

Smithfield
Polska

IMPACT REPORT

20
23

Smithfield





Michałowek, Agri Plus

Table of contents

Introduction	p. 04
Key numbers for 2022	p. 06
About Smithfield Polska	p. 08
Our impact on the Polish economy and society	p. 20
Our contribution to the development of agriculture and the meat market in Poland	p. 32
Our actions to mitigate environmental impact	p. 48
Our social impact	p. 62



Duszniki, Agri Plus

About the report

This report is a compilation summarizing the impact of Smithfield Polska on the local economy, society, and the natural environment. The data presented in the publication primarily covers the year 2022. Individual chapters of the report also include historical data related to key actions taken by Smithfield Polska in earlier periods. As the second publication summarizing the company's activities from the perspective of its impact, the report presents a comprehensive snapshot of its operations. It has been appropriately noted in the report where the data pertains to a period other than the year 2022.

Introduction



Dear Employees, Partners and Friends of Smithfield Polska

I am pleased to present to you the 2023 Smithfield Polska Impact Report, documenting our consistent approach to sustainable development, as well as our impact on various aspects of social and economic life and the natural environment.

More than 70 years of tradition and contribution to the development of Polish agriculture and food processing have made our company a leader in this sector. Brands like Krakus, Morliny, and Berlinki have been known and appreciated both domestically and abroad for years, serving as ambassadors of Polish food. Currently, we have an extensive network of farms and facilities covering nearly the entire country.

We employ over 11,000 people and cooperate with more than 5,000 local farms.

We prioritize what is Polish, carefully selecting contractors, which makes us a solid partner for thousands of entrepreneurs and local communities. As a significant entity in the Polish economy, Smithfield Polska contributes over PLN 443 million annually in taxes to the national budget, and over the past 10 years, we allocated more than PLN 2 billion for investments in the country.

Smithfield Polska is not only a leading food producer, but also a leader in sustainable changes in the food sector.

Business

In our operations, we focus on animal welfare and production of food that meets the highest quality standards. As a stable partner for local contractors, we play a key role in ensuring the country's food safety.

Environment

As a responsible organization, we care for the natural environment, among others through efficient management of resources, reduction of carbon footprint or use of environmentally friendly packaging. At the same time, being a good neighbor, we support local communities in various aspects.

People

Our organization's success is thanks to our employees. We focus on their safety, professional development, and strengthening our organizational culture. Care for a friendly work environment, employment equality regardless of gender, age, background, or level of fitness, is the foundation of our operations.

The company implements its strategy in line with the United Nations Sustainable Development Goals, focusing on three main areas: **Business, Environment, and People.**

The past year proved to be another trial for us, as well as a test of our social sensitivity and responsibility for one another. Once again, we demonstrated that Smithfield Polska, in the face of even the most difficult challenges, is able to provide aid to those most in need. The ongoing war in Ukraine and the situation of its citizens, including hundreds of our colleagues, mobilized our entire organization to provide large-scale support.

Thanks to the commitment of our employees, the company donated nearly 120 tons of food and over 2,800 bedding articles to Ukrainian citizens affected by the war.

All components of Smithfield Polska responsible and sustainable approach to business, the environment, and people are equally important to us. Every day, we take actions aimed at ensuring we take the best care of each of these foundations. We are pleased to be able to share our achievements and approach to the ever-changing world with you.

I invite you to read the Smithfield Polska 2023 Impact Report.

Jacek Dzielak
CEO of Smithfield Polska

2022 KEY FIGURES

Smithfield Polska




71 years of Animex and
22 years of Agri Plus

3 leading market brands

5K cooperating Polish farms

Purchasing, cooperation, sales



760K tons of grain purchased every year from Polish farmers

Sales worth over **PLN 11B**

Export of products worth over **PLN 4B** to **67** countries on **6** continents

Jobs




Over **11K** employees of **28 nationalities**

Almost **40K** jobs created in Poland thanks to Smithfield Polska*

51% of our employees are women

Environmental impact



White certificates with a total value of almost **794 TOE**

In the years 2020–2022 while producing meat and processed meats we reduced:

- consumption of water by **16%**;
- total electricity use by **11%**;
- consumption of gas by **4%**;
- emission of CO₂ by **14%** with relation to the size of production.

Taxes and investments in Poland



Over **PLN 443M** in taxes paid to central, regional and local budgets

We spent over **PLN 260M** on domestic investments


Household income



PLN 627.1M paid in salaries to our employees

Over **PLN 2B** in salaries generated thanks to our operations in Polish economy*


Value added



Almost **PLN 1.8B** of directly generated value added

Over **PLN 8.2B** of value added generated in the entire Polish economy thanks to our operations*

Community support



216 tons of products worth over **PLN 2.5M** delivered to the ones in need

Almost **PLN 1M** allocated by the Smithfield Polska Foundation for scholarships for **430 pupils and students**

