Cargill reported its new sales benchmark for the year ending May 31 Wednesday in the company's annual report, showing that the trend of strong sales from the world's grain merchant companies continues in the face of supply-chain woes, rising food inflation and disruptions from war." [Bloomberg, 08/10/22]

Cargill Is Privately-Owned And "Doesn't Disclose Its Accounts Publicly." "As a privately-owned company, Cargill doesn't disclose its accounts publicly and it has quietly multiplied its earnings by nearly 20 times over the last two decades, according to financial statements I have reviewed." [The Washington Post, 10/07/22]

In Its 2022 Fiscal Year, Cargill Reported A Record Net Profit Of \$6.68 Billion—35% Higher Than Its 2021 Fiscal Year, Which Was Also A Record Year For The Company. "Consider Cargill Inc., the commodities giant that's also the largest privately-owned company in the US. It reported a net profit of \$6.68 billion for the fiscal year ending in May — the most it earned annually in its 157-year history — according to a copy of its accounts reviewed by Bloomberg Opinion. That's a 35% increase from the previous fiscal year, which had also been a record." [The Washington Post, 10/07/22]

Cargill Has "Quietly Multiplied Its Earnings By Nearly 20 Times Over The Last Two Decades," According To A Washington Post Analysis. "As a privately-owned company, Cargill doesn't disclose its accounts publicly and it has quietly multiplied its earnings by nearly 20 times over the last two decades, according to financial statements I have reviewed." [The Washington Post, 10/07/22]



[The Washington Post, 10/07/22]

In 2021, High Profits Among Cargill And Other Commodity Interests Were Seen As "A Headache For Consumer Goods Companies And Ultimately Households, Which Face The Highest Food Inflation In A Decade." "Cargill has profited from surging consumption of meat, corn and soybeans, particularly from China. The strong demand has sent agricultural markets skyrocketing, boosting profits for commodity producers and traders. What's good for Cargill and its peers, however, is a headache for consumer goods companies and ultimately households, which face the highest food inflation in a decade." [Bloomberg, 08/06/21]

Cargill "Counts 14 Billionaires Among Its Ruling Circle." "Cargill, which counts 14 billionaires among its ruling circle, is owned by the heirs of William Wallace Cargill, who founded the company in the American Midwest. On top of the family owners, senior management and other employees control a small stake in the company." [Bloomberg, 08/06/21]

The Billionaire Cargill Family—The 11th Richest In The World As Of September 2021—Receives About 17% Of The Company's Net Profits Each Year And Saw Its "Fortune Jump" As Food Prices Rose, With 5 Family Members Among The World's 500 Richest People As Of April 2022.

April 2022: As The Billionaire Cargill Family Saw Its "Fortune Jump" Amid Food Price Inflation, Three More Of Its Members "Joined The Ranks Of The World's 500 Richest People," With Each Of The Three Seeing Their Net Worths Jump 20% To \$5.3 Billion Over The Previous Year. "Rising food prices and turbulent global commodities markets are fueling a surge in wealth for the billionaire family behind America's largest closely held company. Three more members of the Cargill family -- siblings James Cargill, Austen Cargill and Marianne Liebmann -- have joined the ranks of the world's 500 richest people thanks to their stakes in Minnesota-based food processor Cargill Inc. Each has a net worth of \$5.3 billion, according to the Bloomberg Billionaires Index, up 20% this year." [Bloomberg, 04/08/22]

 Headline: Richest Agriculture Family's Fortunes Jump as Food Prices Surge [Bloomberg, 04/08/22]

Two Cargill Family Members Were Already Among The World's 500 Richest People, Each With Net Worths Of \$7.8 Billion. "Family members already among the Top 500 include Pauline Keinath, a great-grandaughter of founder William Wallace Cargill, and Gwendolyn Sontheim Meyer with fortunes of \$7.8 billion each." [Bloomberg, 04/08/22]

September 2021: The Cargill Family Ranked As The World's 11th Wealthiest Family, With A Total Net Worth Of \$51 Million. "More than 20 members of the extended Cargill and MacMillan families control 87% of the closely held company, which was founded in 1865 with a single grain warehouse in Conover, lowa. The Cargills ranked 11th on Bloomberg's September list of the world's wealthiest families with a collective fortune of \$51 billion at the time." [Bloomberg, 04/08/22]

Cargill Family Members Receive About 17% Of Company Net Profits Each Year. "Family members collect an estimated 17% of net profits each year as a dividend, though not all their shares are equal. Now in its seventh generation, the Cargill-MacMillan extended family has grown to about 125 people." [Bloomberg, 04/08/22]

October 2021: A U.S. House Investigation Found That Cargill's Facilities Had 236% More COVID-19 Cases And 150% More Deaths Than Previously Reported From The Beginning Of The Pandemic Through January 2021.

