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Case No. 2025-0828-PAF

**IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE**

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| CITY OF MIAMI BEACH FIRE AND POLICE PENSION FUND and BRUCE TAYLOR, on behalf of themselves and all other similarly situated stockholders of Pilgrim's Pride Corporation<br><br>Plaintiffs,<br><br>v.<br><br>JBS WISCONSIN PROPERTIES, LLC, JBS USA FOOD COMPANY, JBS USA FOOD COMPANY HOLDINGS, JBS, S.A., GILBERTO TOMAZONI, WESLEY MENDONÇA BATISTA, JOESLEY MENDONÇA BATISTA, ANDRE NOGUEIRA DE SOUZA, AJAY MENON, FARHA ASLAM, RAUL PADILLA, WALLIM CRUZ DE VASCONCELLOS JR., and ARQUIMEDES A. CELIS,<br><br>Defendants,<br><br>-and-<br><br>PILGRIM'S PRIDE CORPORATION,<br><br>Nominal Defendant. | C.A. No. 2025-0828-PAF |

# STIPULATION AND AGREEMENT OF SETTLEMENT, COMPROMISE, AND RELEASE

This Stipulation and Agreement of Settlement, Compromise, and Release, dated August 4, 2026 (the "Stipulation"), is entered into by and among: (i) plaintiffs City of Miami Beach Fire and Police Pension Fund and Bruce Taylor (together, "Plaintiffs"), on behalf of themselves and the Settlement Class (defined below) and derivatively as stockholders of Pilgrim's Pride Corporation ("Pilgrim's Pride" or the

"Company"); (ii) defendants JBS Wisconsin Properties, LLC, JBS USA Food Company, JBS USA Food Company Holdings, and JBS, S.A. (collectively, "JBS"); (iii) defendants Gilberto Tomazoni, Wesley Mendonça Batista, Joesley Mendonça Batista, Andre Nogueira de Souza, Ajay Menon, Farha Aslam, Raul Padilla, Wallim Cruz de Vasconcellos Jr., and Arquimedes A. Celis (collectively, the "Director Defendants," and together with JBS, the "Defendants") and (iv) the Company, as nominal defendant (together with Plaintiffs and Defendants, the "Parties" and each a "Party").[1] Upon the terms and subject to the conditions set forth herein and the approval of the Court of Chancery of the State of Delaware (the "Court") under Court of Chancery Rules 23 and 23.1, the Settlement embodied in this Stipulation is intended to be a full and final disposition of the claims asserted against Defendants in the above-captioned stockholder class and derivative action (the "Action").

**WHEREAS**:

A. On October 25, 2024, Pilgrim's Pride filed a preliminary proxy statement disclosing that the Company's board of directors (the "Board") approved an amendment to the Company's certificate of incorporation (the "Charter Amendment") and entered into a Tax Sharing Agreement with JBS (the "Tax Sharing Agreement"). The Company also scheduled a special stockholder meeting

[1] All terms herein with initial capitalization shall, unless defined elsewhere in this Stipulation, have the meanings given to them in paragraph 1 below.

for December 4, 2024, to vote on the proposed Charter Amendment. The Charter Amendment provided that, for so long as JBS owned at least 80% of the outstanding shares of the Company's stock (it did and does at the time of this Stipulation), the size of the Board would be set at ten directors and JBS would have the right to elect eight directors. The Tax Sharing Agreement provided the terms under which JBS would share a portion of its tax savings with Pilgrim's Pride.

B. On December 10, 2024, Pilgrim's Pride filed a definitive proxy statement and rescheduled the special meeting of stockholders for December 23, 2024. At the special meeting, the Company's stockholders voted to approve the Charter Amendment, which became effective on December 30, 2024.

C. On July 17, 2025, Plaintiffs filed a Verified Derivative and Class Action Complaint (the "Complaint") alleging breaches of fiduciary duty against: (i) JBS in its capacity as the Company's controlling stockholder; and (ii) the Director Defendants in their capacities as directors of Pilgrim's Pride. Plaintiffs alleged, among other things, that Defendants breached their fiduciary duties by approving the Charter Amendment, which allowed JBS to consolidate Pilgrim's Pride's financials for tax purposes and therefore purportedly provided significant non-ratable benefits to JBS. Plaintiffs also alleged that Defendants breached their fiduciary duties by entering into the Tax Sharing Agreement with JBS without negotiating an agreement that equitably divided the benefits between the Company and JBS.

D. On October 1, 2025, Defendants moved to dismiss the Complaint and filed their opening briefs in support thereof. Defendants argued, among other things, that: (i) Plaintiffs' claims were derivative, not direct; (ii) Plaintiffs failed to make a pre-suit demand on the Company, and demand was not excused as futile; (iii) Defendants were entitled to safe harbor treatment of the Charter Amendment and the Tax Sharing Agreement under Section 144 of the Delaware General Corporation Law because they were approved by a committee of disinterested directors who were delegated authority to negotiate and reject transactions of this kind; (iv) the terms of the Charter Amendment and the Tax Sharing Agreement were entirely fair to PPC and its stockholders; and (v) Plaintiffs failed to plead non-exculpated breach of fiduciary duty claims.

E. On November 14, 2025, Plaintiffs filed an omnibus answering brief in opposition to Defendants' motions to dismiss the Complaint.

F. On December 12, 2025, Defendants filed their reply briefs in further support of their motions to dismiss the Complaint.

