



**COLLECTIVE BARGAINING  
AGREEMENT**

**BETWEEN**

**PILGRIM'S PRIDE CORPORATION  
WACO, TEXAS**

**AND**

**UNITED FOOD AND COMMERCIAL  
WORKERS UNION, AFL-CIO LOCAL 540**



**November 10th, 2024 – November 7th, 2027**



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**ARTICLE 1**  
**AGREEMENT**

On November 7th, 2021 the Pilgrim's Pride Corporation located at 2500 E Lake Shore Dr. Waco, Texas, 76705 hereinafter designated as the "Company" and the United Food and Commercial Workers International Union, AFL-CIO, CLC, District Union 540 hereinafter designated as the "Union" agree as follows:

**ARTICLE 2**  
**PURPOSE OF AGREEMENT**

It is the intent and purpose of the parties to this Agreement to promote and improve all industrial and economic relations between the Company and the employees covered by this Agreement and to set forth the basic agreements covering rates of pay, hours of work and conditions of employment to be observed.

**ARTICLE 3**  
**RECOGNITION**

1. Pilgrim's Pride Corporation (hereinafter referred to as the "Company") agrees to recognize the United Food and Commercial Workers International Union, Local 540 (Hereinafter referred to as the "Union") as the exclusive bargaining representative of certain employees at the Company's poultry processing facility located at 2500 E Lake Shore Dr. Waco, TX 76705 for the purpose of collective bargaining.
  
2. The employees represented as part of this recognition are as follows, all production, warehouse, shipping, sanitation, and maintenance employees, excluding, quality control, wastewater, technicians, drivers, office clerical, watchmen, guards, salaried supervisors, hourly forepersons, leads, shipping clerks, purchasing clerks, and cafeteria employees (hereinafter referred to as the "Bargaining Unit").

3. The specific terms of this contract shall be the sole source of any rights that may be asserted by the Union against the Company.

4. The Company will not enter into any agreement on an individual basis with any employee.

## **ARTICLE 4** **MANAGEMENT RIGHTS**

1. The Company shall remain vested with all management functions, including the full and exclusive control, direction and supervision of operations and the working forces including, but not limited to: determine the number, location and type of plants it may operate; to decide the products to be manufactured, the methods of manufacturing, the materials to be used and the continuance or discontinuance of any product, material or method of production; to introduce new equipment, machinery or processes and to change or eliminate existing equipment, machinery or processes; to discontinue, temporarily or permanently, in whole or in part, conduct of its business or operations; and to relocate its business or operations in whole or in part; to decide the nature of materials, supplies, equipment or machinery to be used; to decide upon the sales methods and sales price of all products; to hire the workforce in accordance with the requirements set by management; to transfer, promote or demote employees subject to the seniority provisions of this Agreement; to lay off employees and to terminate, discharge, suspend or otherwise relieve employees from duty for just cause; to direct and control the workforce; to establish and enforce reasonable rules governing employment, conduct, and working conditions; to determine the size of the workforce; to determine the number of employees assigned to any particular operation; to determine the workplace and to set reasonable work performance levels; to determine what work is placed with a contractor and what work is performed in-house; to establish, change, combine or abolish job classifications and to determine the length of the work week; to utilize job rotation as deemed necessary by the Company; to determine work starting and stopping times, the length of the work day, when overtime shall be worked, to

require overtime; and to determine the qualifications of employees. All other rights of Management are also expressly retained even though not particularly enumerated above unless they are clearly limited by the explicit language of some other provision of this Agreement. It is understood that the Union may grieve the reasonableness of a policy change.

2. The Company's failure to exercise any right hereby reserved shall not be deemed a waiver of the exercise of such rights at other times.

3. Nothing in this provision shall be deemed a restriction on the Company's ability to subcontract sanitation in the future.

## **ARTICLE 5** **UNION DUES**

### A. Check-off Authorization

1. During the duration of this agreement the Company shall deduct, as to each employee who shall authorize it in writing on a proper and lawful form as submitted by the Union to the Company, Union Representation Fees, Union Dues and Initiation Fees as certified by the Union and owing on a weekly basis, bi-weekly or monthly basis as requested by the Union. Upon written authorization by the employee and submitted on the proper authorization form submitted by the Union to the Company, the Company shall deduct from the employee's weekly pay, contributions to the Active Ballot Club (ABC). Such deductions shall be remitted to the Local Union no later than the 15th in the month following the month in which the deductions are taken.

2. The weekly deductions will be remitted by the Company to the Union during the following month. The Company will send this remittance to the Union by no later than the 15th of the following month.

3. The Union agrees to indemnify and save the Company

harmless against any and all claims, suits or other forms of liability arising out of the deductions of money for Union dues from any employee's pay. The Union assumes full responsibility for the disposition of the monies so deducted once they have been turned over to the Union.

4. In the event said initiation fee exceeds \$10.00, the initiation fee will be deducted in such amount (monthly or bi-weekly or weekly) as may be requested in writing by the appropriate Union official until the full amount has been deducted; provided, no such amount shall be less than \$5.00. The Union shall notify the Company of the name of each such Financial Secretary and the address to which such dues collections shall be sent. Such notification shall bear the signature of the President or the Secretary/Treasurer of the Union and shall be impressed with the seal of the Union. In the event of any change of the Financial Secretary, the Company shall be notified of such change by the same method as provided above.

5. Employees who have authorized such deductions and who are not at work in any week shall have their union dues or representation fees, initiation fees (full or installment) or uniform assessment deductions made in the next payroll week they work.

6. Concerning new members of the Union who have executed the required dues deduction authorization, the Union must submit to the employer a list showing the names of new Union members with a copy of the required dues deduction authorization for each new member and the amount of the dues, initiation fees or uniform assessment to be deducted from the wages of each named employee before the Company is required to deduct dues from such employees. Upon receipt of this list with the required information, the Company shall deduct such amount from the paycheck that issues for the payroll period following receipt of such list.