October 2021: A House Select Subcommittee On The Coronavirus Crisis Investigation Found That COVID-19 Cases And Deaths At The Leading U.S. Meatpackers Were Up To Three Times Higher Than Previous Estimates. "Workers at the leading U.S. meatpacking plants experienced cases and death from COVID-19 that were up to three times previous estimates, according to a report by the House Select Subcommittee on the Coronavirus Crisis seen by Reuters." [Reuters, 10/28/21]

- The Investigation Found That The 59,000 COVID-19 Cases And 269 Deaths It Uncovered Among The Big Five Meatpackers Were About Three Times Higher Than Previous Estimates. "While the spread of COVID-19 at meat plants was covered widely by media in the first year of the crisis, the percentage of major packing plants that had multiple cases has not been previously reported. Data from meatpackers Tyson Foods (TSN.N), JBS, Cargill, Smithfield Foods and National Beef made public in October showed 59,000 cases of COVID-19 and 269 deaths among their workers between March 2020 and Feb. 1 2021. Both figures were around three times higher than previous estimates." [Reuters, 01/14/22]
- The Investigation Covered The Beginning Of The Pandemic Through January 2021. "At those companies' plants, worker cases of COVID-19 totaled 59,147 and deaths totaled 269, based on counts through January of this year, according to the report which was released on Wednesday ahead of the subcommittee hearing on the pandemic's impact on meatpacking workers." [Reuters, 10/28/21]

The Investigation Found That "Cargill Facilities Had 236 Percent More Coronavirus Cases, And 150 Percent More Deaths Than Previously Estimated." [House Select Subcommittee On The Coronavirus Crisis, 10/27/21]

The Investigation Found That "Cargill Saw 4,690 Employee Infections And 25 Employee Deaths." [House Select Subcommittee On The Coronavirus Crisis, <u>10/27/21</u>]

In Hazelton, PA, Supervisors Told Cargill Plant Workers That Employees Were Not Contracting The Coronavirus, Then "By April 7, 130 Of The Plant's 900 Employees Had Tested Positive."

Supervisors Told Cargill Plant Workers It "Wasn't True" That Employees Were "Falling III" With "The Coronavirus," Then "By April 7, 130 Of The Plant's 900 Employees Had Tested Positive." "Around him, colleagues were falling ill; on the employee grapevine, people said it was the coronavirus. Supervisors said that wasn't true and told workers not to discuss who might be infected. But before long, Covid-19, the illness caused by the virus, ran through entire departments. By April 7, 130 of the plant's 900 employees had tested

positive, according to the workers' union, United Food & Commercial Workers International, but neither Cargill nor local officials were disclosing any numbers." [Bloomberg, <u>05/07/20</u>]

Cargill's Hazleton Plant Forbade Employees From Wearing Masks And Gave Varying Reasons For Doing So, "From Only Sick People Should Wear Them," To The Supply Should Be "For Health-Care Workers," To That There Was "No Reason To Scare People."

Cargill's Hazleton Plant Forbade Masks And Gave Varying Reasons For Doing So, "From Only Sick People Should Wear Them, To The Short Supply Was Needed For Health-Care Workers," To That There Was "No Reason To Scare People." "Benjamin wasn't the only person forbidden to wear his own mask. Three other workers said they heard supervisors say masks were forbidden. The reasons given varied—from only sick people should wear them, to the short supply was needed for health-care workers, to the explanation given to Benjamin a week before his fatal illness: No reason to scare people." [Bloomberg, 05/07/20]

Tyson Foods

Tyson Food Inc.—Which Owns Two Plants Involved In The Labor Department's Child Labor Citation—Has Faced A Civil Rights Complaint For Systematically Exposing Minority Workers To "Oppressive And Dangerous" Conditions, Faced Multiple Serious Federal Safety Violations Over Many Years, Refused To Comply With A Price-Fixing Subpoena Despite Crediting Price Hikes For Higher Profits, And Touted "Record Sales And Earnings" In Its Most Recent Fiscal Year With Prices Rising By Double-Digits.

Tyson Food Inc. Owns Two Plants Cited In The Labor Department's Child Labor Investigation, Comprising Nearly \$106,000 Of The \$1.5 Million In Fines Against Packers Sanitation.