G. On March 26, 2026, the Court rescheduled the hearing on the motions to dismiss from April 6, 2026 to October 1, 2026.

H. After the motions to dismiss were fully briefed but before the hearing had occurred, the Parties agreed to engage in private mediation and retained former U.S. District Judge Layn R. Phillips to act as mediator in the Action (the "Mediator"). Counsel for the Parties participated in a mediation session before the Mediator on March 31, 2026. In advance of that session, the Parties exchanged and submitted detailed mediation statements to the Mediator. The Parties did not reach agreement on a resolution of the Action during the mediation.

I. Following the mediation, the Mediator made a mediator's recommendation that the Parties settle the Action for a payout by JBS to the Company of $31,000,000, over and above the already anticipated approximately $50 million that would become due to the Company under the Tax Sharing Agreement, which the Parties accepted.

J. This Stipulation (together with the exhibits hereto) reflects the final and binding agreement among the Parties with respect to the Settlement.

K. In connection with settlement discussions and negotiations leading to the proposed Settlement set forth in this Stipulation, counsel for the Parties did not discuss the appropriateness or amount of any application for an award of attorneys' fees and expenses until after the Parties had reached agreement on all other material terms.

L. The Parties recognize that the Action has been filed and prosecuted by Plaintiffs in good faith and defended by Defendants in good faith and further that the Settlement Amount to be paid, and the other terms of the Settlement as set forth herein, were negotiated at arms' length, in good faith, and reflect an agreement that was reached voluntarily after consultation with experienced legal counsel.

M. The Parties believe that the Stipulation is in the best interests of the Parties, the Settlement Class, Pilgrim's Pride, and Pilgrim's Pride's current stockholders and that the Stipulation confers substantial benefits upon Pilgrim's Pride and the Settlement Class and that the interests of the Parties, Pilgrim's Pride, and the Settlement Class would best be served by settlement of the Action on the terms and conditions set forth herein.

**<u>Plaintiffs' Claims and the Benefits of the Settlement</u>**

N. Plaintiffs believe that the claims asserted in the Action have merit, but also believe that the Settlement provides substantial and immediate benefits for the Settlement Class, Pilgrim's Pride, and its current stockholders. In addition to these substantial benefits, Plaintiffs and their counsel have considered: (i) the attendant risks of continued litigation and the uncertainty of the outcome of the Action; (ii) the probability of success on the merits; (iii) the inherent problems of proof associated with, and possible defenses to, the claims asserted in the Action; (iv) the desirability of permitting the settlement to be consummated according to its terms; (v) the expense and length of continued proceedings necessary to prosecute the Action against the Defendants through trial and appeal; and (vi) the conclusion of Plaintiffs and their counsel that the terms and conditions of the Stipulation are fair, reasonable, and adequate, and that it is in the best interests of the Settlement Class, Pilgrim's Pride, and its current stockholders to settle the Action on the terms set forth herein.

O. Based on Plaintiffs' Counsel's thorough review and analysis of the relevant facts, allegations, defenses, and controlling legal principles, Plaintiffs' Counsel believes that the Settlement set forth in this Stipulation is fair, reasonable, and adequate, and confers substantial benefits upon the Settlement Class, Pilgrim's Pride, and its current stockholders. Based upon Plaintiffs' Counsel's evaluation as well as their own evaluation, Plaintiffs have determined that the Settlement is in the best interests of the Settlement Class, Pilgrim's Pride, and its current stockholders and have agreed to settle the Action upon the terms and subject to the conditions set forth herein.

**Defendants' Denials of Wrongdoing and Liability**

P. Defendants deny any and all allegations of wrongdoing, fault, liability, violations of law or damages arising out of or related to any of the conduct, statements, acts, or omissions alleged in the Action, and maintain that their conduct was at all times proper, in the best interests of Pilgrim's Pride and its stockholders, and in compliance with applicable law. Defendants further deny any breach of fiduciary duties or aiding and abetting any breach of such a fiduciary duty and further deny that Plaintiffs have asserted a valid claim as to any of the allegations made in this Action. Defendants also deny that Pilgrim's Pride or its stockholders were harmed by any conduct of Defendants alleged in the Action or that could have been alleged therein. Each of the Defendants asserts that, at all relevant times, they acted in good faith and in a manner they reasonably believed to be in the best interests of Pilgrim's Pride and all of its stockholders. Defendants, however, recognize the uncertainty and the risk inherent in any litigation, and the difficulties and substantial burdens, expense, and length of time that may be necessary to defend this proceeding through the conclusion of trial, post-trial motions, and appeal. In particular, Defendants are cognizant of the business disruptions, inconvenience, and expense burdens this Action is imposing on Pilgrim's Pride and its management, and the impact that continued litigation will have on management's ability to continue focusing on the creation of stockholder value. Defendants wish to eliminate the uncertainty, risk, burden, distraction, and expense of further litigation, and to permit the operation of Pilgrim's Pride without further distraction and diversion of its directors and executive personnel with respect to the Action. Defendants have therefore determined to settle the Action on the terms and conditions set forth in this Stipulation solely to put the Released Claims (as defined herein) to rest, finally and forever, without in any way acknowledging any wrongdoing, fault, liability, or damages. The Settlement and this Stipulation shall in no event be construed as, or deemed to be, evidence of or an admission or concession on the part of any of the Defendants with respect to any claim or factual allegation or of any fault or liability or wrongdoing or damage whatsoever or any infirmity in the defenses that any of the Defendants have or could have asserted.

