



SUSTAINABLE DEVELOPMENT

Our priorities in **2023**

Smithfield
Polska

ANIMEX

Agri Plus

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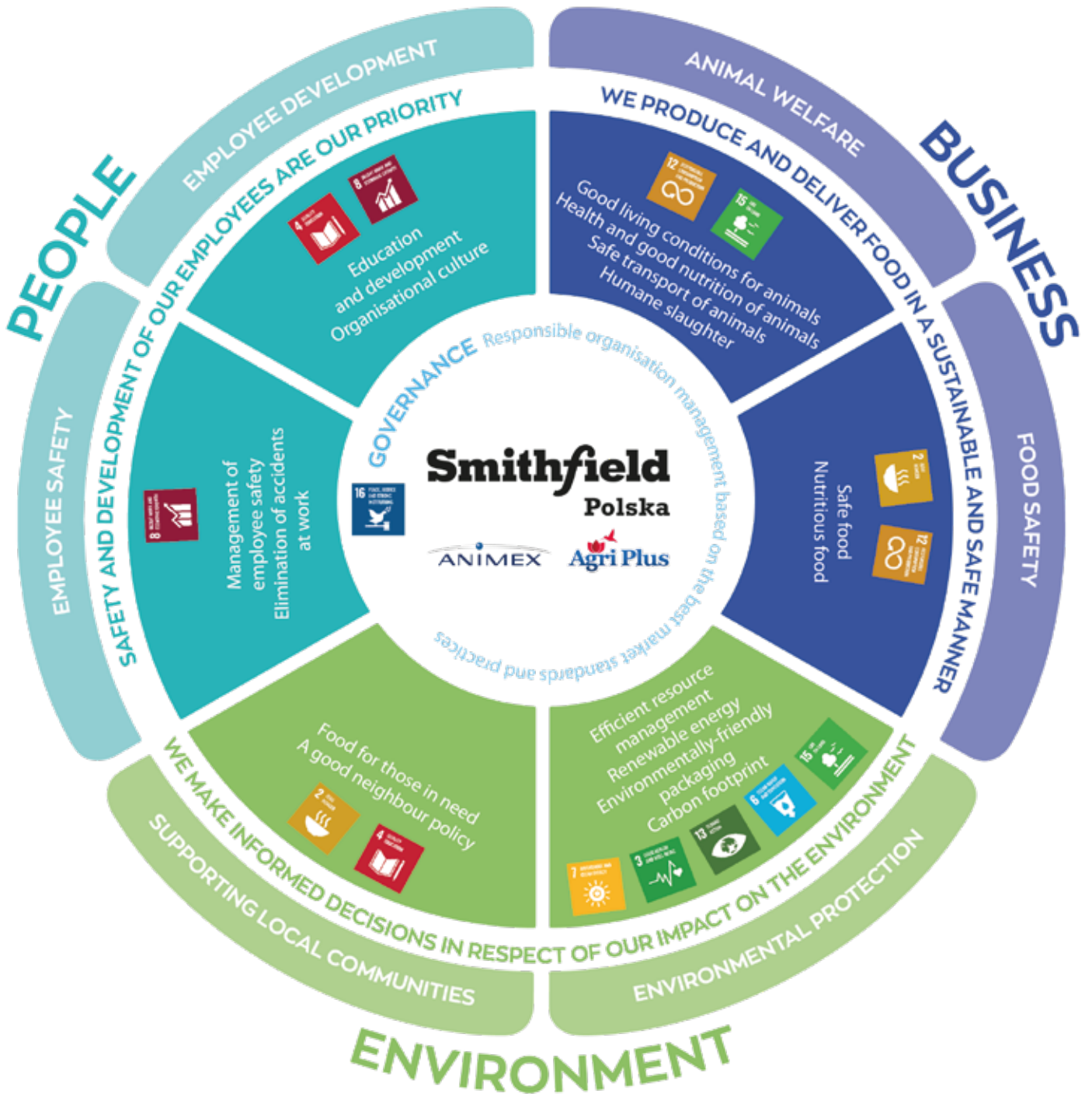
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LEADER OF THE MEAT MARKET IN POLAND

Over the 70 years on the Polish market, we have become a leader of the local meat sector. Today, when making business decisions, we not only draw on our experience, but we also take into account the future perspective. We take a long-term approach, and analyse challenges that are soon to be faced not only by our business, but by the entire world.