We are members of



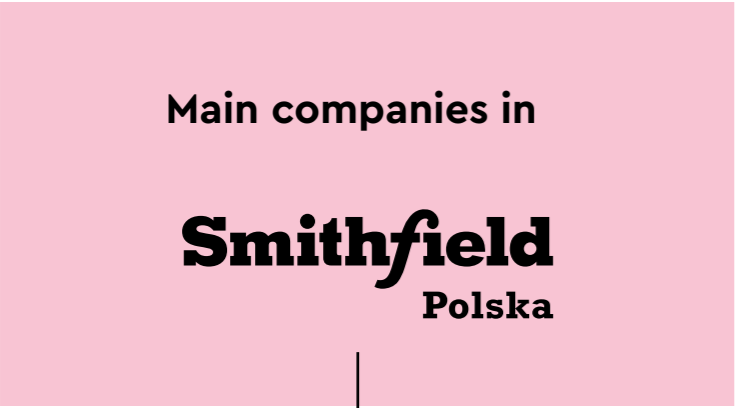
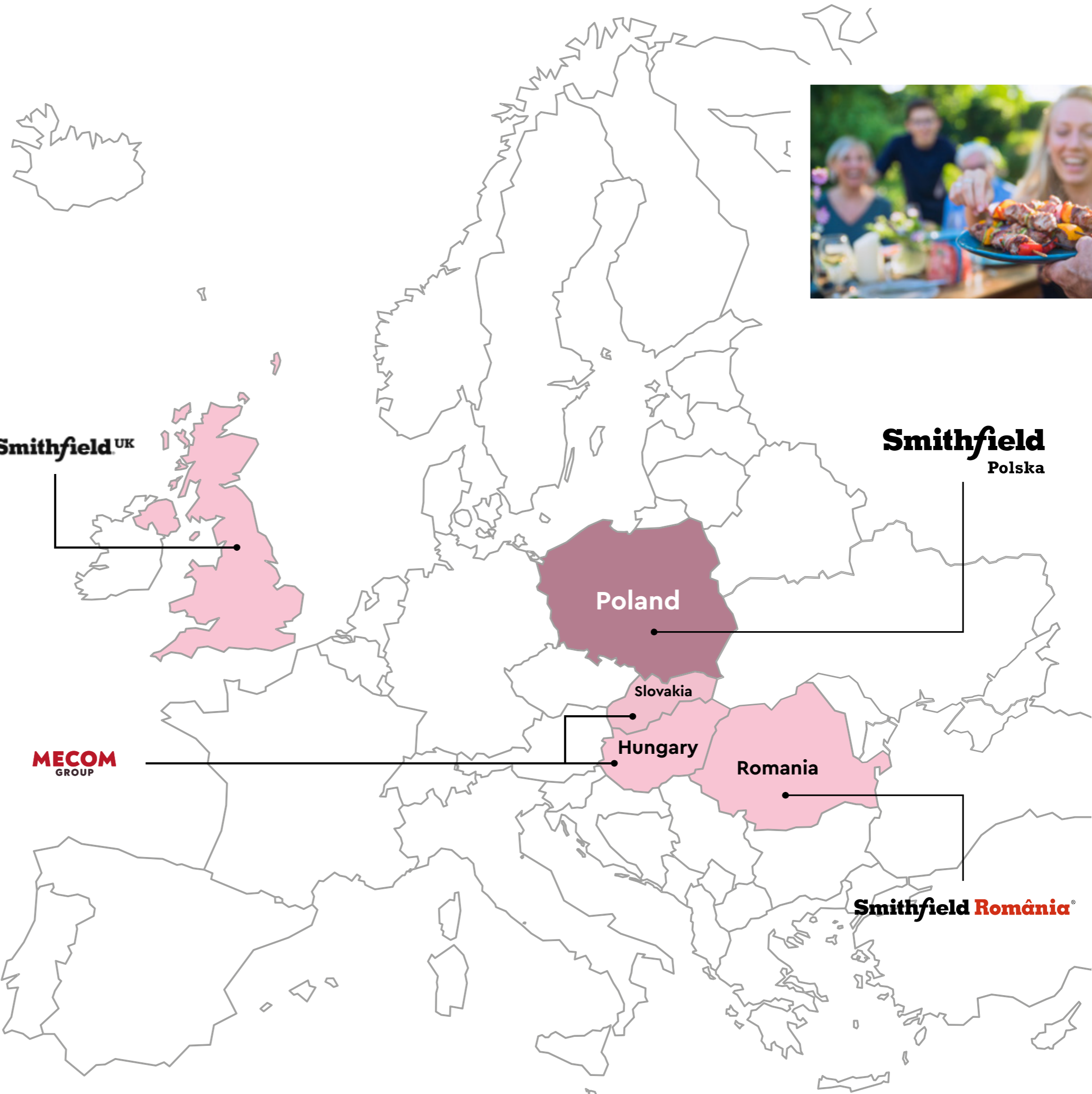
Kutno, Animex

* Calculations based on the Leontief model – include direct, indirect, and induced impacts. Value added is a portion of GDP less indirect taxes.

About Smithfield Polska

Smithfield Polska is a group of companies operating in Poland, specializing in the production of animal-derived food products. It is part of Smithfield Foods, Inc. (USA), which is primarily owned by WH Group, the world's largest pork producer. Our relationship with the investor behind successful brands such as Farmland, Armour, John Morrell, and Gwaltney grants us access to invaluable experience and technological innovations.

Thanks to Smithfield Polska established position, our brands are growing both domestically and internationally, and the local farmers and growers we collaborate with can enjoy a stable situation for their farms.