Two Tyson Food Inc. Plants Were Involved In The Department Of Labor's Penalties Against Packers Sanitation Services Inc., Comprising \$105,966 Of The Department's \$1.5 Million In Penalties. "One of the nation's largest food safety sanitation services providers has paid \$1.5 million in civil money penalties after the U.S. Department of Labor's Wage and Hour Division found the company employed at least 102 children – from 13 to 17 years of age – in hazardous occupations and had them working overnight shifts at 13 meat processing facilities in eight states." [U.S. Department of Labor, 02/17/23]

Name of processor	City	State	Affected minors	Penalties Assessed			
	[]						
Tyson Food Inc.	Green Forest	AR	6	\$90,828			
[]							
Tyson Food Inc.	Goodlettsville	TN	1	\$15,138			

[U.S. Department of Labor, 02/17/23]

July 2020: Worker Advocacy Groups Filed A Civil Rights Complaint Against Tyson Foods Alleging A Failure To Prevent COVID Outbreaks Among Largely Black And Latino Meat Processing Employees Working In "Oppressive And Dangerous" Conditions.

July 2020: Worker Advocacy Groups Filed A Civil Rights Complaint Against Tyson Foods Alleging The Company Of A "Failure To Prevent Novel Coronavirus Outbreaks Among Largely Black And Latino Workers Amounted To Racial Discrimination." "Worker advocacy groups have filed a civil rights complaint against meat giants Tyson Foods and JBS with the U.S. Department of Agriculture, alleging the companies' failure to prevent novel coronavirus outbreaks among largely black and Latino workers amounted to racial discrimination. The complaint alleges that the companies' failure to follow Centers for Disease Control and Prevention guidance at their processing facilities — social distancing on meat processing lines, the use of personal protective equipment — had a discriminatory impact on the predominantly black, Latino and Asian workforce." [The Washington Post, 07/13/20]

A Lawyer Representing The Workers Said "'Meat-Processing Workers Are Uniquely Vulnerable To The Coronavirus And The Risk Of Contracting It Because Of The Oppressive And Dangerous Working Conditions In These Facilities." "Meat-processing workers are uniquely vulnerable to the coronavirus and the risk of contracting it because of the oppressive and dangerous working conditions in these facilities,' says Brent Newell, senior attorney at Public Justice, which is representing the complainants. 'This is about how those black, Latino and Asian workers are more significantly affected than their white co-workers.'" [The Washington Post, 07/13/20]

A Tyson Foods Worker "Said Little Has Been Done To Spread Workers Out, Stagger Breaks Or Ensure That Workers Have Proper Protective Gear." "A machinery operator who chose not to be identified for fear of losing his job at the Tyson Foods Chick-N-Quick plant in Rogers, Ark., said little has been done to spread workers out, stagger breaks or ensure that workers have proper protective gear." [The Washington Post, 07/13/20]

Black, Latino, And Asian Workers Made Up About 70% Of Meat Processing Line Workers, But 73% Of Tyson's Managers Were White. "Black, Latino and Asian workers make up about 70 percent of the processing line workers in meatpacking plants but only about 29 percent of all U.S. workers, according to a recent Center for Economic and Policy Research study. However, whites dominate the management at JBS, where 58 percent of managers are white, and Tyson, where 73 percent of managers are white." [The Washington Post, 07/13/20]

2016: After A "Gruesome" Amputation At Tyson Foods' Center, Texas Chicken Processing Facility, OSHA Proposed Fines Of Over \$263,000 And Cited The Company For Two Repeated And 15 Serious Worker Safety Violations.

August 2016: After A "Gruesome" Amputation, OSHA Found That Tyson Foods Inc. "Endangered Workers By Exposing Them To Amputation Hazards, High Levels Of Carbon Dioxide And Peracetic Acid" At Its Center, TX Chicken Processing Facility. "A gruesome employee injury led federal workplace safety inspectors to discover the nation's largest meat and poultry processor endangered workers by exposing them to amputation hazards, high levels of carbon dioxide and peracetic acid without providing personal protective equipment. Responding to a report of a finger amputation at the Tyson Foods Inc. chicken processing facility in Center, Texas, U.S. Department of Labor Occupational Safety and Health Administration inspectors identified two repeated and 15 serious violations. The company faces \$263,498 in proposed fines. The investigation determined the employee suffered an amputation when his finger became stuck in an unguarded conveyor belt as he worked in the debone area and tried to remove chicken parts jammed in the belt." [Occupational Safety and Health Administration, 08/16/16]

OSHA Found Two Repeated And 15 Serious Violations At The Facility And Proposed \$263,498 In Fines. "Responding to a report of a finger amputation at the Tyson Foods Inc. chicken processing facility in Center, Texas, U.S. Department of Labor Occupational Safety and Health Administration inspectors identified two repeated and 15 serious violations. The company faces \$263,498 in proposed fines." [Occupational Safety and Health Administration, 08/16/16]