This is why, when defining the areas of our responsibility, we take into account not only our business, but also the UN 2030 Sustainable Development Goals. We do it to make sure that over the next decades our business will continue to develop, and it will allow us to provide the constantly growing number of people with high-quality and safe products. In our broad vision of sustainable development, we have set priorities on which we want to focus until 2030.





The above diagram is our compass, setting the direction of our activities in the long term. Thanks to it, we know what to focus on when sharing the added value with our environment.

BUSINESS

Animal welfare
Food safety

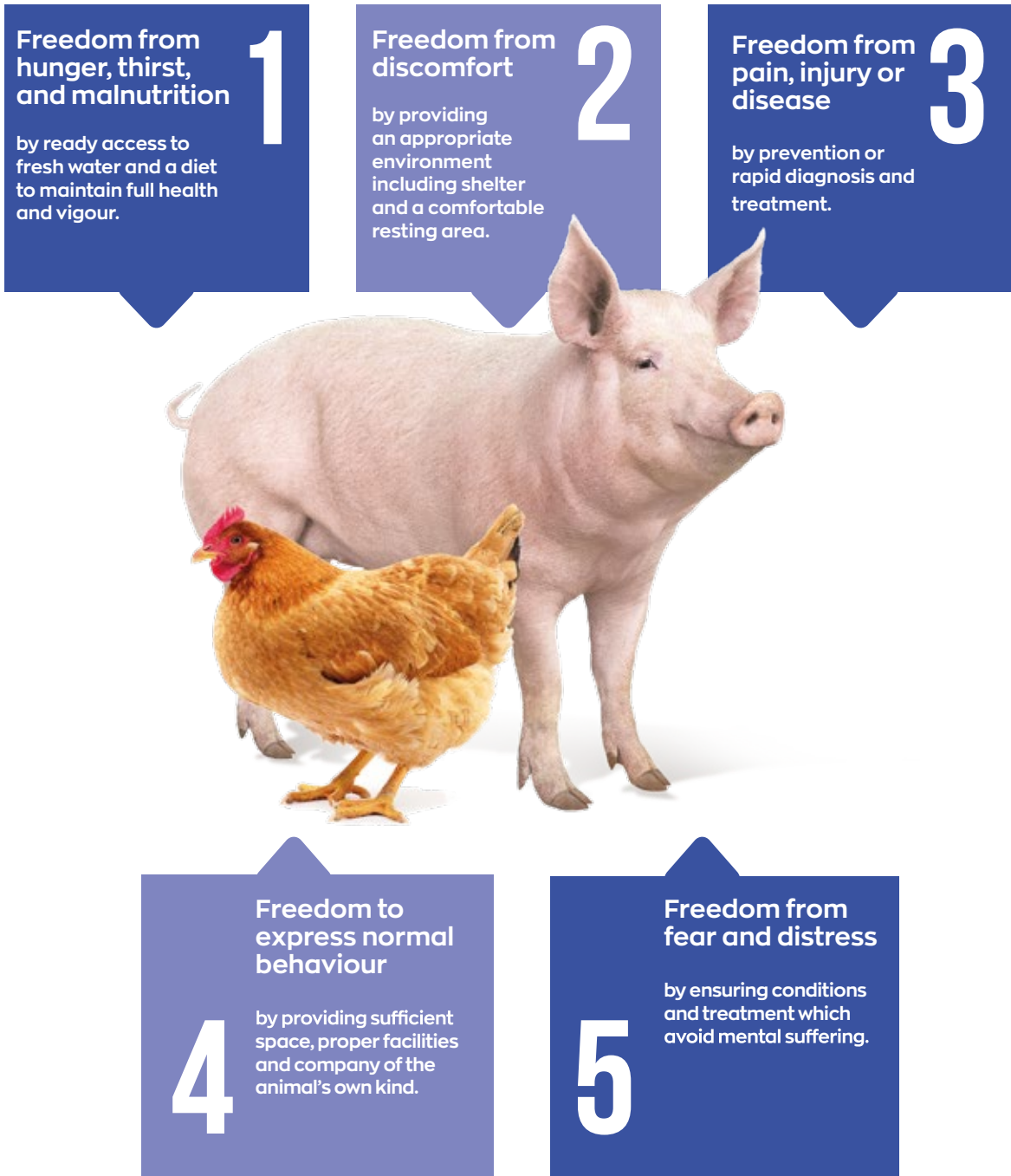
ANIMAL WELFARE

Animal welfare remains at the heart of the company values. It is a license for us to operate and a guarantee of high-quality products that we provide to millions of people.