**NOW THEREFORE**, **IT IS STIPULATED AND AGREED**, by and among Plaintiffs, Defendants, and Pilgrim's Pride, that, subject to the approval of the Court under Court of Chancery Rules 23 and 23.1, for good and valuable consideration set forth herein and conferred on the Settlement Class and the Company, the sufficiency of which is acknowledged, the claims asserted in the Action shall be finally and fully settled, resolved, discharged, and dismissed with prejudice, and that the Released Plaintiffs' Claims shall be finally and fully settled, resolved, discharged, and dismissed with prejudice against the Released Defendants' Persons, and that the Released Defendants' Claims shall be finally and fully settled, resolved, discharged, and dismissed with prejudice against the Released Plaintiffs' Persons, in the manner set forth herein.

## I. DEFINITIONS

1. In addition to the terms defined elsewhere in this Stipulation, the following capitalized terms, used in this Stipulation and the exhibits attached hereto and made a part hereof, shall have the meanings given to them below:

(a) “Current Stockholders” means any persons or entities who are record or beneficial owners of Pilgrim’s Pride common stock as of the close of business on the date of this Stipulation.

(b) “Defendants’ Counsel” means White & Case LLP and Richards, Layton & Finger, P.A., counsel for Defendants JBS Wisconsin Properties, LLC, JBS USA Food Company, JBS USA Food Company Holdings, JBS, S.A., Gilberto Tomazoni, Wesley Mendonça Batista, Joesley Mendonça Batista, Andre Nogueira de Souza, Farha Aslam, and Raul Padilla; Davis Graham & Stubbs LLP and Chipman Brown Cicero & Cole LLP, counsel for Defendants Ajay Menon, Wallim Cruz de Vasconcellos Jr., and Arquimedes A. Celis; and Potter Anderson & Corroon LLP, counsel for Nominal Defendant Pilgrim’s Pride Corporation.

(c) “Effective Date” means the first date by which all of the events and conditions specified in paragraph 22 of this Stipulation have occurred, have been met or have been waived.

(d) “Escrow Accounts” means, collectively, the Notice Escrow Account and the Primary Escrow Account.

(e) “Final,” when referring to the Judgment or any other court order, means (i) if no appeal is filed, the expiration date of the time provided for filing or noticing any motion for reconsideration, reargument, appeal, or other review of the order; or (ii) if there is an appeal from the Judgment or order, (a) the date of final dismissal of all such appeals, or the final dismissal of any proceeding on certiorari, reconsideration, or otherwise, or (b) the date the judgment or order is finally affirmed on an appeal, the expiration of the time to file a petition for a writ of certiorari, reconsideration, reargument, or other form of review, or the denial of a writ of certiorari, reconsideration, reargument, or other form of review, and, if certiorari, reconsideration, or other form of review is granted, the date of final affirmance following review pursuant to that grant; provided, however, that any disputes or appeals relating solely to the amount, payment, or allocation of attorneys' fees and expenses shall have no effect on finality for purposes of determining the date on which the Judgment becomes Final and shall not otherwise prevent, limit or otherwise affect the Judgment, or prevent, limit, delay, or hinder entry of the Judgment.

(f) "Initial Settlement Deposit" means the initial deposit into the Notice Escrow Account of $250,000 (United States Dollars) in cash which Plaintiffs' Counsel may use to pay Notice Costs.

(g) "Judgment" means the Final Order and Judgment, substantially in the form attached hereto as Exhibit C, to be entered by the Court approving the Settlement.

(h) “Litigation Expenses” means any and all costs and expenses incurred by Plaintiffs’ Counsel in connection with commencing, prosecuting, and settling the Action, for which Plaintiffs’ Counsel intend to apply to the Court for payment from the Primary Escrow Account.

(i) “Notice” means the Notice of Pendency and Proposed Settlement of Derivative and Class Action, Settlement Hearing, and Right to Appear, substantially in the form attached hereto as Exhibit B.

(j) “Notice Administrator” means the firm retained by Plaintiffs’ Counsel, subject to approval of the Court, to issue notice of the Settlement as authorized by the Court.

(k) “Notice Costs” means all costs, fees, and expenses related to issuing notice of the Settlement, except as otherwise provided herein.

(l) “Notice Escrow Account” means the interest-bearing escrow account maintained and controlled by Plaintiffs’ Counsel and into which the Initial Settlement Deposit shall be paid.

(m) “Plaintiffs’ Counsel” means Equity Litigation Group LLP, Labaton Keller Sucharow LLP, Friedman & Tejtel PLLC, and Bernstein Litowitz Berger & Grossmann LLP.

(n) “Primary Escrow Account” means the interest-bearing escrow account maintained and controlled by Pilgrim’s Pride and into which the balance of the Settlement Amount, after deducting the Initial Settlement Deposit, shall be paid.

(o) “Released Claims” means, collectively, the Released Plaintiffs’ Claims and the Released Defendants’ Claims.

(p) “Released Defendants’ Claims” means any and all claims and causes of action, including Unknown Claims, that arise out of or relate to the institution, prosecution, or settlement of the claims asserted in the Action, except for claims relating to the enforcement of the Settlement.

(q) “Released Defendants’ Persons” means Defendants, the Company, and any of their family members, spouses, parent entities, controlling persons, associates, affiliates or subsidiaries and each and all of their respective past or present officers, directors, stockholders, principals, representatives, employees, fiduciaries, attorneys, financial or investment advisors, consultants, accountants, investment bankers, commercial bankers, entities providing fairness opinions, advisors or agents, insurers, heirs, executors, trusts, trustees, general or limited partners or partnerships, limited liability companies, members, managers, joint ventures, personal or legal representatives, estates, administrators, beneficiaries, predecessors, successors, and assigns.