OSHA Inspectors Found Over A Dozen Serious Violations At The Facility, Including "Failing To Ensure Proper Safety Guards On Moving Machine Parts, Allowing Carbon Dioxide Levels Above The Permissible Exposure Limit, Failing To Provide Personal Protective Equipment And Not Training Employees On Hazards Associated With Peracetic Acid." "OSHA inspectors also found more than a dozen serious violations including failing to ensure proper safety guards on moving machine parts, allowing carbon dioxide levels above the permissible exposure limit, failing to provide personal protective equipment and not training employees on hazards associated with peracetic acid. Used as a disinfectant, the acid can cause burns and respiratory illness if not handled safely." [Occupational Safety and Health Administration, 08/16/16]

An OSHA Official Said, "'Tyson Foods Must Do Much More To Prevent Disfiguring Injuries Like This One From Happening" And That "'It Should Set An Example For Workplace Safety Rather Than Drawing Multiple Citations." "'Tyson Foods must do much more to prevent disfiguring injuries like this one from happening,' said Dr. David Michaels, Assistant Secretary of Labor for Occupational Safety and Health. 'As one of the nation's largest food suppliers, it should set an example for workplace safety rather than drawing multiple citations from OSHA for ongoing safety failures." [Occupational Safety and Health Administration, 08/16/16]

2013: After A Tyson Foods Worker's Hand Was Severed In Its Hutchinson, Kansas Facility, OSHA Proposed Fines Of \$147,000, Placed Tyson In Its Severe Violator Enforcement Program, And Cited The Company For Four Workplace Safety Violations, Including Two Willful Violations And One Serious Violation.

December 2013: OSHA Cited Tyson Foods Inc. For Four Workplace Safety Violations At Its Hutchinson, KS Prepared Foods Plant After An Unguarded Conveyer Belt Severed A Worker's Hand. "Tyson Foods Inc. has been cited by the U.S. Department of Labor's Occupational Safety and Health Administration for four workplace safety violations at the Hutchinson prepared foods manufacturing plant after a worker's hand was severed by an unguarded conveyor belt." [Occupational Safety and Health Administration, 12/17/13]

OSHA's Citation Included Two Willful Violations—Willful Violations Are "Committed With Intentional, Knowing Or Voluntary Disregard For The Law's Requirement, Or With Plain Indifference To Employee Safety And Health." "OSHA began its inspection upon learning of the amputation, which occurred June 17 when four workers were cleaning conveyor equipment at the end of their shift. Guarding on the conveyor was removed, exposing workers to rotating parts. A worker's frock and the employee's arm were then pulled into moving gears of a conveyor that had not been locked out to prevent unintentional operation. Two willful violations involve failing to train workers on lockout/tagout procedures and to lock out equipment to prevent the unintentional operation of equipment and exposure to amputation hazards. A willful violation is one committed with intentional, knowing or voluntary disregard for the law's requirement, or with plain indifference to employee safety and health." [Occupational Safety and Health Administration, 12/17/13]

OSHA's Citation Included One Serious Violation—Serious Violations Pose A Threat Of "Death Or Serious Physical Harm." "One serious violation involves fall hazards when workers ascend the upper platform work area in two separate plant locations. The company failed to provide fixed stairs to reach the work areas. An OSHA violation is serious if death or serious physical harm could result from a hazard an employer knew or should have known existed." [Occupational Safety and Health Administration, 12/17/13]

OSHA's Citation Included An "Other-Than-Serious Violation"—These Violations Have "A Direct Relationship To Job Safety And Health, But Probably Would Not Cause Death Or Serious Physical

Harm." "An other-than-serious violation involves lack of legible markings on forklift levers. An other-than-serious violation is one that has a direct relationship to job safety and health, but probably would not cause death or serious physical harm." [Occupational Safety and Health Administration, 12/17/13]

OSHA Proposed Fines Of \$147,000. "OSHA has proposed fines of \$147,000." [Occupational Safety and Health Administration, <u>12/17/13</u>]

OSHA Placed Tyson Foods In The Severe Violator Enforcement Program. "Due to the nature and severity of violations, the company has been placed in OSHA's Severe Violator Enforcement Program, which mandates targeted follow-up inspections to ensure compliance with the law." [Occupational Safety and Health Administration, 12/17/13]

2012: After A Mechanic Died At Tyson's Dakota City, Nebraska Facility, OSHA Issued Seven Safety Violation Citations And Proposed Penalties Of \$102,400 After A Mechanic Died On Site—OSHA's Citations Included A "Willful Violation," Which Is Committed With "Plain Indifference To Worker Safety And Health."