We meet the requirements of European and Polish law, we are committed to constantly increasing animal welfare standards on our farms, in production facilities, and among our suppliers.

The internationally recognised Five Freedoms contained in the Animal Welfare Code, which was developed by the English experts of the Farm Animal Welfare Council, constitute the basis of our own actions and standards applied throughout our supply chain.

According to the Five Freedoms, animal welfare constitutes:



The infographic features a central image of a pig and a chicken. Surrounding this image are five blue callout boxes, each containing a number and a description of a freedom. The boxes are arranged in two rows: three in the top row and two in the bottom row.

- 1 Freedom from hunger, thirst, and malnutrition**
by ready access to fresh water and a diet to maintain full health and vigour.
- 2 Freedom from discomfort**
by providing an appropriate environment including shelter and a comfortable resting area.
- 3 Freedom from pain, injury or disease**
by prevention or rapid diagnosis and treatment.
- 4 Freedom to express normal behaviour**
by providing sufficient space, proper facilities and company of the animal's own kind.
- 5 Freedom from fear and distress**
by ensuring conditions and treatment which avoid mental suffering.

OUR PRIORITIES



Ensuring animal welfare, including the Five Freedoms, is important to our business. Since the responsibility for this priority is shared by farms, transport companies and production facilities, we take steps to standardise the approach throughout the entire supply chain and we standardise and enforce compliance with the rules of contact with animals so that they can be confirmed by independent auditors. Our priorities are:

- 1.1.1. Good living conditions for animals**
- 1.1.2. Health and good nutrition of animals**
- 1.1.3. Safe transport of animals**
- 1.1.4. Humane slaughter**

Concern for the welfare of animals is reflected in activities that we undertake in contact with them every day, therefore we have:



100% of trained and licensed animal transporters.



100% of trained employees who are in contact with animals.



100% of contract farms audited for compliance with applicable regulations and our internal procedures related to the care for animal welfare, based on legal regulations, including the Five Freedoms.

FOOD SAFETY

Our products end up on the plates of Poles and residents of 40 other countries, which brings us great pride. At the same time, we feel a great responsibility related to the continuous supply of food (even in such difficult conditions as the COVID-19 pandemic) to such a large number of consumers almost all over the world. Therefore, safety and quality are top priorities for us throughout the entire life cycle of our products – „from farm to fork”. Thus, we ensure compliance through rigorous procedures, standards, external audits, and, additionally, through a very strong focus on the awareness of each employee in this respect. Thanks to the activities we undertake every day, we are happy to share our products with our families, because we know that we provide them with high-quality meat protein.

OUR PRIORITIES



Producing safe, high-quality and nutritious food is our mission. When accomplishing our activities, we focus on two subjects:

- 1.2.1. Safe food
- 1.2.2. Nutritious food

For the sake of food safety:

	We have implemented HACCP and GFSI standards.
	100% of the facilities are IFS Food and BRC Food certified.
	We offer gluten-free products and products made in an antibiotic-free system.

ENVIRONMENT

Environmental protection
Supporting local communities

ENVIRONMENTAL PROTECTION

We are aware that we are currently using 1.7 times more resources than the Earth can replenish, which deteriorates the state of the environment every year. None of us wants to take away the Earth’s ability to meet our needs in the future, so already today we, as a company, are considering how we can contribute to the deceleration of these global trends. As the leader of the meat market in Poland, we focus on making our production based on an approach that balances our business goals with the needs of the environment.







OUR PRIORITIES



Taking into account the characteristics of our activity, we have defined 4 priorities for environmental protection, on which we will focus in the coming years:

- 2.1.1. Efficient resource management
- 2.1.2. Renewable energy
- 2.1.3. Environmentally-friendly packaging
- 2.1.4. Carbon footprint

Out of concern for the environment:

	In the years 2020-2022, we reduced the weight of plastics in packaging launched on the market by 5% a year.
	In the years 2020-2022, we reduced CO2 emissions by 14%.
	In the years 2020-2022, we reduced electricity consumption by 11%.
	In the years 2020-2022, we received white certificates with a total value of over 794 TOE from the Energy Regulatory Office.
	In the years 2020-2022, we implemented solutions that optimize the production processes, which allowed us to reduce gas consumption by 4%.
	In co-operation with numerous business partners, we have minimised the amount of waste generated in the meat production process. We currently use by-products from the manufacturing process i.a. for the preparation of pet food.