(r) “Released Persons” means, collectively, the Released Plaintiffs’ Persons and the Released Defendants’ Persons.

(s) “Released Plaintiffs’ Claims” means any claims, demands, rights, actions, causes of action, liabilities, damages, losses, obligations, judgments, duties, suits, costs, expenses, matters, and issues, whether direct or derivative, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, liquidated or unliquidated, matured or unmatured, accrued or unaccrued, apparent or unapparent, including known claims and Unknown Claims, that have been asserted in the Complaint or could have been asserted in any other court, tribunal, or proceeding by or on behalf of the Company, Plaintiffs, or any other member of the Settlement Class that arise out of or relate to the acts, events, facts, matters, transactions, occurrences, statements, representations, misrepresentations, or omissions, or any other matter set forth in the Complaint, including without limitation, any such claims concerning the Charter Amendment and the Tax Sharing Agreement; provided, however, that the Released Plaintiffs’ Claims shall not include any claims to enforce the Settlement.

(t) “Released Plaintiffs’ Persons” means Plaintiffs, any other member of the Settlement Class, the Company, Plaintiffs’ Counsel, or any of their respective family members, spouses, parent entities, controlling persons, associates, affiliates or subsidiaries and each and all of their respective past or present officers, directors, stockholders, principals, representatives, employees, fiduciaries, attorneys, financial or investment advisors, consultants, accountants, investment bankers, commercial bankers, entities providing fairness opinions, advisors or agents, insurers, heirs, executors, trusts, trustees, general or limited partners or partnerships, limited liability companies, members, managers, joint ventures, personal or legal representatives, estates, administrators, beneficiaries, predecessors, successors, and assigns.

(u) "Releases" means the releases set forth in paragraphs 3-4 of this Stipulation.

(v) "Scheduling Order" means the Order, substantially in the form attached hereto as Exhibit A, directing notice of the Settlement and scheduling Settlement-related events.

(w) "Settlement" means resolution of the Action on the terms and conditions set forth in this Stipulation.

(x) "Settlement Amount" means $31,000,000 (United States Dollars) in cash.[2]

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[2] The Settlement Amount represents the additional payment that would be made from JBS to Pilgrim's Pride that would result from replacing the $725,000,000 figure contained in the definition of Dividend in the Tax Sharing Agreement with $1,170,000,000.

(y) “Settlement Class” means the holders of shares of Pilgrim’s Pride common stock that were issued and outstanding between, and including September 1, 2024 and December 30, 2024 (the “Class Shares”), in their capacities as holders of Class Shares, together with their heirs, assignees, transferees, and successors-in-interest, in each case in their capacity as holders of Class Shares. Excluded from the Settlement Class are Defendants; their respective successors and assigns; the past and current executive officers and directors of Pilgrim’s Pride and JBS; the immediate family members of any of the above excluded persons; any entity in which any of the above excluded persons or entities have or had a direct or controlling ownership interest; and the legal representatives, heirs, successors-in-interest or assigns of any such excluded persons or entities.

(z) “Settlement Hearing” means the hearing to be set by the Court under Court of Chancery Rules 23 and 23.1 to consider, among other things, final approval of the Settlement.

(aa) “Taxes” means: (i) all federal, state, and/or local taxes of any kind on any income earned on the funds held in the Escrow Accounts; and (ii) the reasonable expenses and costs incurred in connection with determining the amount of, and paying, any taxes owed by the funds held in the Escrow Accounts (including, without limitation, expenses of tax attorneys and accountants).

(bb) "Unknown Claims" means any Released Plaintiffs' Claims that any Plaintiff or any member of the Settlement Class do not know or suspect to exist in his, her, or its favor at the time of the release of such claims, and any Released Defendants' Claims that any Defendant or the Company does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Defendants' Claims, which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, the Parties shall expressly waive any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

> A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The Parties acknowledge that the foregoing waiver was separately bargained for and a key element of the Settlement.

## II. RELEASE OF CLAIMS

2. The obligations incurred pursuant to this Stipulation are in consideration of: (a) the full and final disposition of the Action; and (b) the Releases provided for under this Stipulation.

3. Pursuant to the Judgment, without further action by anyone, upon the Effective Date of the Settlement, Plaintiffs, the Company, and any member of the Settlement Class, shall be deemed to have, and by operation of law and of the Judgment shall have, fully, finally, and forever dismissed with prejudice, settled, resolved, and discharged the Released Plaintiffs' Claims against the Released Defendants' Persons, and shall forever be barred and enjoined from prosecuting the Released Plaintiffs' Claims against the Released Defendants' Persons.

4. Pursuant to the Judgment, without further action by anyone, upon the Effective Date of the Settlement, Defendants and the Company shall be deemed to have, and by operation of law and of the Judgment shall have, fully, finally, and forever dismissed with prejudice, settled, resolved, and discharged the Released Defendants' Claims against the Released Plaintiffs' Persons, and shall forever be barred and enjoined from prosecuting the Released Defendants' Claims against the Released Plaintiffs' Persons.

5. Notwithstanding paragraphs 3-4 above, nothing in the Judgment shall bar any action by any of the Parties to enforce or effectuate the terms of this Stipulation or the Judgment.