7. Concerning rehired employees who had Union dues

deducted at the end of their immediate past employment, the Company will deduct Union Representation Fees, Union dues and initiation fees from the rehired employee, provided all the following conditions are met:

a. Deductions were being made during the past employment based on a deduction authorization, which clearly states that the authorization will continue in effect when rehired if the employee's employment relationship is interrupted and the employee is rehired.

b. Prior to deducting dues from a rehired employee, the Union must inform the Company that the rehired employee has executed an authorization as defined in Article 5, Section 7, subsection (a) above and after the rehire, the Union must provide the Company with a copy of such authorization.

8. The Company will begin to make deductions from a rehired employee starting the payroll period after the two above conditions have occurred.

9. No grievance will be entertained alleging the failure of the Company to deduct dues unless the grievance names the employees who the Company failed to deduct dues and specifies the dates that dues should have been deducted and were not.

## **ARTICLE 6** **NO DISCRIMINATION**

It is agreed there shall be no discrimination by the Company or the Union or by the agents of either, against any employee for said Union membership or non-membership, or because of race, sex, sexual orientation, gender identity or expression, disability, national origin, color, creed, age, veteran status or against any employee for attempting to enforce the provisions of this Agreement against either the Company or the Union.

**ARTICLE 7**  
**UNION BUSINESS**

1. The Union shall be entitled to post regular Union notices on the Union bulletin board located in the main hallway. This bulletin board shall be designated for Union notices only. Such notices shall be confined to Union business and shall be presented to the Human Resource Manager prior to posting.
  
2. During the term of this Agreement, designated Union representatives, with notification to the Human Resource Manager, or their designee may be provided access to the plant for the purpose of observing compliance with the terms of this agreement as well as to adjust any grievances or complaints arising under this Agreement. Prior to entering the plant, however, said representative(s) must notify the Human Resource Manager or their designee. Permission to enter the plant will not be unreasonably withheld. At all times while on the Company's premises, Union representatives shall comply with the Company's safety, food safety, security policies and practices. The Company has the option of accompanying any Union representative while in the plant production or operating areas. Conferences or meetings between union representatives and employee(s) shall be conducted in non-working areas and on non-working times so there will be no interference with or interruption of normal operating conditions.
  
3. An unpaid leave of absence shall be granted upon written request by the Union for one (1) employee for the purpose of conducting Union business. Leave, should it be granted, shall be limited to the duration of this labor agreement. Seniority shall accrue during this leave.
  
4. An unpaid leave of absence shall be granted for Union Stewards, upon written request by the Union and such leaves will not be unreasonably denied for the purpose of attending steward seminars. Provided there's no major interference with company production.

5. Leave shall be granted for employees for the purpose of Collective Bargaining, and shall be at the expense of the individual(s) or the Union for whom such leave of absence has been requested.

6. In the interest of having an educated and stable workforce, along with continuing to improve the bargaining process between the parties and promoting cooperative relations, the parties agree to the following:

The Union will be allowed to attend all new employee orientation meetings. The Union will be allowed to discuss the benefits new employees receive due to the collective bargaining process and the benefits of union membership. The Union will be allowed up to thirty (30) minutes, as needed, to address employees in the Company Orientation Program. This shall be uninterrupted and during or at the end of the first day of the Company Orientation Program.

7. The Company its supervision, the Union and its agents in units covered by this Agreement, agree to treat each other with mutual business respect. When agents of the Union are in the plant they will respect the Company's need to service customers, and the Company will respect the need of the Union to service their members. The Union will be notified in advance of any changes to the orientation schedule of all new hires.

8. The Company shall allow the Stewards to wear hard hats designating them as official Union Stewards.

9. It is agreed that the Union may appoint additional department stewards consistent with current agreements from the bargaining unit to conduct Union business.

10. The Company agrees that any written disciplinary action issued to employees shall be in the presence of a Union Steward (if requested) with a copy of such written disciplinary action given to the employee and the Union.

11. Within the term of this agreement and with mutual agree-

ment from the Company and the Union, the parties may create a Walking Steward Program. If entered into the details of the program will be created in a separate letter of understanding.

## **ARTICLE 8** **SAFETY**

1. There shall be a safety committee consisting of a Local 540 Union Representative or their designated Representative. The company Plant Manager or their designated Representative and a minimum of eight (8) employees from each shift, a minimum four (4) appointed by the Union and a minimum four (4) appointed by the Company. This committee will meet at least once a month on Company time for the purpose of improving the safe operation of the plant and its equipment. Employees shall be selected annually on a revolving basis from the various work areas to participate on this safety committee. During the time of their participation in the functions of this committee employees shall be paid their normal hourly rate of pay.

2. As a part of their duties, the Safety Committee will tour the facility to identify any hazards or behaviors. These tours will be conducted as a group and in the normal course of the Committee's duties. It is agreed the Company alone bears the responsibility for correcting hazards identified and in providing a safe and healthy workplace. It is further agreed, that nothing in this agreement suggests that the Union has undertaken or assumed any part of that responsibility.

3. Upon request, the Company will make available to the committee a list of hazardous chemicals used in the facility, Safety Data Sheets, air or noise monitoring results, the OSHA 300 log and 301 forms in order to review injury and illness trends.

4. The Company will furnish, at its expense, all safety and personal protective equipment that the Company requires for each position. However, the employees shall be responsible for the safe and efficient use of all equipment furnished by the

Company, and if lost or maliciously damaged or destroyed, the employee shall be accountable and the Company may then charge the employee and deduct the cost from the employee's wages.

5. The Company, in coordination with the Union, will conduct a minimum of four (4) hours of health and/or safety training annually for all members of the Safety and Health committee. The Company will cover expenses resulting from this training for the Committee members.