Smithfield România



Responsible grain cultivation, feed production, and animal breeding.



- Headquarters
- Main sow farms
- Feed mills
- Poultry hatcheries

The goal of Agri Plus is to produce the highest quality pork and poultry livestock, while maintaining care for the natural environment and harmonious cooperation with Polish farmers and growers.



Safe production of meat, and pork and poultry products.



- Headquarters
- White meat
- Red meat
- Down plant

The mission of Animex is to be a trustworthy and most frequently chosen supplier of high-quality Polish meat and cold cuts.



Żeńsko, Agri Plus

Our history



<p>1951 Establishment of Animex</p> <p>1951 Launch of the Krakus brand</p> <p>1976 First export of Polish down to Japan</p> <p>1992 Launch of the Morliny brand</p> <p>1995 Animex first listed on the Warsaw Stock Exchange</p> <p>1999 Purchase of Animex shares by Smithfield Foods</p> <p>2002 Launch of the Berlinki brand</p> <p>2010 Acquisition of a feather down plant in Kraków</p> <p>2013 Smithfield Foods becomes part of the WH Group</p> <p>2017-2019 Acquisition of plants in Kutno and construction of a plant in Daszyna</p>	 	<p>2000 Establishment of Animex Agri</p> <p>2002 Establishment of Agri Plus own farms</p> <p>2003 Starting cooperation with contract swine growers</p> <p>2011 Establishment of the Agri Plus Feed Division</p> <p>2018 Establishment of the Agri Plus Poultry Division</p>
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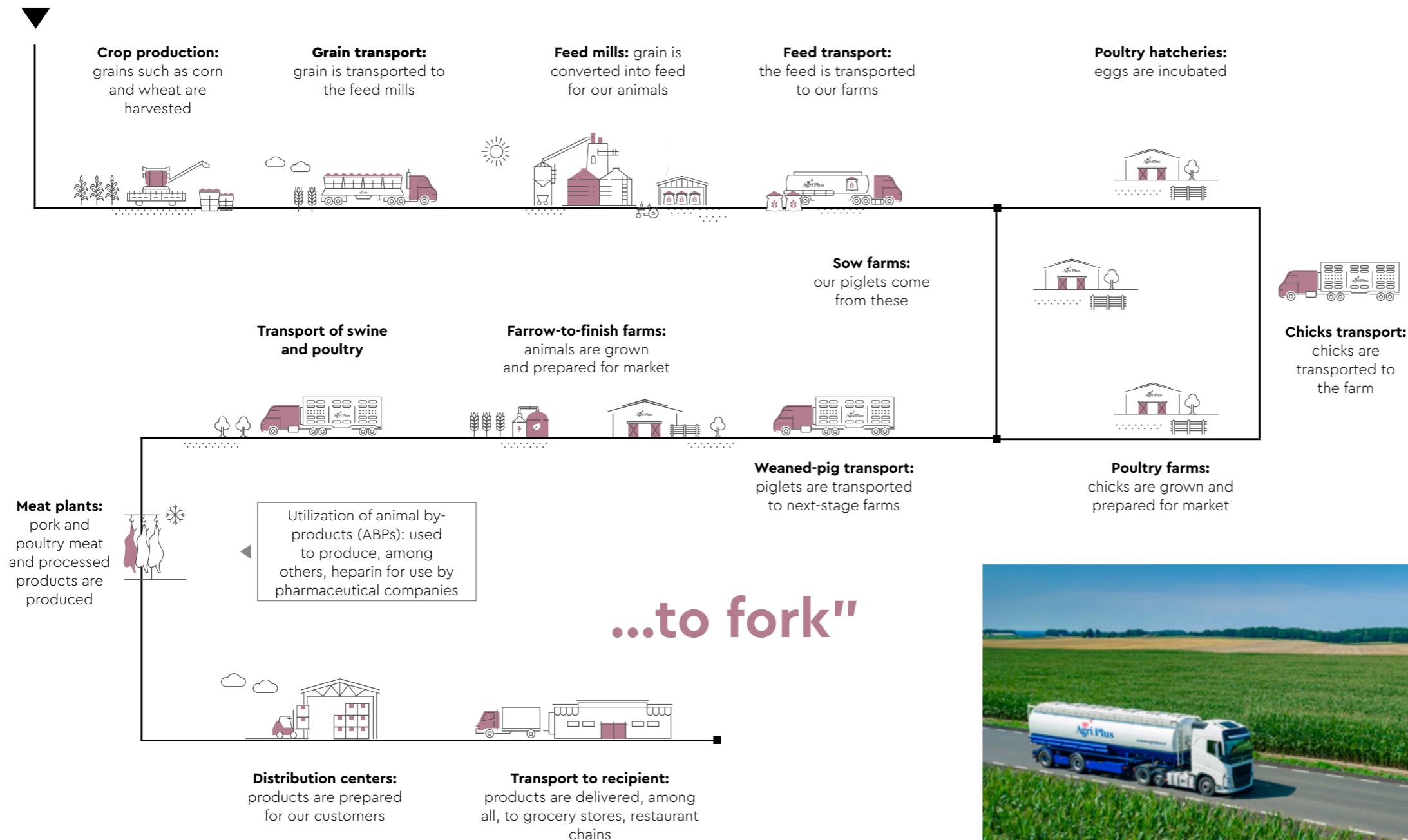
Photo: PAP/Wiesław Stasiak

The journey of our products 'from farm to fork'

Our meat products can be found on the plates of Poles and residents of 67 other countries. We take pride in this, and at the same time, feel a great responsibility associated with continuously providing safe and top-quality food to consumers almost all around the world.