August 2012: OSHA Cited Tyson Foods Inc. For Seven Safety Violations At Its Dakota City, NE Processing Facility And Proposed Penalties Of \$102,400 After A Mechanic Was Killed There. "The U.S. Department of Labor's Occupational Safety and Health Administration has cited Tyson Foods Inc. for seven safety violations after conducting an inspection at the company's Dakota City beef processing facility, where a mechanic was fatally injured on March 14." [Occupational Safety and Health Administration, 08/27/12]

• OSHA Proposed Penalties Of \$102,400. "Proposed penalties total \$104,200, for the citations, which can be viewed at http://www.osha.gov/ooc/citations/TysonFoods_281167_0824_12.pdf*." [Occupational Safety and Health Administration, 08/27/12]

OSHA's Citations Included A "Willful Violation," Which Is "Committed With Intentional Knowledge Or Voluntary Disregard For The Law's Requirements, Or With Plain Indifference To Worker Safety And Health." "The mechanic was performing maintenance work beneath a piece of equipment that had been secured in an elevated position by a chain and quick link, but the chain failed and the equipment crushed the mechanic. A willful violation was cited for ineffective periodic safety equipment inspections and failing to make necessary modifications to the worker safety protection process through the inspections. A willful violation is one committed with intentional knowledge or voluntary disregard for the law's requirements, or with plain indifference to worker safety and health." [Occupational Safety and Health Administration, 08/27/12]

An OSHA Official Said, "It Is Unthinkable That An Employer Would Allow Workers In And Around Dangerous Operations Without Ensuring That Sufficient Safeguards Are In Place." "It is unthinkable that an employer would allow workers in and around dangerous operations without ensuring that sufficient safeguards are in place,' said Charles E. Adkins, OSHA's regional administrator in Kansas City, Mo. 'All employers must take the necessary steps to eliminate hazards from the workplace. OSHA is committed to protecting workers on the job, especially when employers fail to do so." [Occupational Safety and Health Administration, 08/27/12]

2011: OSHA Issued Tyson Foods Of Jefferson, Wisconsin Ten Worker Safety Citations—Including Nine For Hazards That Posed "Substantial Probability" Of Death Or Serious Harm—And Proposed Fines Totaling \$45,000.

March 2011: OSHA Issued Tyson Foods Of Jefferson, Wisconsin 10 Worker Safety Citations And Proposed Fines Totaling \$45,000. "The U.S. Department of Labor's Occupational Safety and Health Administration has issued Tyson Foods of Jefferson 10 safety citations for failing to comply with general industry occupational safety regulations. The company faces penalties totaling \$45,000 as a result of an OSHA inspection conducted in October 2010." [Occupational Safety and Health Administration, 03/30/11]

Tyson Was Issued Nine Serious Safety Citations For Violations That Posed "Substantial Probability" Of Death Or Serious Harm And An Additional "Other-Than-Serious Citation." "Tyson was issued nine serious citations after inspectors noted a lack of fall protection; deficiencies in Tyson's process safety management program, respiratory protection program and control of hazardous energy lockout/tagout program; and a lack of proper maintenance of powered industrial trucks. A serious violation occurs when there is substantial probability that death or serious physical harm could result from a hazard about which the employer knew or should have known. Tyson also received one other-than-serious citation for failure to conduct a personal protection equipment hazard assessment. An other-than-serious violation is one that has a direct relationship to job safety and health, but probably would not cause death or serious physical harm." [Occupational Safety and Health Administration, 03/30/11]

2009: A Federal Court Found Tyson Foods In Violation Of The Fair Labor Standards Act At Its Blountsville, Alabama Facility, Where It Did Not Keep Accurate Records And Failed To Pay Workers For Time Spent Putting On And Removing Protective Gear.

November 2009: Tyson Foods Was Found In Violation Of The Fair Labor Standards Act (FLSA) At Its Blountsville, AL Facility Following A U.S. Labor Department Lawsuit Against The Company. "Tyson Foods Inc., one of the nation's largest poultry producers, has been found in violation of the Fair Labor Standards Act (FLSA) at its Blountsville, Ala., facility. The jury's verdict in federal court in Birmingham resulted from a lawsuit filed by the U.S. Department of Labor against the company." [Occupational Safety and Health Administration, 11/05/09]

The Labor Department Sued Tyson Foods For Not Keeping Accurate Records And Failing To Pay Production Line Workers For Time They Spent Putting On Or Removing Protective Gear From 2000 Through 2009. "The Department of Labor's lawsuit was filed in the U.S. District Court for the Northern District of Alabama. The federal department alleged that Tyson Foods did not keep accurate records and failed to pay production line employees for the time they spend donning and doffing safety and sanitary gear, and performing other related work activities. The violations cover the period from the year 2000 to the present and affect approximately 3,000 current and former workers at the plant." [Occupational Safety and Health Administration, 11/05/09]