## **ARTICLE 9**

### **JOINT LABOR/MANAGEMENT COMMITTEE**

A joint labor/management committee shall be established for the purpose of discussing and attempting to resolve work-related issues. The scheduling of such meetings is the responsibility of the Union by writing the Company a letter setting forth suggested dates covering at least two weeks. The Company will make a reasonable effort to pick one of the suggested dates. The committee will meet no more than every three months unless mutually agreed and shall consist of three representatives designated by the Company and three designated by the Union. The implementation of any recommendation shall be solely at the discretion of the Company. If the Union disagrees with the Company's decision on an issue that is subject to the grievance procedure, the Union may process the issue through the grievance process. Time spent during this meeting shall be considered working time and paid as such. At least one week before the meeting is held, the Union will provide the Company with an agenda setting forth the specific work-related issues to be discussed. Only the issues set forth on the agenda will be discussed.

## **ARTICLE 10**

### **MISCELLANEOUS PROVISION**

1. Upon request of the Union not to exceed once per month, the Company shall supply to the Local Union a list of all employees covered by this Agreement in an Excel Spreadsheet.

This list shall contain the following up-to-date information on each employee, as recorded in the employee's personnel file: Employee Identification Number, First Name, Last Name, Social Security Number, Full Address, Telephone Number, Department, Job Classification, Date of Hire, Rate of Pay, and whether the employee has authorized the deduction of union dues. This would replace any information currently being provided.

2. The Company agrees to furnish each employee with a printed copy of their rules and benefits which shall not be in conflict with this Agreement or discriminatory to any individual or group of the Company's employees. The Union shall also be furnished with copies of such rules and benefits.

3. The Company and the Union for the life of this Agreement, each voluntarily and unqualifiedly waive the right, and agree the other party shall not be obligated to bargain collectively with respect to any subject or matter not specifically referred to or covered in this Agreement.

4. Nothing contained in this Agreement is intended to violate any federal or state law, rule or regulation made pursuant thereto. If any part of this Agreement is construed to be in such violation, then that part alone shall be made null and void. The parties also agree, at the request of either party to renegotiate on any Article, part or paragraph of this Agreement that has been declared unlawful, invalid, ineffective or unenforceable as specified above. The balance of the Agreement shall remain in full force and effect.

5. The Company agrees to furnish the Union each week a list of names and social security numbers of bargaining unit employees who left the Company during the prior week.

6. E-Payroll.

It is agreed the method with which the Company pays the employees will state all deductions, hourly rates, hours worked, straight time and overtime. It is understood and agreed that the employees shall be paid on a weekly basis. It is agreed the method by which the Company can pay employees may

include any acceptable means, to include, paychecks, cash, direct deposit, pay cards, debit cards, etc. If the Company elects to change its method of payment, they will first meet with the Union and discuss the change. Employees may choose any bank or financial institution for their direct deposit. The Company agrees that representatives from the union's endorsed financial institution(s) shall be granted access to all bank fairs hosted by the Company.

7. The Company and Union agree should this agreement be printed in multiple languages the English version shall be the controlling document for legal and administrative purposes.

8. Temporary Workers

a. The Company will be allowed to utilize a staffing agency as a resource to provide additional labor.

b. Workers provided by the staffing agency or agencies will be utilized for a determinate period of time ninety (90) days, all of which need not be consecutive. Following a period of ninety (90) days of employment, in order to continue working at the Waco facility, the worker must be willing to become an employee of Pilgrim's Pride and will then be hired the same as any new hire. The ninety (90) days spent working through the staffing agency will be credited towards the completion of the probationary period required for any new hire. Employees hired under these conditions are eligible to be recruited for membership by the Union and become members of the bargaining unit following the ninety (90) day period outlined above.

c. The parties agree that no bargaining unit employee will be displaced or laid off until all temporary employees are laid off.

d. Bargaining unit employees will have first choice of all overtime opportunities before any temporary employee is retained to work the overtime.

e. The Company agrees to provide a readily visible means of identifying temporary employees while working in the plant.

f. The Company will provide to the Union a list of all temporary employees upon request but not more often than two (2) times per month.

g. The Company will provide to the Union weekly a list of all temporary employees hired for regular full time employment.

h. Temporary workers shall not exceed five (5) percent of the bargaining unit workforce.

## **ARTICLE 11** **NATIONAL GUARD OR RESERVE**

1. An employee who is a member of the National Guard or active Reserve shall be granted in addition to any paid vacation to which they may be entitled, an excused unpaid absence as required by law for annual encampment, reserve training meeting or cruise, or local or state emergency when required to serve.

2. The Company will grant time off (excused absence) to employees for regular meetings of the National Guard or Military Reserve when such regularly scheduled meetings fall on the employees' sixth (6) or seventh (7) work days (Saturday or Sunday).

3. Appropriate documentation will be furnished to the Company by employee to validate the leave.

## **ARTICLE 12** **SENIORITY**

1. Seniority, for the purpose of this Agreement for all present employees of the Company, shall date back and be determined by the date of their last employment. A seniority list shall be provided to the Union at the date of the signing of this Agreement; if no objections are made and sustained to the Seniority List within thirty (30) days after the posting thereof,

the seniority of each employee reflected thereon shall not be subject to question. The seniority list will be updated monthly as provided in Article 10, section 1 (Miscellaneous Provisions).

2. The principal of seniority shall prevail in layoffs, recall, and reductions in force.

3. The Company shall determine which department, shift, classification and the number of employees to be laid off or reduced.

4. A layoff is defined as a reduction in the workforce and all affected employees may exercise their seniority, by displacing other junior employees or fill an open position in the plant before being laid off. The Union will be notified prior to any anticipated layoff.

5. The parties agree that prior to any layoffs as defined above taking place, the Company will ask for volunteers within the affected departments and shifts. In the event there are not enough volunteers to cover the layoff, the Company at its sole discretion may ask for volunteers from other departments and/or shifts, and the Company at its sole discretion may accept such volunteers. Those allowed to voluntarily be laid off will be chosen from the volunteer' list by plant seniority. If there are an insufficient number of volunteers, the layoff procedure outlined below will apply. Those who take voluntary layoffs will also have recall rights as set forth in this section below.