During the journey of our products 'from farm to fork', we focus on sustainable development, paying special attention to the areas we have identified as our priorities.

"from farm...



...to fork"

Did you know that...

...at Agri Plus, we avoid 'empty runs'?

The amount of grain transported back amounts to nearly 100,000 tons, accounting for 13% of all deliveries.

...in our feed production, we do not use antibiotics, and 62% of the protein used in feed production is NON-GMO?

The main source of protein in our feeds is rapeseed meal and rapeseed cake, cultivated and processed by Polish farmers.

...Polish ham made a career in the United States?

The history of our Krakus brand dates back to 1951, when the Central Import and Export Agency for Animal Products, Animex, was established. Shortly thereafter, the Krakus can conquered Anglo-Saxon markets. Photographed with the can of ham produced in Poland were President Dwight Eisenhower and presidential candidate Bob Dole, who appeared with the can on the cover of Time magazine.

Krakus ham was famous in the USA not only among politicians. It was handed out to guests of TV shows, conquered the world of music, and was popular among Hollywood stars. Utilizing a play on words and the fact that 'ham' in slang referred to a stage performer, Krakus presented artists of Polish descent with the 'Polish Ham of the Year' award, rewarding them with a golden can. Laureates included Bobby Winton, Stephanie Powers, Ted Night, Pat Sajak and Christine Baranski.



Grodków area, Agri Plus

Our Responsibility for and Contribution to the Sustainable Development Goals

Over more than 70 years of operation, we have established ourselves as a market leader in the meat industry in Poland. Today, as we make business decisions, we draw on the experience gathered over this time, considering future perspectives in our decisions.

On the occasion of our 70th anniversary, we reviewed our approach to sustainable development. We analyzed global trends and key challenges described in the 2030 Agenda and the United Nations Sustainable Development Goals, examined our operations in terms of environmental impact, and set priorities for

our future actions. As a result, we know exactly which challenges we want to focus on by 2030.

We concentrate our efforts in three areas: business, environment, and people.

It is in these areas that we have set priorities for actions to be taken in the coming years.



Environmental Protection

- Effective resource management
- Renewable energy
- Environmentally friendly packaging
- Carbon footprint



Supporting the Local Community

- Food for those in need
- Good neighbor

We consciously manage our impact on the environment



ENVIRONMENT

Smithfield
Polska

Sustainable
Development
Priorities

BUSINESS



PEOPLE



We produce and deliver food in a sustainable and safe manner



Animal well-being

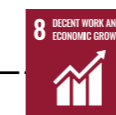
- Good living conditions for animals
- Health and proper nutrition for animals
- Safe animal transport
- Humane slaughter



Food safety

- Safe food
- Nutritious food

The safety and development of our employees are our priority



Employee safety

- Employee safety management
- Elimination of workplace accidents



Employee development

- Education and development
- Organizational culture



We responsibly manage the organization based on the best market standards and practices.

Our brands

Krakus stands for the highest quality and superb flavor. The cold cuts are produced based on the best recipes, unique spice blends, and specially selected meat from local farms.

Over 70 years of perfecting our craft Krakus has become an expert in ham, creating excellent products, including the iconic Export Ham, traditional Szynka od Szwagra ham, classic kabanos sausages with ham, and Krakow dry ham.



Morliny offers the same products you would find in a good, local butcher's shop. The only difference comes down to the packaging form – the same quality, freshness, and taste are available to everyone, regardless of where they shop.



Berlinki sausages owe their flavor to their unique recipe. The high quality of meat, a secret blend of natural spices, a precise scalding process at a controlled temperature, and smoking with beechwood smoke ensure that Berlinki sausages taste delicious and have a tender texture.



Did you know that...?



... you can find the crossed grain symbol on the labels of our selected products (Berlinki, Krakus brand ham and chicken breast sausages)?

This information is especially important for people with celiac disease, but also for those avoiding gluten. This green licensed symbol assures that the products labelled with it meet the strict rules and standards of the AO ECS (Association of European Coeliac Societies), are regularly tested, and the production facilities are audited for gluten-free production.

...a book was published about Krakus ham?

For the 60th anniversary of the Krakus brand (in 2011), a special book Krakus Stories was published, in which people who have been at the heart of Polish culture and art for years (including Beata Tyszkiewicz, Agata Passent, and Tomasz Raczek) along with consumers shared their memories associated with Krakus cold cuts. The book was illustrated with photos capturing the atmosphere and realities of the past years.

...the purchasing power index was measured in kilograms of Krakus ham?