Then-Labor Secretary Hilda Solis Said The Court Decision Against Tyson "Vindicated Our Position That Employers Must Pay Their Workers For The Time That They Are Required To Work." "We are very pleased that the jury in Birmingham has vindicated our position that employers must pay their workers for the time that they are required to work,' said Secretary of Labor Hilda L. Solis. 'This is a victory for workers, and the result of years of dedicated efforts to protecting the rights of working Americans on the part of attorneys, investigators and others within the Labor Department." [Occupational Safety and Health Administration, 11/05/09]

August 2022: Tyson Foods Refused To Comply With A Price-Fixing Subpoena From New York's Attorney General Just Months After Its CEO Touted Prices Increasing By Nearly 20% In Its Q1 2022 And Credited "Double-Digit Top And Bottom Line Growth" To Higher Prices.

August 2022: Tyson Foods Refused To Comply With A Subpoena From The New York Attorney General About "Possible Price Gouging During The COVID-19 Pandemic." "Tyson Foods Inc (TSN.N), one of the largest U.S. meat producers, is refusing to comply with a subpoena for a civil probe into possible price gouging during the COVID-19 pandemic, New York's attorney general said on Wednesday." [Reuters, 08/05/22]

February 2022: During Tyson's February Q1 2022 Earnings Call, CEO Donnie King Noted That His Company's "Average Sales Price For The Quarter Increased 19.6% Relative To The Same Period Last Year." "Donnie King [...] As a result, our average sales price for the quarter increased 19.6% relative to the same period last year. This helped us capture some of the unrecovered costs due to the timing lag between inflation and price." [Seeking Alpha, 02/07/22]

King Also Added That Tyson's "Retail Core Business Lines" Maintained Volume Despite Price Increases. "Donnie King [...] Our retail core business lines, which include our iconic brands, Tyson, Jimmy Dean, Hillshire Farm and Ball Park maintain their volume share position even as we work through price increases to address inflationary pressure." [Seeking Alpha, 02/07/22]

King Suggested Tyson's "Double-Digit Top And Bottom Line Growth" Was Benefitted By "Strong Consumer Demand And Effective Pricing To Mitigate The Impact Of Inflation." "Donnie King [...] Our results included double-digit top and bottom line growth. We delivered solid operating income performance, up 40% for the quarter. This performance was broad-based across segments where continued strong consumer demand and effective pricing to mitigate the impact of inflation drove higher earnings." [Seeking Alpha, 02/07/22]

Tyson's CFO Stewart Glendinning Boasted That "Pricing Actions Led To Approximately \$2.1 Billion In Sales" Which "Offset The Higher Cost Of Goods Sold." "Stewart Glendinning [...] Our pricing actions led to approximately \$2.1 billion in sales and price/mix benefit during the quarter, which offset the higher cost of goods sold of \$1.6 billion." [Seeking Alpha, 02/07/22]

<u>December 2021: A White House Analysis Of Meatpackers' Profiteering Found That Tyson Increased Its Beef Prices "So Much — By More Than 35% — That They Made Record Profits While Actually Selling Less Beef Than Before."</u>

December 2021: A White House Economic Analysis Of Meatpackers' Profiteering Found That Tyson Increased Its Beef Prices "'So Much — By More Than 35% — That They Made Record Profits While Actually Selling Less Beef Than Before." "Four of the biggest meat-processing companies, using their market power in the highly consolidated U.S. market to drive up meat prices and underpay farmers, have tripled their own net profit margins since the pandemic started, White House economics advisers said. [...] Tyson increased the price of beef 'so much — by more than 35% — that they made record profits while actually selling less beef than before,' the advisers wrote." [Reuters, 12/10/21]

Tyson Is The "Biggest U.S. Meat Company By Sales." "Officials studied earnings statements from Tyson Foods Inc (TSN.N), the chicken producer and biggest U.S. meat company by sales; Brazil-based JBS SA (JBSS3.SA), the world's biggest meatpacker; Brazilian beef producer Marfrig Global Foods SA (MRFG3.SA) which owns most of National Beef Packing Company (NBEEF.UL); and Seaboard Corp RIC (SEB.A)." [Reuters, 12/10/21]

The White House Analysis Found A 120% Increase In Meatpackers' Gross Profits, A "500% Increase In Net Income," And \$1 Billion In New Dividends And Stock Buybacks—In Addition To The Over \$3 Billion They Gave To Shareholders Since The Beginning Of The Pandemic. "Those statements showed a 120% collective jump in their gross profits since the pandemic and a 500% increase in net income, the analysis shows. These companies recently announced \$1 billion in new dividends and stock buybacks, on top of the more than \$3 billion they paid to shareholders since the pandemic began." [Reuters, 12/10/21]

January 2021: Tyson Agreed To A \$221.5 Million Settlement Over Consumers'
And Other Chicken Purchasers' Claims That It Illegally Conspired To "Inflate
Chicken Prices"—Tyson And Other Chicken Companies Were Accused Of
Colluding Since 2008 To Restrict Production In Order To Raise Prices.