SUPPORTING LOCAL COMMUNITIES

We have been operating on the Polish market for 70 years. We are not only a leader in the industry and a large employer, but also a neighbour to people living in regions that are home to our plants. According to the "think globally, act locally" principle, we listen to the needs of our surroundings, we are open to discuss them and we help in these aspects, in which our commitment can bring positive change.

OUR PRIORITIES



The main emphasis of our social commitment is put on two aspects:

2.2.1. Food for those in need

2.2.2. A good neighbour policy

Our local activities are to provide support for farmers and their families, as well as to respond to the needs of our surroundings, therefore:



We established the Zygmunt Piwoński Smithfield Poland

Foundation, with the aim to support the education of children and youth from regions where Smithfield Polska Group or our partners are present.



Agri Plus provides funds to help local schools, social organisations and associations in the areas where it operates.



Regularly, in co-operation with Food Banks, **we provide at least 3 tonnes of food per month for those in need.**



Every year (with the exception of the pandemic years 2020 and 2021), **we hold two events**: the autumn **World Water Monitoring Day** and, in spring, the **CleanUp Day**, in which we also involve students and representatives of local administration.



Since the onset of the military aggression on Ukraine, Smithfield Polska has immediately started active aid relief activities addressed to the citizens of Ukraine.

Under our help, by the end of 2022 we donated to our Eastern neighbors:

- ca. 120 tons of meat products worth over PLN 1,345,850
 - ca. 2 800 bedding products worth over PLN 130,000
- cooperating with almost 50 institutions and public use organizations.

Moreover, practically in all our locations, our employees organized spontaneous product collections and provided different forms of support to their colleagues and their relatives from Ukraine.

PEOPLE

Employee safety
Employee development

EMPLOYEE SAFETY

For us, safety is more than just regulations. Every day we face many challenges – resulting from the characteristics of our industry – to ensure safe and hygienic working conditions. We feel responsible for the life and health of our employees. We constantly take actions aimed at preventing accidents and loss of health of employees.

OUR PRIORITIES



Employee health and safety is the cornerstone of policy applied in our facilities. We focus on systemic solutions to ensure an ethical and satisfying work environment. There are no compromises when it comes to the safety of our employees.

3.1.1. Employee safety management

3.1.2. Eliminating accidents at work

We ensure a high level of occupational health and safety through activities that go beyond standard, including:



Implementation and continuous improvement of the Smithfield Injury Prevention System – occupational health and safety management system.



Comprehensive involvement of all employees in co-creating a culture of safety.



Taking proactive steps based on the risk assessment process.



Providing technical and organisational measures to minimise risks occurring in the work environment.



Increasing employee awareness through training and competence development.

EMPLOYEE DEVELOPMENT

Smithfield Polska, Animex Foods and Agri Plus is built by people who work every day to fulfil our mission and to achieve the company's business goals. It is thanks to their commitment that we have become the leader of the meat industry in Poland and every day we are proud of how professional and diverse our team is. Each person working in our company has the opportunity to gain new skills, competences, experience, and to actually influence the way our company operates.

OUR PRIORITIES



We believe that our company grows only as fast as its employees, therefore we focus on two priorities:

3.2.1. Education and development

3.2.2. Organisational culture

We care for our employees, and we make sure we are a good employer:



- We periodically conduct **employee opinion surveys**, following which we introduce initiatives that change the company in 6 areas: co-operation, working conditions, communication, relations with the superior, branding and development opportunities within the company. Change Leaders are our employees from all levels of the organisation.
- After the 2nd edition of the survey, **we have implemented together 258 initiatives**.
- To make sure that we reach all our employees and take into account their opinions, **we conduct the survey not only in Polish, but also in other languages**.



We ensure good quality of education within the organisation:

- We develop the on-the-job training culture.
- We have implemented **internal training systems** for qualified employees (for selected positions) and training systems for managers in key areas.



- We continue developing our co-operation with universities and secondary schools to train **interns, apprentices and students** – we enrol **several hundreds of them every year**.



We value diversity among our employees and the benefits that come from it and therefore we promote its various manifestations:

- diversity of origin: approx. **20% of our employees are foreigners**,
- gender diversity: half of our employees are women,
- diversity of professional experiences, personalities, and styles of action.

