

## **ANIMAL WELFARE PROGRAM – MINERVA FOODS**

Minerva S.A.'s Animal Welfare Program aims to ensure the effectiveness of the humane handling and slaughter of animals that are part of our chain. To this end, it has strict controls and monitoring that guide good practices throughout the chain, from the farms, transport and slaughterhouse plants, designed to ensure the ethical quality of its products.

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#### **1. OBJECTIVE**

The main objective of Minerva S.A.'s Animal Welfare Program is to bring more transparency to its consumers, stakeholders and partners about all the animal welfare practices applied by the Company, disclosing information on management, strategy, commitments and responsibilities assumed.

Thus, all the stages of the chain will be addressed here, as we describe our way of acting when it comes to raising, loading, transport, unloading, stunning and bleeding of all the cattle slaughtered at Minerva S.A.'s facilities.

#### **2. STRATEGY**

For Minerva S.A., animal welfare is an ethical principle that applies to its entire operation, and it believes that continuous improvements, not only have consequences for production and market indicators, but also directly influence the work environment and the human-animal relationship. We have an animal welfare policy applied to each business unit.

In order to ensure that the issue has visibility within the Company and permeates all the areas that deal with live cattle, we engage the logistics, cattle procurement, quality, sustainability and communication areas, with the involvement of senior management.

The main objective of the committee is to establish strategic guidelines for the Company, ensuring constant Animal Welfare improvement by monitoring market trends and consumer demands. The committee is also responsible for prioritizing actions and planning investments for continuous improvement in each of its production units. The main topics discussed by the committee are periodically submitted to senior management for internal alignment and decision-making.

Each Brazilian unit of Minerva S.A. has at least one person solely dedicated to Animal Welfare, who monitors the area on a daily basis, manages the indicators and has the autonomy to correct non-conformities, with weekly reports to the coordination.

Minerva S.A.'s Animal Welfare Program has its own identity depicted in its logo and guidelines based on the "five domains" of Animal Welfare recommended by the Farm Animal Welfare Committee (FAWC). Minerva S.A. uses this model as a tool for assessing and managing animal welfare because it believes it enables an integrated view of the process.

### **3. TRAINING**

Communication-related to the animal welfare program and its main guidelines is carried out internally by four main means:

- 1) Daily verification of key animal welfare indicators with immediate actions in cases of deviations, often involving specific handling and procedure training;
- 2) Biannual training for all employees who deal directly with live cattle in the industry and cattle drivers;
- 3) Biannual training to specific cattle breeders (and their employees) selected according to the number of animals sent to slaughter and a farm ranking based on animal welfare indicators (such as mortality in transport, emergency slaughter, bruises, etc.), with the aim to establish a relationship of trust with our suppliers.
- 4) Annual training campaigns with the participation of external consultants, such as BEA Consultoria, World Animal Protection – WAP and Soluções, Palestras e Treinamentos – SPT.

Minerva S.A. also participates, through its representatives, in lectures at academic events in areas related to the business, focused on compliance with good practices in animal welfare.

One of the main initiatives that Minerva S.A. has implemented as part of its Animal Welfare Program is the preparation of specific materials on the topic, called "AW Kit", in all its training courses. The kit is provided free of charge to all its participants and all the supporting materials feature the Minerva's animal welfare logo. Specifically, in the cattle breeder training, the technicians provide the following educational and preventive materials:

- Animal Welfare Booklet issued by Minerva and/or the Ministry of Agriculture, Livestock and Food Supply;
- Calendar with the list of the main medicines and their waiting periods;
- PNCRC (National Plan for Control of Waste and Contaminants) legislation;
- Assurance Letter;
- The farms that do not have effective controls for medicine application receive instructions prepared by Minerva to ensure animal welfare during vaccination.

Also, in order to reach as many cattle farmers as possible, these materials have been sent by e-mail or delivered by the cattle trucks under the guidance of the cattle procurement employee responsible for contact with cattle breeders.

Finally, cattle breeders who supply Minerva S.A. also receive, via e-mail or app, technical articles that address sustainability, cattle handling, productivity and animal welfare issues, in addition to having access to our Supplier Assistance Service (SAF), a service designed to answer questions related to these issues.

#### **4. HUMANE HANDLING**

Minerva S.A. constantly evaluates the performance of pre-slaughter procedures with continuous control of animal welfare indicators. To this end, it has standardized checklists for all the units with daily and weekly control, used as a reference for internal checks and development of specific corrective actions to maintain best practices within the Company.