6. The employees displaced shall be those with the least plant seniority within the department being reduced. Affected employees may displace other junior employees in other departments provided the employees can perform the job or learn the job to company satisfaction within a reasonable period of time. The determination of a reasonable period of time resides solely with the Company and may differ depending on situation.

7. Employees displacing other junior employees must make

their decision within twenty-four (24) hours after being informed of their displacement rights.

8. An employee who is displaced from their premium job classification due to a reduction of force will retain their recall rights thereto unless the employee wins a permanent bid into another premium classification.

9. Recall to work will be in inverse order of layoffs. In order to be eligible for recall, the employee must keep the human resources department informed of a correct address and telephone number where the employee can be contacted. Recall will be by certified mail (return receipt requested) to the last known address. Employee must return to work within seven days from receipt of notice.

10. All new employees shall be considered as probationary employees for their first ninety (90) days of service (reference to “probationary period” as it appears in any provision of this agreement incorporates this ninety (90) day probationary period), during which time they may be dismissed at the discretion of the Company without recourse by the Union under any provision of this Agreement. After completing the probationary period, the employee’s seniority shall date from the first day of employment.

11. Notwithstanding any of the foregoing provisions of this Article, all seniority rights and all other rights under this Agreement shall be lost if any of the following occurs:

- (a) an employee quits of his own accord;
- (b) an employee is dismissed for just cause;
- (c) an employee does not return to work when recalled after layoffs within seven (7) days from receipt of notice to return to work, unless excused for legitimate reasons in the Company’s sole discretion;
- (d) an employee is absent from the payroll due to layoff continuously for twenty-six (26) weeks;
- (e) an employee is absent from work three (3) consecutive days, No call no show.
- (f) Employees accepting a position in supervision or

management outside the bargaining unit for more than six (6) months.

12. Premium job vacancies within the bargaining unit shall be posted for a period of five (5) days for bid by employees working in the plant. To be eligible, an employee must have completed the new hire probationary period. The bidding employee with the highest plant seniority shall receive the job providing he/she is qualified to perform the job, or learn to do the job within a reasonable period of time. Copies of the job postings will be provided to the Union upon request.

13. Employees awarded a posted position will be provided a maximum of thirty (30) working days' trial period, in order for management to determine the ability of the employee to do the job. Employees disqualified by the Company during the trial period will be allowed to return to their previous classification and shift. If a prevailing bidder does not successfully complete the trial period, the position will be awarded to the subsequent bidder.

14. Employees bidding upward shall be eligible to bid at any time after the new hire probationary period.

15. Employees may be allowed to bid laterally for a posted position other than their current classification, but may not successfully bid again for six (6) months.

16. Employees who successfully bid downward may not bid again for six (6) months.

17. Job bid notices shall contain the following information:

1. Organizational Assignment
2. Job Title
3. Premium Amount
4. Job Requirement
5. Shift/Hours

18. An employee who is promoted or transferred out of the bargaining unit shall retain and accumulate seniority, as if he/

she had never transferred or was promoted. Except as provided in Section 11(f) of this Article.

19. Employees who have completed at least three (3) months of continuous service who wish to transfer to any non-premium job in any department or shift may sign their name to a list retained in personnel and will be given job openings as they occur in the department or shift of their choice. The job opening will be granted based on seniority and ability to perform or learn to perform the job.

### **ARTICLE 13** **GRIEVANCE PROCEDURE** **AND ARBITRATION**

1. It is agreed that the Union may select up to ten (10) stewards from among the employees to recruit membership, represent employees, handle contract grievances and to attend grievance meetings with Company representatives for the purposes of settling disputes or issues. The Union will provide the Company a written list of any and all Representatives or Union Stewards that may participate in these meetings.

2. All grievances will be handled off company time, unless approved by the Company.

3. Employees are encouraged to informally bring issues or concerns to the attention of their immediate supervisor and attempt to have their concerns resolved prior to filing a grievance.

4. It is agreed that the Union shall be furnished with any relevant information requested for the study and processing of grievances.

#### **Step 1.**

In the event the problem cannot be solved between the immediate supervisor and/or if the grievance is processed in writing with the Shift Manager, or their designee, within five (5) working days of knowledge or when the employee should

have had knowledge of the incident in order to be considered further. The written grievance shall:

- 1.) Identify the section of the contract it allegedly violates
- 2.) Statement of grievance
- 3.) Specify the remedy sought

A grievance meeting will be held within a reasonable amount of time. During this meeting the aggrieved employee may be present. The Shift Manager, or their designee, will provide a written answer within five (5) working days of the meeting on the issue. Grievances related to loss of pay discipline or discharge shall be presented at Step 2.

**Step 2.**

If the matter is not resolved at Step 1, the matter must be appealed in writing to the appropriate Complex Human Resources Manager, or their designee, within five (5) working days of the answer to Step 1. A meeting will be held within a reasonable amount of time. During this meeting the aggrieved employee may be present. The Complex Human Resources Manager, or their designee, will provide a written answer within five (5) working days of the meeting on the issue.

**Step 3.**

If the matter is not resolved at Step 2, the matter must be appealed in writing to the Operations Manager, or their designee, within five (5) working days of the answer to Step 2. A meeting will be held within a reasonable amount of time. During this meeting the aggrieved employee may be present. This meeting shall include a designated representative of the Union, the Complex Human Resources Manager, and the Operations Manager or their designees. Others may participate by mutual agreement. The Operations Manager, or their designee, will provide a written answer within five (5) working days of the discussion of the issue. The answer of the Operations Manager, or their designee, will be final and binding unless the Union notifies the Company in writing within fourteen (14) calendar days after the answer of its intent to present the matter to arbitration by requesting a panel

of arbitrators as described below.

