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Calidad en Carnes

Frigorífico Concepción S.A.

ANIMAL

WELFARE

POLICY

Calidad en Carnes

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ANIMAL WELFARE POLICY

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Frigorífico Concepción S.A. recognizes that the welfare of farm animals in our production systems is essential to our business and to our shareholders and customers.

We prioritize the acquisition of raw material for the production of our branded products, ingredients, as well as products for other brands, from companies that are committed to promoting the best animal welfare practices and fostering, including through their participation in our supply chain, the evolution of their ethical and sustainable practices.

Purpose

The purpose of this policy is to establish commitments and guidelines on animal welfare to guarantee Innovation and Leadership in the application of best management practices through the Commitment Agreement, thus providing safety, respect and welfare to animals at all stages of the operation, for our products, as well as other brands serviced by Frigorífico Concepción S.A.

The purpose of the Company's Animal Welfare Program is to conduct our business with integrity and comply with all relevant laws, including applicable environmental regulations in the countries in which we operate, industry-specific standards, as well as Frigorífico Concepción S.A.'s corporate policies.

Our goal is to ensure all employees, business partners, contractors, suppliers, and visitors understand this Policy and their own responsibility and accountability.

In addition to being conscious of and respectful to our animals, we also believe that slaughter and pre-slaughter experience of the animals affects quality of our final product. Therefore,

- This policy establishes guidelines for animal welfare, one of the pillars of the Company's sustainability platform.
- This document outlines rules and definitions in accordance with ethical principles, legislation and the demands of our clients, and is addressed to Company employees, third parties and stakeholders.
- Our Commitment and Management Policy for animal welfare establishes the principles and the necessary conditions for the application of guidelines in all processing units and operations, based on the five freedoms: physiological freedom, environmental freedom, sanitary freedom, behavioral freedom and psychological freedom.

Definitions

Company: Frigorífico Concepción S.A. and their subsidiaries

Animal welfare: the physical and mental state of an animal in relation to the conditions in which it lives and dies (OIE definition)

Physiological welfare: absence of hunger and thirst; animals must have access to water and feed in sufficient quality and quantity to maintain their health;

Environmental welfare: respecting the social aspects of species, avoiding environmental stress, providing adequate space for the expression of their natural behavior, and providing appropriate buildings, suitable for a given type of species;

Sanitary welfare: absence of disease and injuries; providing preventive and curative medicine. Identification and interpretation of behaviors resulting from pain;

Behavioral welfare: each animal has a right to well-being, which is exhibiting its natural behavior within suitable habitat, as well as a right to have a controlled pain and minimal suffering in case of accidents and injuries. Most species have their own particular way of expressing their natural behavior, conferred by their genome (inherited genetic constitution).

Psychological welfare: absence of fear and distress. Avoid conditions that cause mental suffering of the animal;

Related Policies

Our Company strives for transparency of the information on vital topics for all of our stakeholders, with a focus on Governance and Management, and we, therefore, publish the following reports annually on the website:

1. Animal welfare policy (this document). Our goals and indicators are related to the results linked to the end-to-end processes of the Animal Welfare Area.
2. Animal welfare commitments and related programs;
3. Supply Chain Policies Handbook;
4. North American Meat Institute (NAMI) certificate.

Scope

This policy refers to all raw materials used for food products and their derivatives in the retail and export sector (including catalogue sales and e-commerce targeting consumers), which originate from animals, such as animal meat, leather, hide, horns, tusks, and bones. This policy applies to various geographies and species that participate

– or that may participate in the future – in our value chain. Frigorífico Concepción S.A. have operations in Paraguay and Bolivia, and include the following species:

1. Paraguay: Cattle and Pigs;

2. Bolivia: Cattle.

The policy applies to all Company employees, suppliers, third parties and stakeholders acting on behalf of the Company.

Policy Statement

Animals are one of the most important factors for the Company and, therefore, the commitments, guidelines and procedures aimed at ensuring animal welfare are integral parts of the management model of Frigorífico Concepción S.A. in all operations, regardless of their location.