Krakus ham also played a theoretical albeit important role in the Polish economy. The weekly magazine Wprost created the Krakus index measuring the purchasing power of Poles (similar to the Big Mac index developed by The Economist). The index calculated how many kilograms of this luxury ham an average Pole could buy with a monthly salary. Over the years, the index indicated how the wealth of our citizens changed compared to representatives of wealthier European countries. Read more about the index at: www.wprost.pl/tygodnik/71290/index-krakusa.html



Down origins tracking

We want to guarantee to the consumers using products with our down its origin and legality. With this in mind, we've created a system that allows for the monitoring of the supply process. To do so, it is enough to simply scan the QR code on the product tag (using a free mobile app).

We are the producer of the world's finest goose down

In addition to food products, we take pride in our goose down production. We belong to the Federation of Polish Down and Feather Exporters and also represent Poland in the European Down and Feather Association.

Polish down is appreciated worldwide. The quality of down is influenced by the feeding methods and living conditions of the geese. The conditions in Poland, hot summers and cold winters, contribute to the formation of a thick layer of feathers on geese, which has exceptional thermal insulation properties. The highest quality down also comes from geese raised in free-range environments, in pens of appropriate size.

Animex collaborates with such farms – primarily family farms with long breeding traditions. Furthermore, Animex is the only one in Poland to have a feather processing plant located in the southern part of the country, where the best water for down production is available – moderately hard, allowing for the desired purity of down.

Therefore, **Animex goose down is characterized by high thermal insulation, beautiful white color, and long-lasting durability. Its excellent quality, valued worldwide**, is confirmed by independent organizations and standards such as:

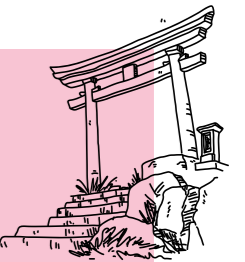


Our products are used by the bedding, outdoor, furniture, and feather industries.

Did you know that...?

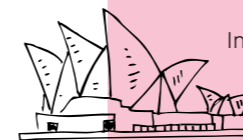
...our Polish-Japanese adventure has been going on for nearly 50 years?

In 1976, we made our first shipment of Polish down to Japan. Our cooperation with the 'land of the rising sun' has been continuing for decades, and currently, it is our largest export market. Every year, tons of our 'white gold' are used to fill tens of thousands of duvets and pillows sewn for the most demanding residents of Japan. Our partners often repeat that "in their country, there are more down duvets than people because many Japanese have both a summer and a winter version of the duvet." The fact that such a conscious consumer group as the Japanese appreciate our product and confidently choose bedding filled with Polish goose down is a guarantee of quality, durability, and comfort. Our production is based on values such as the Kaizen philosophy – continuous improvement in the quality of products and services, respect for the natural environment, animal welfare, and workplace safety. Actions focused on specific goals and perseverance in their realization have allowed us over more than 70 years to become a leader in the down and feather market in Poland and one of the key companies in this industry in Europe and worldwide.



...our Polish down reached Australia?

In June 2022, our carefully selected white down made its way to the Antipodes for the first time in Animex's history. This is another continent which we send Polish 'white gold' of the highest quality and purity to. We are proud that one of the best bedding brands in Australia chose our resource. We collaborate with 20 countries worldwide and supply down to almost all continents. We have calculated that about 4 million people worldwide sleep under duvets made with our Polish down!



Our impact on the Polish economy and society¹

Why is this topic important to us?

As a leader in the meat industry, we have been operating in Poland for over 70 years. It is here that we produce products for brands such as Berlinki, Morliny, and Krakus. We also source globally valued goose down in the country.

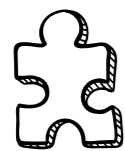
For several decades, we have had a direct contribution to creating added value, employment, and generating income for Poles. Indirectly, we also contribute to the development of the farms and other suppliers we work with. By paying taxes and fees in the country, we support public services and infrastructure development. From our perspective, it is also noteworthy that the farms and production facilities owned by the group are located almost all over Poland. Many of them are in the poorest provinces of our country with high unemployment rates (including Warmian-Masurian, Świętokrzyskie, and Podlaskie provinces)².

Morliny, Animex

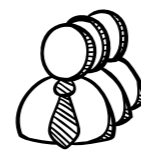


We are proud that our growing domestic production and export strength positively impact the development of the national economy and the economies of the regions where our facilities operate."