1. In the event of a grievance advancing to arbitration, the Company and the Union may attempt to mutually agree on an arbitrator. If the parties are not able to agree, the Union will request a panel of seven (7) arbitrators from the Federal Mediation and Conciliation Service. If the parties are not able to mutually agree on a panel member from the panel supplied by the FMCS, the parties shall alternately strike names from the panel until only one name remains. The remaining name shall serve as the arbitrator to hear and decide the case. Either party may request one (1) an additional panel to replace the current panel, if mutually agreed.
2. The arbitrator shall consider only those issues which have been properly carried through the steps of the grievance procedure; shall be confined to the interpretation or application of the specific provision or provisions of this Agreement; and, shall have no authority to add to, subtract from, modify, or amend any provision of this Agreement.
3. The decision of the arbitrator shall be final and binding upon the parties and employees involved. The expense incurred in the arbitration proceedings, such as hearing room and arbitrator's fees, shall be divided equally between the Union and the Employer.
4. Where an employee has been discharged in violation of this Agreement, the arbitrator may order the grievant to be reinstated, either with or without back pay for lost income resulting for the discharge. Any income received by an employee, from any other source, during said period shall be deducted from any back pay due him under an arbitrator's award.
5. Grievances within the meaning of the grievance procedure shall consist only of disputes about the interpretation or application of particular clauses of this Agreement and about alleged violations of the Agreement. All disputes relating to the scope of the group insurance program are not subject to the grievance and arbitration provisions of this Agreement.

6. Any settlement reached at any step of the grievance procedure shall be considered final and binding on all parties. Should a grievance not be referred to the next step of the grievance procedure within the time limits in any step in the aforementioned time frames, it shall be ended unless the company and the union agree in writing to an extension of the time period involved. All agreements and settlements made by the parties shall be reduced to writing and signed off by the employer and the Union Representatives in said Step. The parties agree that failure to complete the meeting and the written response at any step does not render the grievance untimely.

7. Grievances shall be handled only by the grievant, Union Steward, or local Union Representative. No third party such as an outside attorney, labor relations consultant, etc., will be recognized by the Union or the Company as party to this grievance procedure. However, this provision shall not act to prevent the Union or the Company from using legal counsel in the arbitration procedure.

8. If any employee claiming a violation of this agreement elects to proceed to an administrative agency or to court for the same reason or as a result of the same situation that gave rise to the grievance during the pendency of the grievance or at any time prior to the issuance of the written opinion and award of an arbitrator, the grievance will be considered to have been withdrawn without prejudice.

9. Warnings, disciplinary actions, or other information more than twelve (12) months old shall not be considered in disciplinary actions.

10. If a grievance remains unresolved after completing all of the steps of the grievance Procedure, as outlined above, the case may be referred to a pre-arbitration hearing. It is understood that this is a voluntary step and either party may forgo the pre-arbitration process. The purpose of the pre-arbitration hearing is to have a final review of the unsettled case(s) before moving to arbitration and to include participants who have not previously heard the grievance(s).

**ARTICLE 14**  
**STRIKES AND LOCKOUTS**

The Company agrees that so long as this Agreement is in effect there shall be no lockouts. The closing down of the Plant or any part thereof or curtailing any operations for business reasons shall not be construed to be a lockout. The Union, its officers, agents, members and employees covered by this Agreement agree that so long as this Agreement is in effect, there shall be no strikes, sympathy strikes, picketing, sit-downs, slow-downs, stoppages of work, boycott or any unlawful acts that interfere with the Company's operations or the production or sale of its products. In the event of any violation of this article by the union or employees, the union shall:

- a. Declare publicly and in the most expeditious means possible that such action is unauthorized.
- b. Promptly order all employees to resume their normal duty.
- c. Not question the right of the Company to discipline or discharge employees engaged in or encouraging such action.

**ARTICLE 15**  
**LEAVE OF ABSENCE**

1. Eligibility: All full-time employees who have completed their probationary period may be granted a leave of absence protecting the employee's seniority. Leaves of absence are to be requested in advance, or in emergency situations as soon as practically possible. All leaves of absence are to be made on the leave of absence application provided by the Company. Leaves will not be granted for the purpose of trying out, or venturing into self-employment, another job, or in any situation deriving income or for serving time while in jail or prison.

2. Length of Leave of Absence: Eligible employees with over one (1) year seniority, up to twenty-six (26) weeks. Eligible employees with less than one (1) year seniority, up to thirty (30) days.

3. Personal: Employees may apply to the Company for a leave of absence for personal reasons, and the granting and duration of such leaves will be discretionary with the Company, which will consider both the needs of the employee and the operational needs of the Company. All such leaves that are granted will be without pay.

4. Medical: Eligible employees who are unable to work due to illness or in injury (including pregnancy) shall be entitled to a medical leave with proper medical documentation from a physician.

5. Family: An employee who has been employed for at least twelve (12) months by the Company and at least twelve hundred fifty (1250) hours during the previous twelve (12) months may be granted a family leave of twelve (12) work weeks within any twelve (12) month period because of the birth of the employee's son or daughter and to care for said son or daughter or because of the placement of a son or daughter for adoption or foster care.

Similarly, an employee be granted up to twelve (12) weeks of unpaid family leave during a twelve (12) month period to care for the employee's spouse, son, daughter or parent if such family member has a serious health condition. This provision is intended to be in conformance with the Family and Medical Leave Act of 1993.

6. Jury or Court Appearances.

a. An employee summoned to serve as a juror or an employee who is subpoenaed or served notice to testify in which neither he nor the Company is a party, shall be granted time off and paid his hourly rate (not to exceed 40 hours in any 12-month period) to fulfill such obligation.

b. An employee who is required to appear because of paragraph 6(a) shall still be required to work on any day that such appearance does not necessitate full-time absence from work unless eight (8) hours remain between

dismissal from his appearance and the beginning of the employee's scheduled shift, nor shall the employee be required to work in the eight (8) hours prior to such jury or court appearance.

c. Employees who work their regular jobs while also serving in court will have all hours actually in court counted as working hours in calculating overtime pay. Time spent in court will be combined with hours worked in calculating over-time pay.

d. An employee must notify his/her supervisor as far as possible in advance of any absence for such purpose. The supervisor may require the employee to show the summons, subpoena, or written evidence requiring the court appearance.

e. To receive pay from the Company, the employee must provide a statement certified by a court representative stating the type of service rendered and the dates and hours of service. The employee will relinquish to the Company any compensation (excluding mileage reimbursement) received from the court for jury service.