January 2021: Tyson Agreed To A \$221.5 Million Settlement Over Claims Consumers And Other Purchasers' Claims That It Illegally Conspired To "Inflate Chicken Prices." "Tyson Foods Inc said on Wednesday it will pay \$221.5 million to settle litigation by three groups of plaintiffs that accused it of illegally conspiring to inflate chicken prices." [Reuters, 01/19/21]

• Tyson Was Sued By Consumers, Commercial Purchasers, And Direct Purchasers. "The settlements with so-called 'end-user' consumers, commercial purchasers, and purchasers that bought chickens directly from Tyson require approval by a federal judge in Chicago." [Reuters, 01/19/21]

Tyson Also Faced Price-Fixing Claims By Major Restaurant Chains And Supermarket Companies, Including "Chick-Fil-A, Kroger Co, Walmart Inc And Sysco Corp." "The Springdale, Arkansas-based company still faces price-fixing claims by some large restaurant chains, supermarket operators and food distributors such as Chick-fil-A, Kroger Co, Walmart Inc and Sysco Corp." [Reuters, 01/19/21]

Consumers, Restaurants, Supermarkets, And Distributors Accused Chicken Companies Of Conspiring Since 2008 "To Inflate Chicken Prices, Through Tactics Such As Restricting Production And Sharing Nonpublic Data About Supply And Demand." "Restaurants, supermarkets, distributors and consumers accused chicken producers of having conspired since 2008 to inflate chicken prices, through tactics such as restricting production and sharing nonpublic data about supply and demand." [Reuters, 01/19/21]

November 2022: Tyson Foods' CEO Touted "Record Sales And Earnings" As The Company Reported FY 2022 Net Income Rising By 6% To Over \$3.2 Billion, Prices Increasing 12.3% Despite Sales Volume Falling, And Stock Buybacks Soaring By Nearly 950% To \$702 Million.

November 2022: In Its Q4 And FY 2022 Earnings Release, Tyson Foods President And CEO Donnie King Touted "'Record Sales And Earnings For The Full Year." "'We delivered record sales and earnings for the full year, which was supported by our diverse portfolio and continued strength in consumer demand for protein,' said Donnie King, president and CEO of Tyson Foods." [Tyson Foods, Inc., 11/14/22]

In Its FY 2022, Tyson Foods, Inc. Had \$3.238 Billion In Net Income—Over \$191 Million Or 6% More Than The \$3.047 Billion In Net Income It Reported In FY 2021:

(in millions, except per share data)		Fourth	Qua	rter	Twelve Months Ended			
		2022		2021		2022		2021
Sales	\$	13,737	\$	12,811	\$	53,282	\$	47,049
Operating Income		766		1,909		4,410		4,396
Net Income		537		1,358		3,249		3,060
Less: Net Income (Loss) Attributable to Noncontrolling Interests		(1)		3		11		13
Net Income Attributable to Tyson	\$	538	\$	1,355	\$	3,238	\$	3,047
[Tyson Foods, Inc., 1	<u> 1/14/</u>	<u>[22]</u>						

In Its FY 2022, Tyson Foods' Prices Increased By 12.3% Despite Sales Volume Falling By 0.3%—Tyson Also Reported Its Chicken Prices Rising By 18.1% Through FY 2022:

				Sales						
(for the fourth quarter and twelve months ended October 1, 2022, and October 2, 2021)										
	Fourth Quarter			Twelve Months Ended						
	Г			Volume	Avg. Price				Volume	Avg. Price
		2022	2021	Change	Change		2022	2021	Change	Change 2
Beef	\$	4,859 \$	5,012	5.1 %	(8.2)%	\$	19,854 \$	17,999	0.1 %	10.2 %
Pork		1,604	1,646	(1.1)%	(1.5)%		6,414	6,277	(1.9)%	4.1 %
Chicken		4,619	3,873	1.1 %	18.2 %		16,961	13,733	0.7 %	18.1 %
Prepared Foods		2,516	2,253	0.3 %	11.4 %		9,689	8,853	(4.1)%	13.5 %
International/Other		638	546	7.3 %	9.5 %		2,355	1,990	10.5 %	7.8 %
Intersegment Sales		(499)	(519)	n/a	n/a		(1,991)	(1,803)	n/a	n/a
Total	\$	13,737 \$	12,811	2.1 %	5.1 %	\$	53,282 \$	47,049	(0.3)%	12.3 %