Smithfield
Polska



We generated over
PLN 8.2 billion
of added value in the entire economy

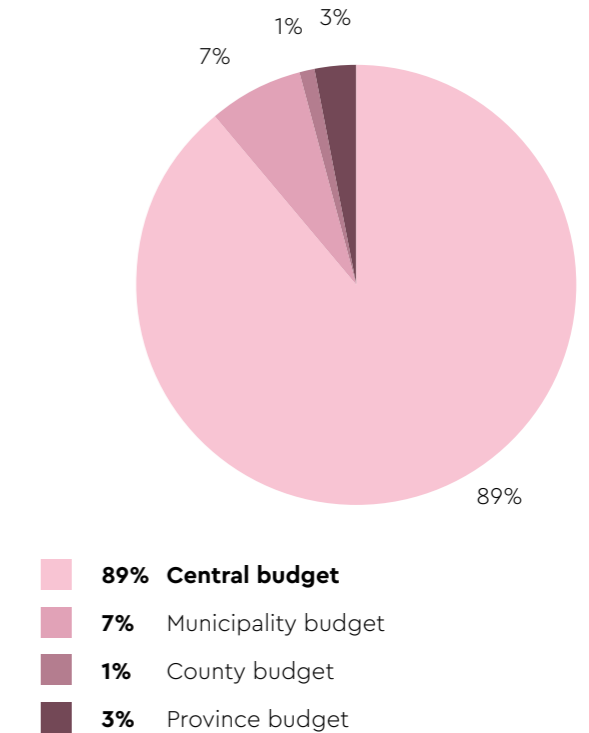


We created nearly
40,000 jobs in the entire economy

¹ This chapter presents data calculated based on the macroeconomic Leontief Model. Data was collected from the main companies influencing Smithfield Polska's financial results: Smithfield Polska Sp. z o.o., Animex Foods Sp. z o.o., Animex Kutno Sp. z o.o., Animex K4 Sp. z o.o., Agri Plus Sp. z o.o., Agri Plus Wielkopolska S.A., Ferma Krąplewice Sp. z o.o., and Agri Vet Sp. z o.o.
² <https://stat.gov.pl/obszary-tematyczne/rynek-pracy/bezrobocie-rejestrowane/bezrobotni-zarejestrowani-i-stopa-bezrobocia-stan-w-koncu-grudnia-2022-r-2,127.html>



Tax revenues to the central budget and the budgets of local governments



Supporting what's Polish

As part of a global group, we gain a broad perspective on our business and the opportunities and challenges that arise. We exchange technologies, knowledge, and experience with colleagues around the world. However, our companies operate in Poland, so we focus on the impact we have on the domestic economy.

The origin of our products is very important to us. We see it as our responsibility to develop the agricultural and food industry in the country. We collaborate with Polish farmers, growers, and suppliers. We aim to support local producers and entrepreneurs and promote Poland as a country where the highest quality food is produced.

Supporting Polish agriculture is especially important to us due to the crisis caused by the war in Ukraine. That's why we purchase grain from Polish farmers.

As an organization, we are aware of our impact on the Polish economy – this is where we operate and where our facilities are located. Therefore, we aim to monitor and transparently communicate our impact on local communities through the jobs and salaries we offer employees, cooperation with growers, purchases from local suppliers, and the taxes we pay.

Taxes

We conduct our business in Poland and here we pay our taxes – both to the central budget and to local governments.



In 2022, we paid over **PLN 443 million** in taxes in Poland, including:

- over **PLN 392 million** contributed to the central budget;
- over **PLN 51 million** to local government budgets.

Did you know that...?

...we are among the largest CIT taxpayers in Poland?

Every year, the Ministry of Finance publishes CIT (corporate income tax) report data for taxpayers who generated revenue in the tax year exceeding the equivalent of PLN 50 million.

Animex Foods has consistently ranked high on this list, and in 2022 alone, it was ranked 49th*. Similarly, Agri Plus has been climbing the list year by year, ranking 146th in 2022. We are pleased that the work we put into developing our companies has brought us to such high positions compared to over 3,200 other entities on the list.

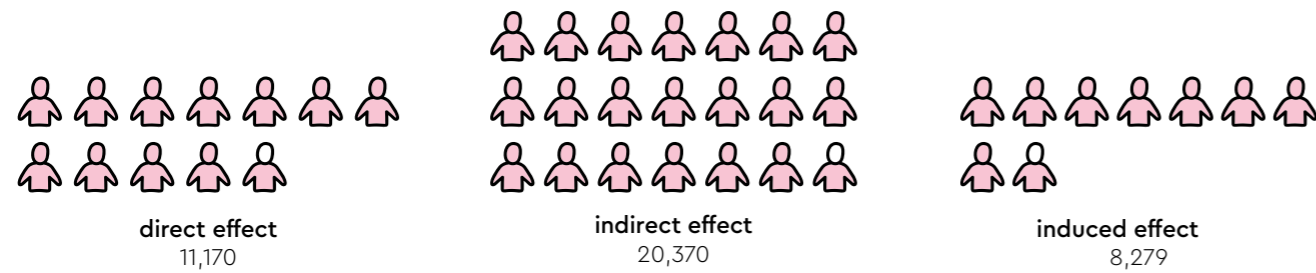
* according to data as of August 1, 2023