7. Funeral Leave: A full-time employee who has fulfilled his or her probationary period (a qualified employee) who is absent due to death in their immediate family (immediate family is defined as spouse, parents, children, brother, sister, step-brothers, step-sisters, step-mother, step-father, step-children three (3) days' pay so long as days paid are consecutive and involve regular work days between the day of death and day following the burial. A qualified employee who is absent due to the death of a grandparent, grandchild, brother-in-law, sister-in-law mother-in-law or father-in-law will receive one (1) days' pay if absent between the day of death and the day following the burial on a scheduled work day. Employee shall furnish appropriate documentation to validate the leave.

**ARTICLE 16**  
**HOURS OF WORK**

1. The provisions of the Article shall not be construed as a guarantee to such employee of any specified number of hours of work either per day or per week or as a limitation of the Company to fix the number of hours of work (including over-time) either per day or per week for such employee.
2. For the purpose of this Agreement, the workweek shall begin at 12:01 a.m. on Sunday and end at midnight on Saturday or the workweek shall begin at 12:01 a.m. each Monday and end at midnight the following Sunday. The Company will give the Union notice prior to making any change. Pay for all hours worked during such week shall be available on the following Friday.
3. Time and one-half (1-1/2) shall be paid for all hours worked in excess of forty (40) in any one work week. Time and one-half the employee's regular straight-time hourly base rate of pay will be paid for all hours worked in excess of nine (9) hours in any one workday.
4. Maintenance employees working a regular set schedule over ten (10) hours per day shall receive time and one-half (1-1/2) for all hours worked in excess of ten (10) hours in any one workday. All other terms of this article shall apply.
5. There shall be no pyramiding of overtime and it is understood that employees will not be paid both daily and weekly overtime for the same hours worked. To be paid daily overtime an employee must work all scheduled hours in the workweek. If all scheduled hours are not worked then overtime shall be calculated on the basis of hours worked in excess of forty (40) hours in that workweek.
6. The company agrees that jury duty, funeral pay and holiday pay will count toward hours worked for the purpose of weekly overtime.

7. When business necessity requires, the Company shall in its sole discretion have the right to require any of its employees to work on Saturday or Sunday or the sixth and seventh consecutive days in the workweek. In the event a full or partial weekend (Saturday and/or Sunday) production is scheduled, the Company shall notify bargaining unit employees of the work necessary by posting a notice near the time clocks. The Company will attempt to post the weekend schedule on or before 11:30 a.m. on Friday. Provided, however, if the Company after 11:30 a.m. on Friday discovers that it needs to work during the weekend, the Company has the right to post said notice on or before the end of the affected department shift.

8. One fifteen (15) minute relief period shall be allowed without the deduction of pay in each eight (8) hour shift. This rest period shall be scheduled between two (2) and three (3) hours after the start of the shift. The unpaid lunch period shall be a minimum of thirty (30) minutes, but no longer than thirty-six (36) minutes; however, should a governmental agency enact or change laws or regulations regarding lunch break duration, the company may adjust the length of the unpaid lunch break accordingly. Said meal period will not be scheduled before the employee has worked four (4) hours and no employee will be required to work more than five and a half (5.5) hours prior to the beginning of the scheduled meal period.

Employees required to work over ten (10) hours shall be granted an additional paid fifteen (15) minute break.

9. Those employees who are regularly scheduled to work on Sunday shall have an alternate day of the workweek designated as Sunday.

10. The Company agrees to pay employees for all hours worked and to comply with Department of Labor standards.

11. In the event the workday on the last shift of the week (Friday or Saturday) is going to be extended beyond the normal work schedule, production management will make it known to employees of the need to work the additional hours

as soon as practically possible after management becomes aware. Employees needing to make personal arrangements due to the requirement to work the additional hours will seek the permission and approval of their department supervisor. The supervisor will make every reasonable effort to accommodate such requests without disrupting production.

12. All employees who report for work at the commencement of a scheduled shift without having been given notice of a change in schedule shall be given a minimum of four (4) hours work or pay in lieu thereof.

## **ARTICLE 17** **WAGE RULES**

Effective November 3rd, 2024 the below pay grade structure shall be implemented. The Company shall have sixty (60) calendar days from the ratification of this agreement to implement the changes to employees' wage rates. Employees must be employed by the Company at the time of payment to be eligible for the retroactive payment.

Grade	New Rate
0	\$15.96
1	\$16.46
2	\$16.96
3	\$17.21

Maintenance Levels	New Rate
Entry Level	\$23.26
LV1	\$23.76
LV2	\$24.26
LV3	\$24.76
LV4	\$25.26
*Maintenance LV1 (5)	\$26.21
*Maintenance LV2 (6)	\$27.21
*Maintenance LV3 (7)	\$28.51

Wage rates and progressions set forth in this agreement are minimums. Prior to increasing rates, modifying progressions,

or the implementation, change or deletion of incentive plans, the Company will first meet with the Union to discuss the change.

Any employee temporarily assigned to a job having a lower rate of pay rate will receive their regular rate while performing such job.

When an employee is temporarily assigned to a higher paying position, the employee will receive the higher rate of pay for all hours worked in that position if the temporary transfer is for four (4) hours or longer.

Effective November 2nd, 2025 the job grades listed above shall be increased fifty cents (\$0.50).

Effective November 8th, 2026 the job grades listed above shall be increased twenty-five cents (\$0.25).

All employees assigned to the second (2nd) and third (3rd) shifts shall receive a premium of one dollar (\$1.00) per hour for all hours worked.