We aim to mitigate or stop animal suffering and advocate for a better treatment of animals at every stage, from birth to processing.

Frigorífico Concepción S.A. maintains an Animal Welfare Program, whose objective is to implement and maintain the necessary procedures to ensure continuous improvement at every stage of the supply chain and the production process, seeking to guarantee the necessary adaptations aimed at complying with our five welfare standards applicable to animals (physiological, environmental, sanitary, behavioral, and psychological).

The Animal Welfare Program refers to the documents that describe Animal Sanitary Slaughter and Welfare Procedures, records and controls, and the Crisis Management and Management Programs for Suppliers of Animals, raw materials and ingredients, which have been designed, implemented, monitored and verified in order to ensure the safety, identity, quality and integrity of our products and respect for animals. It must be reviewed at least once a year.

In order to provide positive welfare, structures are designed that favor the proper handling of animals. Necessary training is provided for all professionals that come in contact with our animals, before their assigned to such duties and during the course of employment.

Our company strictly follows our standard operating procedures during transportation, pre- and slaughter activities that follow best practices of these processes.

Frigorífico Concepción S.A. advocates and practices less aversive actions in handling of animals. For example, we insist on substituting electric prods, commonly used for

animal hording and containment, with flags or other warning mechanisms that do not inflict immediate pain to animals.

Purpose

Rural properties:

The Company is concerned about the treatment of animals in rural properties, which is where the process begins. Accordingly, we interact with suppliers through:

1. Guidance on the principles of animal welfare;
2. Carrying out visits that are defined, taking into account the results of the slaughter activities, in order to evaluate the structures and the handling of the animals;
3. Providing technical material and help, in order to raise awareness and implement the guidelines of this policy.

Transport:

For the Company, the transport of animals is a process of the utmost importance, since it reflects our commitment to current legislation and also to good animal welfare practices.

We list below the types of commitment agreed with carriers:

1. Periodic training of drivers responsible for transporting animals;
2. Guidelines for the maintenance and/or switching of trucks and trailers;
3. Verification of the handling conditions and the behavior of the animals.

Our Meat Processing Standards and Procedures

Standards

In industrial activities, we value the rational management of animals and consider the relevant factors, namely:

1. The maintenance of good structural conditions and procedures, rational management and physical, mental, and psychological health of animals.
2. Train all employees before assigning them activities and duties related to animal welfare.
3. Guarantee of an adequate space to accommodate the animals (lying down, standing, walking freely).
4. Guarantee of the quality and supply of clean and sufficient water for all animals, and food, when necessary.
5. No raw materials produced by our company can originate from vulnerable or endangered species.

6. Making structural adaptations for ease of handling, in accordance with the physiological and behavioral needs of the animals and the working conditions of the employees. Carrying out rational management and humane slaughter; religious slaughter should proceed in accordance with the approved humanitarian practices.

Procedures

Frigorífico Concepción S.A. has practices to ensure welfare of animals spans a wide scope and includes commitments and accountability from senior management, employees, involved relevant third parties, and other stakeholders.

It is important to note that all related parties must be able to identify any and all situations in which animal welfare is endangered and apply Company's policies and standards laid out herein. As such:

1. A trained professional solely responsible for the Animal Welfare Area is assigned.
2. Ensure proper animal densities for the benefit and comfort of the animals, providing conditions so that they can lie down, get up, move and have access to food when the waiting time exceeds the number of hours established in the legislation.
3. Accommodate the animals in adequate facilities, with non-slip flooring, pens disinfected at each batch change, clean drinking fountains with plenty of fresh water throughout the time the animals remain in those places.
4. Give priority to the use of flags or other recommended methods to handle the animals.
5. Prioritize the transport of animals in compliance with internationally recommended standards and develop scientifically based practices to adapt these standards to regional conditions and contexts.
6. Ship and accept from shipment only those animals that can move by themselves.
7. Always maintain best proper equipment that ensures effective stunning and prolonged unconsciousness, which is reflected in the safety and welfare of the animals and in the improvement of the working conditions of the employees.
8. Use effective and humane methods that guarantee prolonged unconsciousness in 100% of the animals to be slaughtered, strictly applying the specific religious guidelines when mandatory.
9. Use specific, exclusive equipment for slaughter in emergency situations when an animal cannot move (alone), or backup devices, so that all animals are rendered unconscious as quickly as possible, before any procedure that may cause pain. The Veterinary Surgeon in charge must always accompany the emergency slaughter.
10. All employees, third parties and stakeholders must carry out their duties relating to animals in compliance with the rules and procedures established in the Self-Control Programs.