Employment in 2022

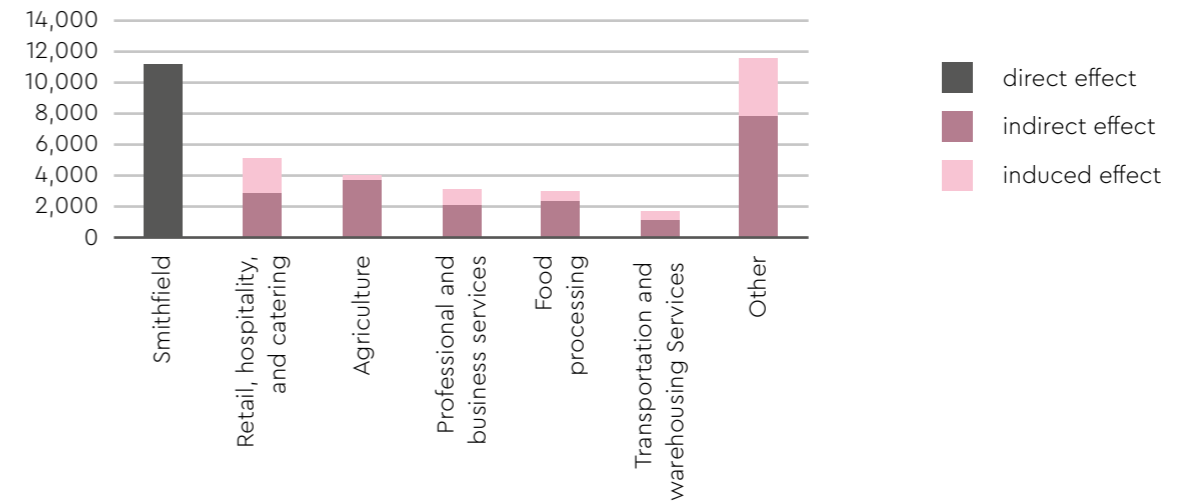
Smithfield Polska significantly impacts the national job market. First and foremost, we offer employment within our companies. This is our direct effect. However, indirectly, through cooperation with farms and growers, as well as a variety of purchases we make, we support the creation of additional jobs at our suppliers (and their suppliers, an indirect effect).

Our activities create a demand impulse in the economy, which further affects employment growth (the induced effect). As a result, each job maintained at our company generates employment not only in our industry but also in other sectors of the economy.

Employment (headcount)  - 1,000 people




Employment generated in Poland thanks to Smithfield Polska activity (number of people)



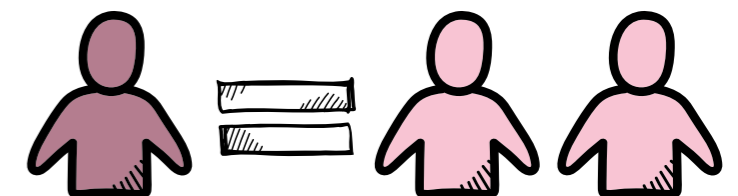
 In 2022, Smithfield Polska employed **11,170 people;**

 Thanks to our activities, 20,370 jobs were maintained at our suppliers, including farms and breeders. **20,370 jobs;**

 In the entire economy, our activities generated a total of **39,819 jobs** as a result of the direct, indirect, and induced effects*.



For every job at Smithfield Polska companies, there are over 2 jobs created in the economy



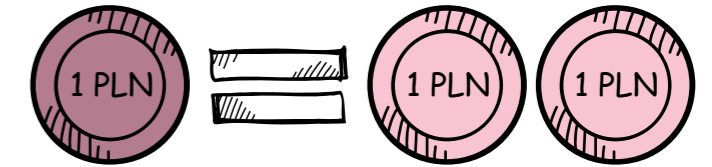
* Calculations based on the Leontief model – include direct, indirect, and induced effects.

Daszyna, Animex



Warszawa, Smithfield Polska

Every zloty of income generated by Smithfield Polska helped generate over 2 zloty of income in the economy.



✓ The activities of Smithfield Polska generated income amounting to **PLN 627.1 million;**

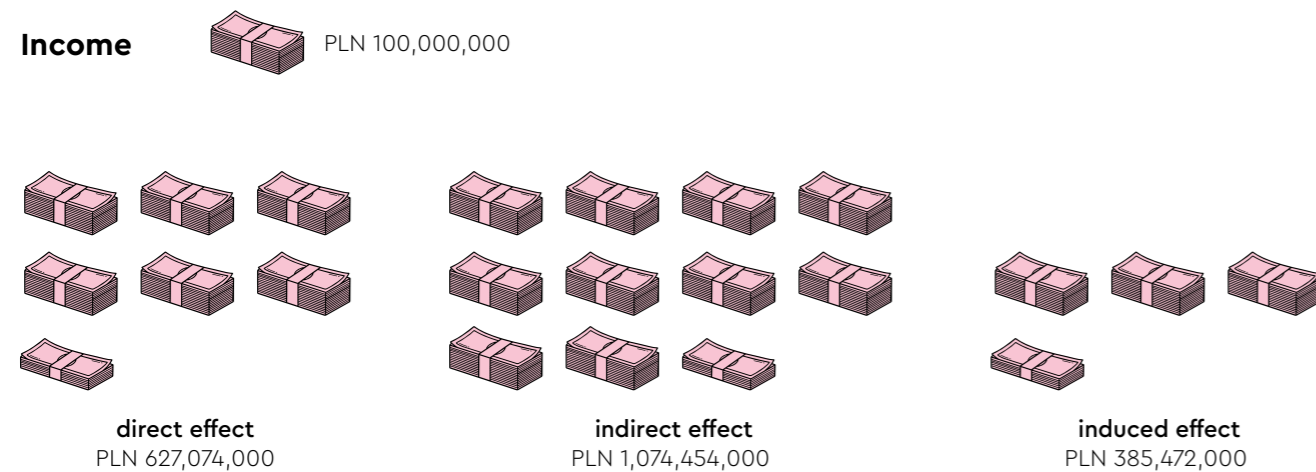
✓ Indirectly, our operations allowed to generate additional income amounting to over **PLN 1 billion** among our suppliers, including the farms and breeding operations we collaborate with;

✓ Our operations, along with those of our suppliers, generated over **PLN 2 billion** in income throughout the economy (as a result of the direct, indirect, and induced effects).

