



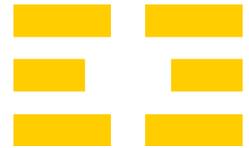
Vital Farms

Subsidiaries: Vital Farms Missouri LLC, Backyard Eggs LLC, Barn Door Farms LLC, Sagebrush Foodservice

Locations: Texas (HQ)

Industries: Agriculture

RISK LEVEL:



Medium Risk

DESCRIPTION:

Vital Farms is Medium Risk. The company often yields to political activism in shaping corporate governance, potentially alienating consumers, dividing employees, and harming shareholders. The company implements race and identity-based policies that replace merit, excellence, and integrity with preferential treatment and outcomes. The company occasionally embraces corporate initiatives that redirect its central focus from business goals to partisan policies and divisive issues at times. This approach fails to safeguard free exercise, free speech, and free enterprise.

Corporate Weaponization

Has canceled customers, suppliers, or vendors due to their political views or religious beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries. Medium Risk

Vital Farms integrates ESG into its business practices. From its 2023 Impact report: "Our ESG work is embedded into our business. This holistic approach enables us to avoid siloed or bolt-on programming that, we believe, compromises the real impact this work should have across our stakeholders" (1). The Company integrates DEI into its supply chain. From its Supplier Code of Conduct: "Suppliers shall provide opportunities to diverse suppliers and businesses

when supplying goods to Vital Farms" (2). The Company promotes divisive sex and gender policies. Its Supplier Code of Conduct require international vendors to include sexual orientation in their nondiscrimination policy (3). However, the Company has not canceled customers, suppliers, or vendors based on political views or religious beliefs (4).

Charitable giving (including employee matching programs) policies or practices discriminate against charitable organizations based on views or religious beliefs. Lower Risk

Vital Farms does not appear to discriminate against charitable organizations based on views or beliefs (1)(2).

Employment policies fail to protect against viewpoint or other discrimination and/or are ideological in nature. High Risk

Vital Farms appears to prioritize diversity over merit in its leadership composition. From its Corporate Governance Guidelines: "The Board reviews candidates for director nomination in the context of the current composition of the Board, the Company's operating requirements, and the long-term interests of the Company's stakeholders. In conducting this assessment, the Board considers diversity (including diversity of gender, ethnic background and country of origin), age, skills and other factors that it deems appropriate to maintain a balance of knowledge, experience, and capability on the Board" (1). The company appears to prioritize diversity over merit in its supply chain. From its 2023 Impact report: "We are also focused on taking meaningful action in diversifying our supply chain. Through partnerships with National Young Farmers Coalition (NYFC), Farmer Veteran Coalition, and the National Black

Farmers Association (NBFA), we are connecting with and supporting farmers from historically underrepresented groups" (2). The Company does not provide viewpoint protections for its employees (3).

Corporate Governance and Public Policy

Uses corporate reputation to support causes, organizations, or policies hostile to freedom of expression. **High Risk**

Vital Farms supports DEI within its business practices, hosting a DEI Council (1). The Company supports ESG within its business practices. From its 2023 Impact report: "At Vital Farms, we define Impact as a holistic ambition and active strategy that includes our ESG approach, our B Corp certification, DEI, risk mitigation, and purpose-driven program development" (2). However, in 2024 the Company removed the language surrounding DEI and ESG from their Impact report. To date, the company has not publicly addressed this change, leaving shareholders without clarity regarding the company's reasoning or future direction (3).

Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom of expression. **Lower Risk**

Vital Farms has not used corporate funds to advance ideological causes, organizations, or policies (1).

Uses corporate political actions and/or financial contributions for ideological, non-business purposes. **N/A**

Vital Farms does not operate a PAC or report on its lobbying at this time (1)(2)(3).

The contents of this website and related resources (collectively, the "materials") are general in nature and intended for educational use only. Nothing in the materials or any other 1792 Exchange content constitutes legal or professional advice for any specific matter. Anyone seeking legal or professional advice should obtain such advice from competent counsel. Since individual circumstances vary, anyone reviewing the materials and/or any other 1792 Exchange content is strongly urged to obtain specific legal and/or other professional advice before acting or refraining from acting based on such materials or other 1792 Exchange content. 1792 Exchange accepts no responsibility for any loss or damage, howsoever incurred, which may result from accessing or relying on the materials or any other 1792 Exchange content. Further, 1792 Exchange disclaims, to the fullest extent permitted by law, all liability for any acts or omissions based on the materials or any other 1792 Exchange content.

USER AGREEMENT: Company reports and other resources are intended only for the private educational use of the registered user. Republishing and distributing reports and resources is strictly prohibited. By downloading reports and resources, the user accepts these conditions.

© 1792 Exchange 2023