**GRADE 0 - BASE PAY**

ATTENDANT - BOX ROOM  
ATTENDANT - CLEAN ROOM  
FEEDER – LINE  
LOADER - LINE  
MAKER - BOX / LID  
PACKER  
SPREADER - PRODUCT  
TRANSPORTER - PRODUCT  
OPERATOR - HOPPER  
RAW MATERIAL INSPECTOR

**Grade 1**

ATTENDANT - INGREDIENTS  
DRUM WASHER  
OPERATOR – BLENDER  
OPERATOR - BOX MACHINE  
OPERATOR - BREADER

OPERATOR - EMULSIFIER  
OPERATOR - FRYER  
OPERATOR - GRINDER  
OPERATOR - REVO  
OPERATOR - TUMBLER

**Grade 2**

LOADER - SHIPPING  
STACKER  
TECHNICIAN - BARCODE

**Grade 3**

BAGGER OPERATOR  
OPERATOR - SCALE  
TECHNICIAN - EQUIPMENT

**ARTICLE 18**  
**VACATIONS**

1. To be eligible for a paid vacation the regular full-time employees must (a) pass their anniversary date; (b) and have arrived on time and worked at least two-hundred (200) days in the previous three hundred and sixty-five (365) days, including up to thirteen (13) weeks on Worker's Compensation, vacation, jury duty, absences excused by the Company, and funerals, but excluding weeks off for all other paid or unpaid leave. These employees will receive one (1) week of vacation with pay which must be taken in the year following their anniversary date of employment. Employees who have been employed for at least three (3) years will receive two (2) weeks' vacation with pay each year. Employees who have been employed for at least nine (9) years will receive three (3) weeks of vacation with pay each year. Employees who have been employed for at least twenty (20) years will receive four (4) weeks of vacation with pay. To be eligible for vacation pay a person must still be employed on their anniversary date of employment. Vacation pay shall be calculated on a forty (40) hour work week times the rate of pay based on the employee's regular hourly rate at the time of the vacation.

- a. All employees, upon completion of one (1) year of continuous service from date of employment, shall be entitled to one (1) week of vacation with pay.
- b. All employees, upon completion of three (3) years continuous service from date of employment, shall be entitled to two (2) weeks' vacation with pay.
- c. All employees, upon completion of nine (9) years of continuous service from date of employment, shall be entitled to three (3) weeks of vacation with pay.
- d. All employees, upon completion of twenty (20) years of continuous service from date of employment shall be entitled to four (4) weeks of vacation with pay.
- e. Upon completion of required years of service, the vacations shall be taken during the year immediately following the completion of such terms of service and at a time mutually satisfactory to Management. Vacation cannot be carried from one year to the next year.

2. Employees with one (1) years or more of continuous service with the Company shall receive unused accrued vacation pay if they leave the employment of the Company for any reason.

3. Pay for employees entitled to a full vacation will be computed on the basis of forty (40) hours for each week of full vacation at the regular rate of hourly pay not including overtime pay. Pay for employees entitled to two (2) weeks of vacation will be computed at two (2) times this basis. Pay for employees entitled to three (3) weeks' vacation will be computed at three (3) times this basis. Pay for employees entitled to four (4) weeks' vacation will be computed at four (4) times this basis.

4. Subject to Company approval employees eligible for vacation shall be allowed to take vacation one (1) full day at a time, provided it is requested at least seven (7) days in advance.

5. An employee taking a full week of vacation shall not be required to work the following designated Saturday or Sunday.
6. Employees shall have preference in exercising vacation selection based upon their plant seniority. Once the vacation is scheduled, no employee will be required to change their vacation, unless mutually agreed to by the employee and the company. Copies of such changes shall be made available to the union.

## **ARTICLE 19** **HOLIDAYS**

1. The following holidays shall be observed by the Company:

Fourth of July  
Christmas Day  
Thanksgiving Day  
New Year's Day  
Labor Day  
Memorial Day  
Two Floating Holidays

2. Pay for holidays not worked shall be calculated at eight (8) hours of the employee's straight time hourly rate of pay.
3. To be eligible for holiday pay, and employee must be on payroll and passed their probationary period prior to the holiday. Eligible employees must be present and worked all scheduled hours the work day prior to the holiday and the work day following the holiday unless excused for either of such days in writing by the Company.
4. If a holiday occurs within an employee's vacation period, they shall be paid eight (8) hours pay at their basic rate of pay in addition to their vacation pay.
5. The Company may require departments to work on a holiday but will give employees prior notice. Any employee

refusing to work in their own department on a required holiday will lose their holiday pay. The Company may ask for employees from a non-working department to volunteer to work on a holiday in a working department. Employees in other departments refusing to volunteer will not lose their holiday pay provided they are otherwise qualified.

6. Employees will be allowed to use their Floating Holiday's with prior management approval.

7. Employees working on a scheduled holiday (identified in Section 19.1) shall receive time and one-half for all hours worked on the holiday, in addition to eight (8) hours straight-time holiday pay.

8. When a recognized Holiday as provided herein falls on a Sunday, the following Monday shall be observed as the Holiday.

## **ARTICLE 20**

### **HEALTH, LIFE, DENTAL, VISION, STD PLAN** **PILGRIM'S STANDARD MEDICAL PLAN**

1. The Company will offer eligible employees the Pilgrim's Pride Standard Medical Plan(s). The Company will also offer eligible employees fully insured 100% employee paid dental and vision coverage. The Pilgrim's Pride Standard Medical Plan(s) shall be the same for both management and bargaining unit employees. An employee shall be eligible for any medical, dental, vision, or life insurance option(s) on the sixtieth (60th) day of employment from their most recent hire date. Medical, Vision, and Dental coverage is available to the employee and family if the employee is enrolled; all other benefits are available for employee participation only.

2. The Company shall continue to maintain the right to unilaterally change any or all provisions, or raise or adjust the total cost of the Pilgrim's Pride Standard Medical Plan(s), to select all vendors, third party administrators, service providers, provider networks, and control over all administrative matters

relating to the plans, and modify the terms and conditions for each benefit plan.