## III. SETTLEMENT CONSIDERATION

6. No later than ten (10) calendar days after the date of entry of the Scheduling Order, JBS shall pay or cause to be paid the $250,000 Initial Settlement Deposit into the Notice Escrow Account. Plaintiffs' Counsel may use Initial Settlement Deposit only to pay Notice Costs and such Notice Costs are not subject to refund in the event that the Settlement is ultimately disapproved or rejected by the Court or the Effective Date otherwise fails to occur. Payment of the Initial Settlement Deposit shall be made by wire transfer into the Notice Escrow Account; payment shall not be made by check. Plaintiffs' Counsel shall provide wiring instructions for the Notice Escrow Account upon execution of this Stipulation. If for any reason the Settlement is not approved by the Court or the Effective Date otherwise fails to occur, Plaintiffs' Counsel shall return to JBS the remaining balance of the $250,000 Initial Settlement Deposit that is not used for issuing Notice of the Settlement, plus interest, if any, and minus any taxes or other expenses. If Notice Costs exceed $250,000, such Notice Costs exceeding $250,000 shall be paid from the funds deposited into the Primary Escrow Account pursuant to paragraph 7 below, or

following the transfer of the funds in the Primary Escrow Account to the Company pursuant to paragraph 8 below, shall be paid by the Company.

7. No later than five (5) business days prior to the date of the Settlement Hearing, JBS shall pay or cause to be paid $30,750,000 into the Primary Escrow Account, which amount represents the balance of the $31,000,000 Settlement Amount after deducting the $250,000 Initial Settlement Deposit. JBS shall provide Plaintiffs' Counsel with proof of payment of $30,750,000 into the Primary Escrow Account no later than two (2) business days after such payment is made.

8. No later than ten (10) business days after the Effective Date, the Settlement Amount, plus any income earned thereon while deposited in the Escrow Accounts, less (i) any Fee and Expense Award (as defined in paragraph 14 below), paid or payable and/or any reserve to account for any potential future Fee and Expense Award; and (ii) any Taxes with respect to any income earned on the funds held in Escrow Accounts, shall be transferred to Pilgrim's Pride from the Primary Escrow Account along with the balance remaining in the Notice Escrow Account (*i.e.*, after all Notice Costs are paid).

9. If JBS fails to pay or cause the full payment of the Settlement Amount in a timely manner, Plaintiffs may seek an executable judgment compelling payment of the Settlement Amount or exercise their right under paragraph 23 below to terminate the Settlement.

10. All funds held in the Escrow Accounts (collectively, the "Settlement Fund") shall be deemed to be in custody of the Court and shall remain subject to the jurisdiction of the Court until such time as the Settlement Fund shall be distributed or returned pursuant to the terms of this Stipulation and/or further order of the Court.

11. The escrow agents for the Primary Escrow Account and Notice Escrow Account (the "Escrow Agents") shall invest any funds in the respective Escrow Accounts exclusively in United States Treasury Bills (or a mutual fund invested solely in such instruments) and shall collect and reinvest all interest accrued thereon, except that any residual cash balances up to the amount that is insured by the FDIC may be deposited in any account that is fully insured by the FDIC. In the event that the yield on United States Treasury Bills is negative, in lieu of purchasing such Treasury Bills, all or any portion of the funds held by the Escrow Agents may be deposited in any account that is fully insured by the FDIC or backed by the full faith and credit of the United States. Additionally, if short-term placement of the funds is necessary, all or any portion of the funds held by the Escrow Agents may be deposited in any account that is fully insured by the FDIC or backed by the full faith and credit of the United States.

12. The Parties agree that the Initial Settlement Deposit, and any interest earned thereon, held in the Notice Escrow Account (the "Notice Escrow Fund") is intended to be a qualified settlement fund within the meaning of Treasury Regulation

§ 1.468B-1 and that Plaintiffs' Counsel, as administrators of the Notice Escrow Fund within the meaning of Treasury Regulation § 1.468B-2(k)(3), shall be solely responsible for filing or causing to be filed all informational and other tax returns as may be necessary or appropriate (including, without limitation, the returns described in Treasury Regulation § 1.468B-2(k)) for the Notice Escrow Fund. Plaintiffs' Counsel shall also be responsible for causing payment to be made from the Notice Escrow Fund of any Taxes owed with respect to the Notice Escrow Fund. Defendants shall not have any liability or responsibility for any such Taxes. Upon written request, Defendants will provide to Plaintiffs' Counsel the statement described in Treasury Regulation § 1.468B-3(e), Plaintiffs' Counsel, as administrators of the Notice Escrow Fund within the meaning of Treasury Regulation § 1.468B-2(k)(3), shall timely make such elections as are necessary or advisable to carry out this paragraph, including, as necessary, making a "relation back election," as described in Treasury Regulation § 1.468B-1(j), to cause the qualified settlement fund to come into existence at the earliest allowable date, and shall take or cause to be taken all actions as may be necessary or appropriate in connection therewith.

13. All Taxes shall be paid out of the Settlement Fund, and shall be timely paid, or caused to be paid, without further order of the Court. Any tax returns prepared for the Notice Escrow Fund (as well as the election set forth therein) shall

be consistent with the previous paragraph and in all events shall reflect that all Taxes on the income earned by the Notice Escrow Fund shall be paid out of Notice Escrow Fund as provided herein.

## IV. ATTORNEYS' FEES AND LITIGATION EXPENSES

14. In connection with the Settlement, Plaintiffs' Counsel will apply to the Court for a collective award of attorneys' fees and payment of Litigation Expenses (the "Fee and Expense Award") to be paid solely from (and out of) the Settlement Fund. Defendants and Pilgrim's Pride will not object to Plaintiffs' Counsel's claim for reasonable attorneys' fees and Litigation Expenses, provided that such claim does not exceed $4,805,000 in total.