GOVERNANCE

Responsible management

RESPONSIBLE MANAGEMENT

Our priority is to strive for sustainable development at every stage of our operations. Standards and values applied in our company support our efforts in this respect.

We are convinced that through making informed decisions, accounting for environmental, social, legal and ethical aspects, we can enjoy the trust of our contractors and customers. We focus on creating solid foundations in the form of values shared by the entire organisation and we make sure they are reflected in applicable rules and procedures.

We set high standards of conduct which ensure that as a company we operate in accordance with the provisions of the law and we prevent the risk of non-compliance. We create an organisational culture based on ethical standards and shared values, which we disseminate among our business partners in the supply chain.

OUR PRIORITIES



We ensure the compliance of the company's activities with the provisions of the law and with ethical standards, which are incorporated in internal regulations and business practices at our company. In the area of sustainable development, we have set 2 priorities:

4.1.1. Ethical value-based business

4.1.2. Corporate governance and risk management

In order to ensure the highest management standards:



We follow the **Code of Ethics and Business Conduct, the Procedure on Notifying about Code of Ethics Breaches** and a number of other documents regulating the key rules of conduct in the company. The regulations were adopted for the sake of transparency of activities undertaken in the work and business environment.



We have detailed internal anti-corruption systems that ensure the highest standards of transparency. We have implemented i.a.: **the Smithfield Foods Inc. Anti-Corruption Policy, the Purchasing Policy, the Donation Procedure and the Gift Policy.**



We implement an extensive **ethical standards training programme**, in particular: training on counteracting mobbing, corruption and undesirable phenomena in the work environment.



We have implemented a **whistleblowing system for reporting breaches of law**, internal regulations and ethical standards. A characteristic feature of this system is the confidentiality and the anonymity of the reporting person. All reports are thoroughly verified and whistleblowers are protected against retaliation.



On top of that, we are introducing **programmes raising employee awareness** with respect to identifying and reporting irregularities.



There is a function of **Ethics Officer** at all facilities. These individuals reinforce the organisational culture based on ethical standards, prevent breaches and co-operate with the Compliance Department to minimise the risk of non-compliance.



We are a member of Sedex (Supplier Ethical Data Exchange), and our production plants undergo SMETA audits and other ethical audits commissioned by our contractors. This allows us to identify and eliminate compliance risks, which contribute to the continuous improvement of standards of corporate social responsibility.

SUSTAINABLE DEVELOPMENT GOALS

In 2015, in New York, the leaders of the UN member states signed the document "Transforming our world: the 2030 Agenda for Sustainable Development". This document is based on Sustainable Development Goals and related 169 activities, constituting a plan to change and transform the world in such way that it becomes a place, in which the needs of the present generation can be satisfied in a sustainable manner, respecting the environment, and taking into account the needs of future generations.

When we think about the future, we also have in mind the 17 goals defined in the Agenda. When talking about sustainable development, we want - together with our suppliers and consumers - to cause positive changes in our environment. As part of our priorities, we strongly support the implementation of the Sustainable Development Goals.

SDGs	Priorities defined under SDGs
 <p>2 ZERO HUNGER</p>	<ul style="list-style-type: none"> • Healthy food for humans • Food for those in need
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<ul style="list-style-type: none"> • Efficient resource management
 <p>4 QUALITY EDUCATION</p>	<ul style="list-style-type: none"> • Education and vocational training for youth • Education and development of employees
 <p>6 CLEAN WATER AND SANITATION</p>	<ul style="list-style-type: none"> • Efficient resource management • Water resources
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<ul style="list-style-type: none"> • Renewable energy
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<ul style="list-style-type: none"> • Management of employee safety • Eliminating accidents at work
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<ul style="list-style-type: none"> • Safe transport of animals • Healthy nutrition for animals • Safe food for humans • Packaging • Counteracting food waste • Environmentally-friendly packaging
 <p>13 CLIMATE ACTION</p>	<ul style="list-style-type: none"> • Carbon footprint
 <p>15 LIFE ON LAND</p>	<ul style="list-style-type: none"> • Animal welfare
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<ul style="list-style-type: none"> • Corporate governance and risk management

Smithfield Polska



**Safe manufacturing of meat
as well as meat and poultry
products**



**Responsible growing of crops,
production of animal feed and
animal farming**