[Tyson Foods, Inc., <u>11/14/22</u>]

In Its FY 2022, Tyson Foods Spent \$702 Million On Stock Buybacks—\$635 Million Or 948% More Than The \$67 Million It Spent In Its FY 2021:

	Twelve Month	Twelve Months Ended		
	October 1, 2022	October 2, 2021		
[]				
Purchases of Tyson Class A common stock	(702)	(67)		

[Tyson Foods, Inc., <u>11/14/22</u>]

In Its FY 2022, Tyson Foods Spent \$653 Million On Shareholder Dividends—\$17 Million Or 3% More Than The \$636 Million It Spent In Its FY 2021:

		Twelve Months Ended		
		October 1, 2022	October 2, 2021	
	[]			
Dividends		(653)	(636)	

[Tyson Foods, Inc., <u>11/14/22</u>]

Tyson Foods Expected To Spend 4% More On Dividends In Its FY 2023 Than In Its FY 2022. "We anticipate the remaining quarterly dividends in fiscal 2023 will be \$0.48 and \$0.432 per share of our Class A and Class B common stock, respectively. This results in an annual dividend rate in fiscal 2023 of \$1.92 for Class A shares and \$1.728 for Class B shares, or a 4% increase compared to the fiscal 2022 annual dividend rate." [Tyson Foods, Inc., 11/14/22]

In October 2021, The House Select Subcommittee On The Coronavirus Crisis
Released A Report That Found Major Meatpackers, Including Tyson Foods, Had
COVID-19 Cases And Deaths That Were "Up To Three Times [Higher Than]
Previous Estimates" Through January 2021 – Tyson Foods Had The Most
Infections And Deaths Of All Surveyed Companies.

October 2021: The House Select Subcommittee On The Coronavirus Crisis Released A Report That Found COVID-19 Cases And Deaths At Major Meatpacking Plants Were "Up To Three Times [Higher Than] Previous Estimates." "Workers at the leading U.S. meatpacking plants experienced cases and death from COVID-19 that were up to three times previous estimates, according to a report by the House Select Subcommittee on the Coronavirus Crisis seen by Reuters." [Insurance Journal, 10/28/21]

From The Beginning Of The Pandemic Through January 2021, The Facilities Of Major Meatpackers, Tyson Foods, JBS USA, Cargill, National Beef And Smithfield Foods, Had 59,147 Worker Cases And 269 Deaths. "The U.S. House of Representatives subcommittee surveyed major meatpackers Tyson Foods, JBS USA, Cargill, National Beef and Smithfield Foods, which together control over 80% of the beef market and 60% of the pork market in the United States. At those companies' plants, worker cases of COVID-19 totaled 59,147 and deaths totaled 269, based on counts through January of this year, according to the report which was released on Wednesday ahead of the subcommittee hearing on the pandemic's impact on meatpacking workers." [Insurance Journal, 10/28/21]

Tyson Foods Was Found To Have Had "29,462 Employee [COVID-19] Infections And 151 Employee Deaths" Over This Time, The Most Infections And Deaths Of All Surveyed Companies. "Across companies, Tyson saw 29,462 employee infections and 151 employee deaths, JBS saw 12,859 employee infections and 62 employee deaths, Smithfield saw 9,666 employee infections and 25 employee deaths, Cargill saw 4,690 employee infections and 25 employee deaths, and National Beef saw 2,470 employee infections and six employee deaths." [Select Subcommittee on the Coronavirus Crisis, 10/27/21]

At Least One Tyson Plant—"Where Around 50% Of Workers Contracted The Virus"—Was Found To Have Lax Safety Protocols, Including "Workers [Wearing] Masks 'Saturated' With Fluids," A Lack Of Social Distancing, And Workers Being "Separated By 'Plastic Bags On Frames' Instead Of CDC-Compliant Barriers."

Tyson Food's Amarillo, Texas Beef Plant—"Where Around 50% Of Workers Contracted The Virus" In 2020–Was Found To Have Incredibly Lax Safety Protocols, Including "Workers [Wearing] Masks 'Saturated' With Fluids," A Lack Of Social Distancing, And Workers Being "Separated By 'Plastic Bags On Frames' Instead Of CDC-Compliant Barriers." "Cases were especially high at certain plants, including JBS's Hyrum, Utah, beef plant and Tyson's Amarillo, Texas, beef plant, where around 50% of workers contracted the virus, according to the report. [...] In May 2020 at Tyson's Amarillo plant, for instance, workers wore masks 'saturated' with fluids, were not socially distanced, and were separated by "plastic bags on frames" instead of CDC-compliant barriers, according to a Centers for Disease Control and Prevention (CDC) memo obtained by the subcommittee." [Insurance Journal, 10/28/21]

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