15. The Fee and Expense Award shall be paid to Plaintiffs' Counsel from the funds deposited into the Primary Escrow Account within ten (10) business days after the order awarding such fees and expenses, notwithstanding the existence of any timely filed objections thereto, or potential for appeal therefrom, or collateral attack on the Settlement or any part thereof, subject to Plaintiffs' Counsel's and Plaintiffs' obligations to make appropriate refunds or repayments to the Settlement Fund, if the Settlement is terminated pursuant to the terms of this Stipulation or if, as a result of any appeal or further proceedings on remand, or successful collateral attack, the Fee and Expense Award is reduced or reversed and such order reducing or reversing the award has become Final. Plaintiffs' Counsel and Plaintiffs shall

make the appropriate refund or repayment in full no later than twenty (20) business days after: (a) receiving from Defendants' Counsel notice of the termination of the Settlement; or (b) any order reducing or reversing the Fee and Expense Award has become Final.

16. It is not a condition of this Stipulation, the Settlement, or the Judgment that the Court award any attorneys' fees or expenses. In the event that the Court does not award attorneys' fees or expenses, or in the event the Court makes an award in an amount that is less than the amount requested by Plaintiffs' Counsel or is otherwise unsatisfactory to Plaintiffs' Counsel, or in the event that any such award is vacated or reduced on appeal, this Stipulation and the Settlement, including the effectiveness of the Releases and other obligations of the Parties under the Settlement, nevertheless shall remain in full force and effect. Neither Plaintiffs nor Plaintiffs' Counsel may cancel or terminate the Settlement based on this Court's or any appellate court's ruling with respect to any Fee and Expense Award.

17. Plaintiffs' Counsel shall allocate the attorneys' fees awarded amongst all counsel in a manner which they, in their discretion, believe reflects the contributions of such counsel to the institution, prosecution, and settlement of the Action. The Released Defendants' Persons shall have no responsibility for or liability whatsoever with respect to the allocation or award of the Fee and Expense Award, if any, to Plaintiffs' Counsel.

## V. SUBMISSION OF THE SETTLEMENT TO THE COURT FOR APPROVAL

18. As soon as practicable after execution of this Stipulation, Plaintiffs shall apply to the Court for entry of the Scheduling Order, substantially in the form attached hereto as Exhibit A, providing for, among other things: (a) issuance of the Notice; and (b) scheduling of the Settlement Hearing to consider: (i) final approval of the proposed Settlement; (ii) the request that the Judgment, substantially in the form attached hereto as Exhibit C, be entered by the Court; (iii) Plaintiffs' Counsel's application for a Fee and Expense Award; and (iv) any objections to any of the foregoing. The Parties shall take all reasonable and appropriate steps to seek and obtain entry of the Scheduling Order. The date and time of the Settlement Hearing set by the Court in the Scheduling Order may be changed by the Court without further written notice to Company stockholders.

19. In accordance with the terms of the proposed Scheduling Order to be entered by the Court, the Notice Administrator shall mail, or cause to be mailed, by first class U.S. mail or other mail service if mailed outside the U.S., postage prepaid, the Notice, substantially in the form attached hereto as Exhibit B, to Current Stockholders and all members of the Settlement Class at their last known address appearing in the stock transfer records maintained by or on behalf of the Company (the "Stock Transfer Records"). All Current Stockholders and all members of the Settlement Class who are record holders of Pilgrim's Pride common stock on behalf

of beneficial owners shall be directed to forward the Notice promptly to the beneficial owners of those securities. Pilgrim's Pride shall also file a copy of the Notice as an exhibit to a Form 8-K with the Securities and Exchange Commission ("SEC"). No later than five (5) business days after the date of execution of this Stipulation, and at no cost to the Settlement Fund, Plaintiffs' Counsel, or the Notice Administrator, the Company shall provide or cause to be provided to Plaintiffs' Counsel or the Notice Administrator, in an electronically searchable form, such as Excel, the Stock Transfer Records.

20. All Notice Costs (other than the costs of filing the Notice as an exhibit to a Form 8-K with the SEC, which shall be paid by the Company) shall, in the first instance, be paid out of the Notice Escrow Account. If Notice Costs exceed $250,000, such Notice Costs exceeding $250,000 shall be paid from the funds deposited into the Primary Escrow Account, or following the transfer of the funds in the Primary Escrow Account to the Company, shall be paid by the Company. Plaintiffs and Plaintiffs' Counsel shall not be responsible for the payment of any Notice Costs.

21. The Parties shall request at the Settlement Hearing that the Court approve the Settlement and enter the Judgment, substantially in the form attached hereto as Exhibit C. The Parties shall take all reasonable and appropriate steps to obtain entry of the Judgment.

## VI. CONDITIONS OF SETTLEMENT

22. The Effective Date of the Settlement shall be deemed to occur on the occurrence or waiver in writing by the Parties of all of the following conditions, which the Parties shall use their respective best efforts to achieve:

(a) the full amount of the Settlement Amount has been paid into Escrow Accounts in accordance with paragraphs 6 and 7 above;

(b) the Court has entered the Scheduling Order, substantially in the form attached hereto as Exhibit A;

(c) Defendants have not exercised their option to terminate the Settlement subject and pursuant to the provisions of this Stipulation;

(d) Plaintiffs have not exercised their option to terminate the Settlement subject and pursuant to the provisions of this Stipulation;

(e) the Court has approved the Settlement as described herein, following notice to Company stockholders and a hearing, and entered the Judgment, substantially in the form attached hereto as Exhibit C; and

(f) the Judgment has become Final.