The main animal welfare indicators assessed are:

- 1) **Transportation:** vehicle disinfection; non-slip floor on trucks; absence of wood chips, holes and sharp objects; and adequate lighting;
- 2) **Unloading:** non-slip floor that is level with the cargo truck; ramps without abrupt slopes; adequate lighting; handling conformity (opening of one truck gate at a time, positioning of the handler and correct use of unloading instruments - flag); and use of electric prod limited to 10%;
- 3) **Corrals:** gates and fences without corners, edges or any structure that could cause injury to the animals; pen cleaning; non-slip floor at the entrance of the pen; drinkings (cleaning and access capacity); and controlled density with all animals can lie down at the same time;
- 4) **Handling:** presence and use of handling equipment (rattles, flags); handling conformity (positioning of the handler in front of the animals; number of animals handled, correct use of equipment); use of the electric prod limited to 25%; and maximum of 3% of slips and 1% of falls;
- 5) **Stunning:** quality of containment (kick-stop device, cattle chute, neck beats); stunner pressure (elective and emergency equipment); first shot efficiency; unconscious animals (immediate loss of posture, absence of rhythmic breathing and corneal reflex); time between stunning and bleeding (max: 60 sec); and
- 6) **Bleeding:** bleeding cut quality (flow); minimum bleeding time of 3 minutes.

#### **5. MARKET DIFFERENTIALS - COMMITMENTS**

- All our cattle are raised with total freedom of movement and their gregarious behavior is maintained and respected at all stages of the chain: breeding, rearing, fattening and pre-slaughter process.
- All business partners of Minerva S.A. must use humane procedures, good practices to prevent mistreatment of animals and ensure proper handling and slaughter in accordance with our Animal Welfare Policy, and this commitment is assumed through a clause in contracts.

- Minerva S.A. does not have genetically modified animals, clones or animals that are administered growth hormones, having control of residues and disclosure of results through codes of guarantee.
- None of Minerva S.A.'s quality programs require castrated animals, even for Premium lines (Angus and ES 92). All the protocols elaborated allow the participation of whole animals with age adequacy, controlled by milk-tooth registration.
- We have Organic / Grass Fed product certification programs carried out in conjunction with specific suppliers, to create a differentiated product, with characteristics of feeding cattle only on pasture, guaranteeing zero use of antibiotics, growth hormones and feeding with animal products, complying with regulations 834/2007 and 889/2008 of the European Community and the National Organic Program (NOP) of the States.
- Our Animal Welfare Program avoids transporting cattle for more than 8 hours to slaughter, when it is possible. We also have as a recommendation in our self-controls, only carry out the transportation of castrated males and females within a maximum radius of 400Km. All trucks have a predetermined route and a recommendation for transportation density, indicated by the cattle purchasing sector, and truck drivers are trained every six months on specific animal welfare and defensive driving topics.
- To ensure that our facilities are always in good maintenance conditions, in order not to cause any kind of injury to the animals, we have a specific project for the diagnosis of critical points called "Trajeto do boi", which means, the path made by the cattle. In this project, we seek the continuous improvement of the industry's structures, such as landing ramps, gates, corridors, corrals and stunning box, in addition to carrying out a constant check of the entire fleet of trucks. If opportunities for improvement are found, there is an immediate interdiction of the evaluated site and/or transportation truck until the non-compliance is addressed.
- We have cameras installed in all our units (Brazil, Argentina, Uruguay, Paraguay, Colombia and Australia) to monitor the most critical animal welfare indicators.
- We have a Carcass Efficiency Program - PEC that was created through a partnership between Minerva Foods and Phibro with the purpose of rewarding the best carcasses at slaughter and thus increasingly improving our compliance rates in quality and animal welfare.
- We also have an internal program called 'Champion Attitude Program' that involves all the production units of Beef Brazil with the objective of encouraging our employees to seek Operational Excellence, creating an internal benchmarking dispute between units and sectors and recognizing the champions with monthly prizes and annual bonuses. Currently, the program has a list of 27 indicators involving the dimensions (Health and Safety, People Management, Quality, Animal Welfare, Environment, Fixed and Variable Costs).
- We have contingency plans for emergency claims situations described in our internal self-controls that are prepared by the corporate crisis management team, containing assertive guidelines for quick decision-making in special cases. The plans provide for adverse situations such as water shortages, power outages, ammonia leaks, floods, fire, typhoon, earthquake, transportation accidents with live cargo, unexpected drop in the number of employees, among others.

- We are committed to carrying out humane slaughter, with stunning of 100% of our animals, excluding only those destined for specific markets with religious precepts.

Minerva S.A., as one of the world's leading beef production companies, recognizes the importance of integrating animal welfare into its practices as a requirement for sustainability and greater competitiveness in an increasingly demanding market, but, above all, WE RESPECT ANIMALS!