3. Issues concerning the medical and life insurance provisions shall be governed by the applicable summary plan description. To that end, it is agreed that all disputes arising under the group insurance program in so far as they relate to coverage will be determined as set forth in the group insurance plan and as allowed by ERISA and no such dispute will be subject to the grievance and arbitration provisions of this agreement.

4. In the event any future or further Health Care Reform legislation or regulations are enacted or adopted, representatives of the Company and Union will meet to determine the impact of such legislation or regulations on the Pilgrim's Pride Standard Health Plan(s).

5. Health Care Costs for the Pilgrim's Pride Standard Plan(s) – The Company will contribute seventy-five percent (75%) of the cost for employees who enroll in the Pilgrim's Pride Standard Plan(s). Employees who enroll in the Pilgrim's Pride Standard Plan(s) will contribute twenty-five percent (25%) of the total cost for the duration of the contract.

#### 6. Short Term Disability Pay Policy

The Company will provide short term disability pay under the Company's short term disability pay policy. Provisions of the policy are below. Employees eligible for short term disability pay under the policy following one year of service, if he or she:

(1) Is either-

(A) On Medical Leave; or

(B) On Occupational Injury Leave and

(1) If a Texas Employee, has elected any available Premium Benefits under the Employee Protection Plan

An eligible employee must contact the Short Term Disability Third Party Administrator (STD TPA) to provide any required health care provider information to certify his or her claim prior to receiving short term disability pay.

Service as of Disability	Elimination Period		60% Benefit <sup>†</sup>
	Injury	Illness	
< 1 year of service	N/A	N/A	N/A
> 1 year of service	Day 1 (no wait)	*After 7 days	Up to 26 weeks

\* An eligible employee may elect to use vacation days in order to receive pay during the seven (7) day elimination period.

7. Life Insurance:

The Life insurance benefit for employees shall be an amount equal to 100% of their annual salary, subject to a maximum of \$1,000,000 dollars. The accidental death and dismemberment (AD&D) benefit shall be an amount equal to the life benefit. The amount of insurance benefits shall be rounded to the next multiple of \$1,000 if not already an exact multiple.

8. Plant Health Education Committee

The Company and Union may form a joint Plant Health Education Committee. This committee will have six (6) union and six (6) management representatives. Any lost time for attending the meeting will be paid for by the Company. The committee will follow the guidelines listed below:

- Transparency of information in full compliance with HIPPA
- Joint definition of facility specific opportunities and development of strategy to address:
  - Non-Plan design initiatives;
  - Health education programs;
  - Wellness initiatives;
  - Benefits education programs.

**ARTICLE 21**  
**RETIREMENT SAVINGS PLAN**

1. Bargaining unit employees shall be eligible to participate in the Pilgrim's Pride Retirement Savings Plan which is a plan covering facilities other than the Mayfield, KY facility, on the same basis as all other employees of the Company. The administrative details of the plan are covered in the Summary Plan Description.
2. As the corporate Retirement Savings Plan is a plan covering facilities other than the Mayfield, KY facility, it is understood that the Company may unilaterally, without bargaining or negotiating with the Union, change any or all provisions of the Plan and that the Union has also waived its right to bargain concerning the impact or effects on employees concerning such changes

**ARTICLE 22**  
**PILGRIM'S PRIDE CORPORATION**  
**EMPLOYEE PROTECTION PLAN FOR TEXAS**

1. The Company is not a subscriber to the State of Texas Worker's Compensation System. In view thereof, bargaining unit employees shall be covered by the Pilgrim's Pride Corporation Employee Protection Plan (For Texas Employees) which is a plan also covering employees at the Waco facility who are not in the bargaining unit and employees at other Company facilities in the State of Texas.
2. As the Pilgrim's Pride Corporation Employee Protection Plan (For Texas Employees) covers employees and Company facilities not included in the bargaining unit, it is understood that the Company may unilaterally, without bargaining or negotiating with the Union, change any or all provisions of this plan or abolish the plan and elect coverage for its Texas employees under the Texas Workers' Compensation Security Act, effective as of January 1, 1997, and that the Union has

also waived its right to bargain concerning the impact or effects on employees concerning such changes.

3. All matters dealing with this Article and the Pilgrim's Pride Corporation Employee Protection Plan (For Texas Employees) are not subject to the grievance/arbitration procedures of this contract.

## **ARTICLE 23** **PROTECTIVE CLOTHING**

1. The Company shall, at its own expense, maintain a supply room where the employees may purchase such items of working apparel as the Company chooses to select and stock.

2. For all newly hired employees, including rehires, the Company will furnish, at no cost to the employee, the first issue of needed items of working apparel. Depending upon the work area, this could include the following: safety glasses, bump cap, ear plugs, hairnet, beard net, sleeves, smock, freezer jackets (shipping only), rubber steel toe boots. Maintenance team members are eligible for up to one-hundred (\$100) for boot reimbursement per year. Reimbursement is subject to employees providing of a valid receipt of footwear approved under the Dedicated Footwear Program Policy. The Company will comply with O.S.H.A. regulations on all protective equipment.

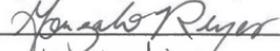
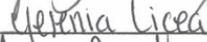
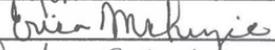
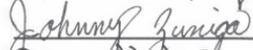
3. Employees temporarily transferred from one area to another will have necessary equipment provided to perform the job as needed at no charge to the employee.

## **ARTICLE 24** **DURATION**

This agreement shall become effective November 10th, 2024 and shall continue in full force and effect until midnight November 7th, 2027 when it shall terminate. If either party desires to renegotiate this agreement, they shall give the other party written notice to that effect not less than sixty (60) nor

more than, ninety (90) days prior the expiration date of this agreement (insert date). In any event, this Agreement shall not extend beyond November 7th, 2027 except by written consent of the parties.

  
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Shirley Jones  
\_\_\_\_\_  
Cody R. McLaughlin  
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