## VII. TERMINATION OF SETTLEMENT; EFFECT OF TERMINATION

23. Plaintiffs (provided Plaintiffs unanimously agree amongst themselves) and Defendants (provided Defendants unanimously agree amongst themselves) shall each have the right to terminate the Settlement and this Stipulation, by providing

written notice of their election to do so ("Termination Notice") to the other Parties within twenty (20) business days of: (a) the Court's refusal to enter the Scheduling Order in any material respect and such refusal decision having become Final; (b) the Court's refusal to approve the Settlement or any material part thereof and such refusal decision has become Final; (c) the Court's refusal to enter the Judgment in any material respect as to the Settlement and such refusal decision having become Final; or (d) the date upon which an order modifying or reversing the Judgment in any material respect becomes Final. In addition to the foregoing, Plaintiffs shall have the unilateral right to terminate the Settlement and this Stipulation, by providing written notice of their election to do so to Defendants within twenty (20) business days of any failure of Defendants to cause the full payment of the Settlement Amount into the Escrow Accounts in a timely manner in accordance with paragraphs 6 and 7 above. However, any decision or proceeding, whether in this Court or any appellate court, with respect to an application by Plaintiffs' Counsel for a Fee and Expense Award shall not be considered material to the Settlement, shall not affect the finality of the Judgment, and shall not be grounds for termination of the Settlement.

24. If (i) Plaintiffs exercise their right to terminate the Settlement as provided in this Stipulation; or (ii) Defendants exercise their right to terminate the Settlement as provided in this Stipulation, then:

(a) The Settlement and the relevant portions of this Stipulation shall be canceled and terminated;

(b) The Parties shall revert to their respective positions in the Action as of immediately prior to the execution of this Stipulation on August 4, 2026; and

(c) The terms and provisions of this Stipulation, with the exception of this paragraph 24 and paragraphs 15, 25, and 48 of this Stipulation, shall have no further force and effect with respect to the Parties and shall not be used in the Action or in any other proceeding for any purpose, and any Judgment or order entered by the Court in accordance with the terms of this Stipulation shall be treated as vacated, *nunc pro tunc*.

## VIII. NO ADMISSION OF WRONGDOING

25. Nothing in this Stipulation (whether or not consummated), including the exhibits hereto, the negotiations leading to the execution of this Stipulation, nor any proceedings taken pursuant to or in connection with this Stipulation and/or approval of the Settlement (including any arguments proffered in connection therewith):

(a) shall be offered against any of the Released Defendants' Persons as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of the Released Defendants' Persons with respect to the truth of any fact alleged by Plaintiffs or the validity of any claim that was or could have been asserted or the deficiency of any defense that has been or could have been asserted in the Action or in any other litigation, or of any liability, negligence, fault, or other wrongdoing of any kind of any of the Released Defendants' Persons or in any way referred to for any other reason as against any of the Released Defendants' Persons, in any arbitration proceeding or other civil, criminal, or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation;

(b) shall be offered against any of the Released Plaintiffs' Persons, as evidence of, or construed as, or deemed to be evidence of any presumption, concession, or admission by any of the Released Plaintiffs' Persons that any of their claims are without merit, that any of the Released Defendants' Persons had meritorious defenses, or that damages recoverable under the Complaint would not have exceeded the Settlement Amount or with respect to any liability, negligence, fault, or wrongdoing of any kind, or in any way referred to for any other reason as against any of the Released Plaintiffs' Persons, in any arbitration proceeding or other civil, criminal, or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation; or

(c) shall be construed against any of the Released Persons as an admission, concession, or presumption that the consideration to be given hereunder represents the consideration which could be or would have been achieved after trial;

*provided, however*, that if this Stipulation is approved by the Court, the Parties and the Released Persons and their respective counsel may refer to it to effectuate the protections from liability granted under this Stipulation or otherwise to enforce the terms of the Settlement.

## IX. MISCELLANEOUS PROVISIONS

26. All of the exhibits attached hereto are incorporated by reference as though fully set forth herein. Notwithstanding the foregoing, if there exists a conflict or inconsistency between the terms of this Stipulation and the terms of any exhibit attached hereto, the terms of this Stipulation shall prevail.

27. Each of the Defendants warrants that, as to the payments made or to be made on behalf of him, her, or it, at the time of entering into this Stipulation and at the time of such payment he, she, or it, or to the best of his, her, or its knowledge any persons or entities contributing to the payment of the Settlement Amount, were not insolvent, nor will the payment required to be made by or on behalf of them render them insolvent, within the meaning of and/or for the purposes of the United States Bankruptcy Code, including §§ 101 and 547 thereof. This representation is made by each of the Defendants and not by their counsel.

28. In the event of the entry of a final order of a court of competent jurisdiction determining the transfer of money to the Settlement Fund or any portion thereof by or on behalf of Defendants to be a preference, voidable transfer,

fraudulent transfer, or similar transaction and any portion thereof is required to be returned, and such amount is not promptly deposited into the Settlement Fund by others, then, at the election of Plaintiffs, Plaintiffs and Defendants shall jointly move the Court to vacate and set aside the Releases given and the Judgment entered in favor of Defendants and the other Released Persons pursuant to this Stipulation, in which event the Releases and Judgment shall be null and void, and Plaintiffs and Defendants shall be restored to their respective positions in the litigation as provided in paragraph 24 above.