11. Employees, third parties, and stakeholders are expressly prohibited from committing acts of abuse or other intentional practices that are characterized as mistreatment.
12. No unit of Frigorífico Concepción S.A. must: a) slaughter cloned animals; b) slaughter animals that have been raised in extreme, closed confinement that affects their physical, mental, and psychological health.

Compliance and Implications

When possible deviations from animal welfare standards and Company internal guidelines are observed, employees and managers of the segments involved (animal suppliers and animal transport service providers) must be notified so that appropriate corrective measures are taken. The third-party companies (contractors) with which we have business relationships must comply with Company policies, including the guidelines of the Code of Ethics and Conduct. Our contractors are also subject to sanctions if they do not comply with ethical guidelines and policies. These sanctions range from declassification and disapproval in audits to suspension while deviations are investigated and, if proven, they must be addressed through an action plan. They can only become part of our supply chain again after the Company has evaluated their actions and verified that the deviations have been corrected.

All Suppliers subscribing to this policy must follow national and international legislation regarding animal welfare. Breeders and all parties handling the animals should adhere to their Five Welfare Standards / Freedoms defined by the EU Farm Animal Welfare Council/World Organisation for Animal Health (OIE):

- Freedom from hunger and thirst
- Freedom from discomfort
- Freedom from pain, injury and disease
- Freedom to express normal behaviour
- Freedom from fear and distress

Animal Welfare Expected from Our Suppliers

As outlined in our Supply Chain Policies Handbook, we prioritize suppliers that are committed to the following:

- Observe animal welfare practices in their processes, following sustainable trends relevant to the subject.
- Promote training activities, campaigns or other means among their employees in order to raise awareness about respect for all forms of animal life.
- Ensure training for the team responsible for handling and transporting animals.
- Adapt and maintain good structural conditions to facilitate handling and avoid injuries.

- Guarantee food if necessary and water of sufficient quality for all animals.
- Do not use cloned animals.
- Avoid the use of animals that have been subjected to mutilation in the field, i.e., surgical procedures performed without the use of anesthesia, such as castration, dehorning, births and cesarean sections. These, if applicable, must be performed by a competent technician, and care before and after surgical procedures must strictly comply with best practices.
- Apply appropriate densities for the benefit of animal comfort, during rearing, transport and accommodation in the industry.
- Prioritize the transport of animals within the recommended standards.
- Do not use medicines prophylactically (non-therapeutic use), adopting the responsible use of antibiotics, whose prescription should only be carried out by professionals authorized to do so, thus maintaining the health of animals and the safety of food.
- Do not use prohibited drugs (hormones, for example).
- All plants that supply meat for the production of private label products must guarantee compliance with the procedures related to animal welfare in their industrial activities.
- All suppliers of products and ingredients of animal origin of other brands must undertake, according to the criteria for humane management and in accordance with the principles of animal welfare, to comply with the rules established by the Company.
- All animal providers must undertake to comply with the criteria for humane management and be in accordance with the welfare principles determined by the Company.

Audits and Certifications

Company's largest plant, industrial unit # 38m has been and must continue to be audited in accordance with NAMI (North American Meat Institute) Standards.

Final provisions

In the event of a conflict between the Company's internal rules or guidelines, employees must observe the most restrictive rule or guideline.

Regularly review our policies for business alignment including our Shared Values, Corporate Responsibility and Sustainability Commitments and key stakeholder expectations.