29. The Parties intend this Stipulation and the Settlement to be a final and complete resolution of all disputes asserted or which could be asserted by Plaintiffs with respect to the Released Plaintiffs' Claims. Accordingly, Plaintiffs and their counsel and Defendants and their counsel agree not to assert in any forum that this Action was brought by Plaintiffs or defended by Defendants in bad faith or without a reasonable basis. The Parties agree that the amounts paid and the other terms of the Settlement were negotiated at arm's length and in good faith by the Parties, and reflect the Settlement that was reached voluntarily after extensive negotiations and consultation with experienced legal counsel, who were fully competent to assess the strengths and weaknesses of their respective clients' claims or defenses.

30. While retaining their right to deny that the claims asserted in the Action were meritorious, Defendants and Pilgrim's Pride, and their respective counsel, in

any statement made to any media representative (whether or not for attribution) will not assert that the Action was commenced or prosecuted in bad faith, nor will they deny that the Action was commenced and prosecuted in good faith and is being settled voluntarily after consultation with competent legal counsel. In all events, Plaintiffs and their counsel and Defendants and Pilgrim's Pride, and their respective counsel, shall not make any accusations of wrongful or actionable conduct by any Party concerning the prosecution, defense, and resolution of the Action, and shall not otherwise suggest that the Settlement constitutes an admission of any claim or defense alleged.

31. The terms of the Settlement, as reflected in this Stipulation, may not be modified or amended, nor may any of its provisions be waived except by a writing signed on behalf of each of the Parties (or their successors-in-interest).

32. The headings herein are used for the purpose of convenience only and are not meant to have legal effect. The use of the word "including" herein shall mean "including without limitation."

33. If any deadline set forth in this Stipulation or the exhibits hereto falls on a Saturday, Sunday, or Court holiday, that deadline will be continued to the next business day.

34. Without further Order of the Court, the Parties may agree to reasonable extensions of time to carry out any of the provisions of this Stipulation.

35. The administration and consummation of the Settlement as embodied in this Stipulation shall be under the authority of the Court, and the Court shall retain jurisdiction for the purpose of entering orders providing for awards of attorneys' fees and Litigation Expenses to Plaintiffs' Counsel, and enforcing the terms of this Stipulation.

36. The waiver by one Party of any breach of this Stipulation by any other Party shall not be deemed a waiver of such breach by any other Party or a waiver by the waiving Party of any other prior or subsequent breach of this Stipulation.

37. This Stipulation and its exhibits constitute the entire agreement among the Parties concerning the Settlement and this Stipulation and its exhibits. Each Party acknowledges that no other agreements, representations, warranties, or inducements have been made by or on behalf of any Party concerning this Stipulation or its exhibits other than those contained and memorialized in such documents.

38. This Stipulation may be executed in one or more counterparts, including by signature transmitted via facsimile, DocuSign, or by a .pdf/.tif image of the signature transmitted via email. All executed counterparts and each of them shall be deemed to be one and the same instrument.

39. This Stipulation shall be binding upon and inure to the benefit of the successors and assigns of the Parties, and the Released Persons, and any corporation, partnership, or other entity into or with which any Party may merge, consolidate, or

reorganize. The Parties acknowledge and agree, for the avoidance of doubt, that the Released Defendants' Persons and the Released Plaintiffs' Persons are intended beneficiaries of this Stipulation and are entitled to enforce the Releases contemplated by the Settlement.

40. The construction, interpretation, operation, effect and validity of this Stipulation and all documents necessary to effectuate it shall be governed by the internal laws of the State of Delaware without regard to conflicts of laws, except to the extent that federal law requires that federal law govern.

41. Any action arising under or to enforce this Stipulation or any portion thereof shall be commenced and maintained only in the Court to the extent the Court has jurisdiction over the claims and parties to such action or proceedings.

42. This Stipulation shall not be construed more strictly against one Party than another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of the Parties, it being recognized that it is the result of arm's-length negotiations among the Parties and that all Parties have contributed substantially and materially to the preparation of this Stipulation.

43. All counsel and all other persons executing this Stipulation and any of the exhibits hereto, or any related Settlement documents, warrant and represent that they have the full authority to do so and that they have the authority to take

appropriate action required or permitted to be taken pursuant to this Stipulation to effectuate its terms.

44. Plaintiffs' Counsel and Defendants' Counsel agree to cooperate fully with one another to obtain (and, if necessary, defend on appeal) all necessary approvals of the Court required of this Stipulation (including using their respective best efforts to resolve any objections raised to the Settlement), and to use best efforts to promptly agree upon and execute all such other documentation as may be reasonably required to obtain final approval by the Court of the Settlement.

45. If any Party is required to give notice to another Party under this Stipulation, such notice shall be in writing and shall be deemed to have been duly given upon receipt of hand delivery or email transmission, with confirmation of receipt. Notice shall be provided as follows:

| | |
|---|---|
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46. Except as otherwise provided herein, each Party shall bear its own costs.

47. All agreements made and orders entered during the course of the Action relating to the confidentiality of information shall survive this Settlement.

48. Whether or not the Stipulation is approved by the Court and whether or not the Stipulation is consummated, or the Effective Date occurs, the Parties and their counsel shall use their best efforts to keep all negotiations, discussions, acts performed, drafts, and proceedings in connection with the preparation and execution of this Stipulation confidential.

49. Except as provided herein, Defendants shall have full control and approval rights for any press releases and/or any communications with press relating to the Settlement.

50. All agreements made and orders entered during the course of this Action relating to the confidentiality of information shall survive this Settlement.

**IN WITNESS WHEREOF,** the Parties have caused this Stipulation to be executed, by their duly authorized attorneys, as of August 4, 2026.

[Signatures Beginning on Next Page]

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