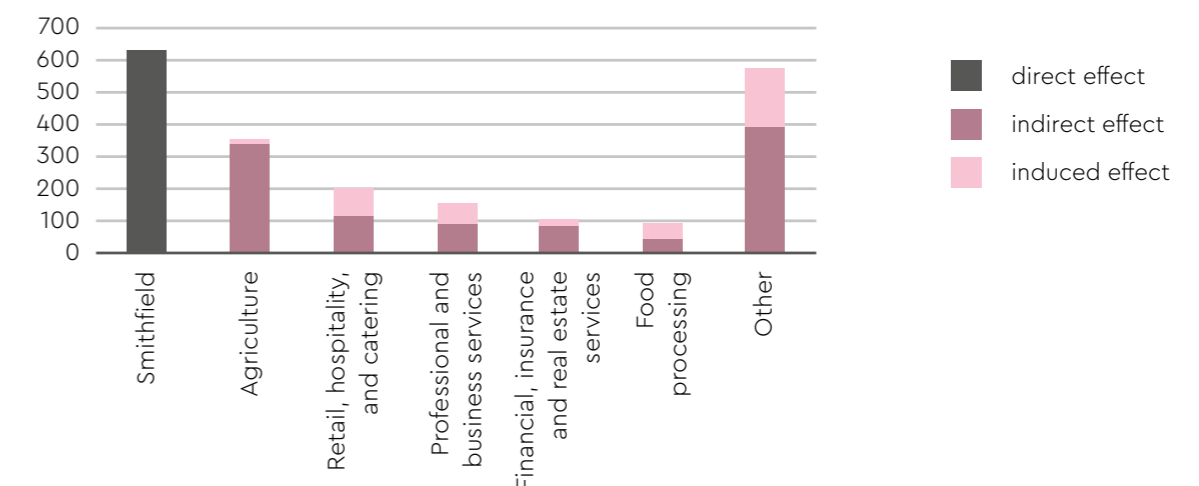
Income in 2022

By employing workers, we generate income in Polish households. This is the direct effect of our operations. A similar, indirect effect is generated among the employees of our suppliers, the farms and breeding operations we work with.

Our employees and those employed by entities associated with us, by achieving income, increase consumption, which in turn provides additional jobs and contributes to household income in the economy generated in an induced manner.



Income generated in the economy thanks to Smithfield Polska (in million PLN)



Added value in 2022

Added value, defined as a portion of the GDP after deducting indirect taxes, illustrates our contribution to the production of goods and services in Poland. Smithfield Polska directly creates added value by organizing the production process, employing workers, and paying taxes. At the same time, by making purchases from Polish suppliers, we support their activities and the process of creating added value by suppliers and their contractors. The greater the value of our purchases from domestic business partners, the larger the positive multiplier effect for the Polish economy and the increase in GDP.

In 2022:



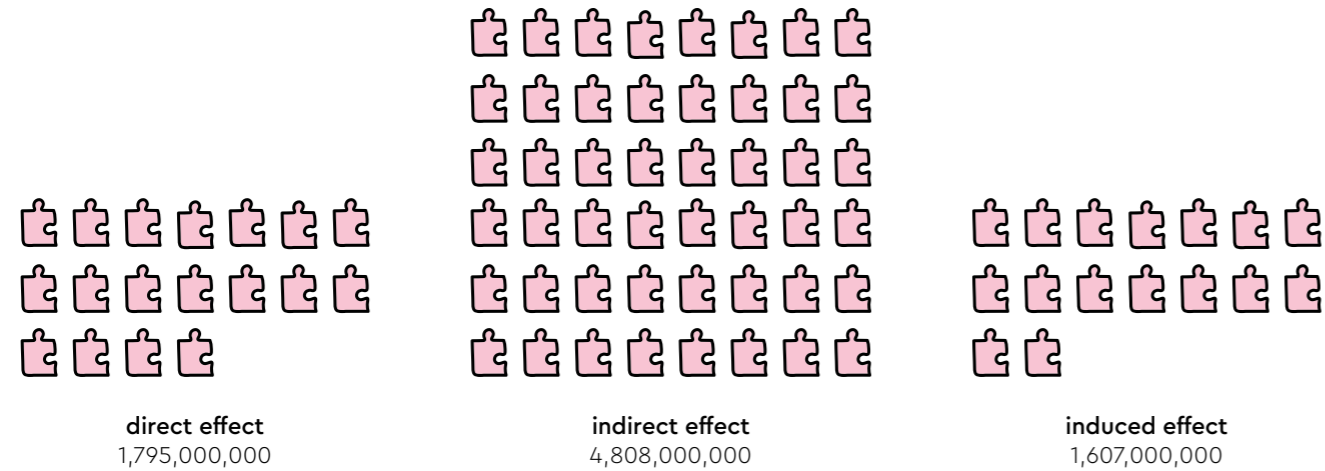
Smithfield Polska directly generated more than **PLN 1.8 billion** of added value for the Polish economy;



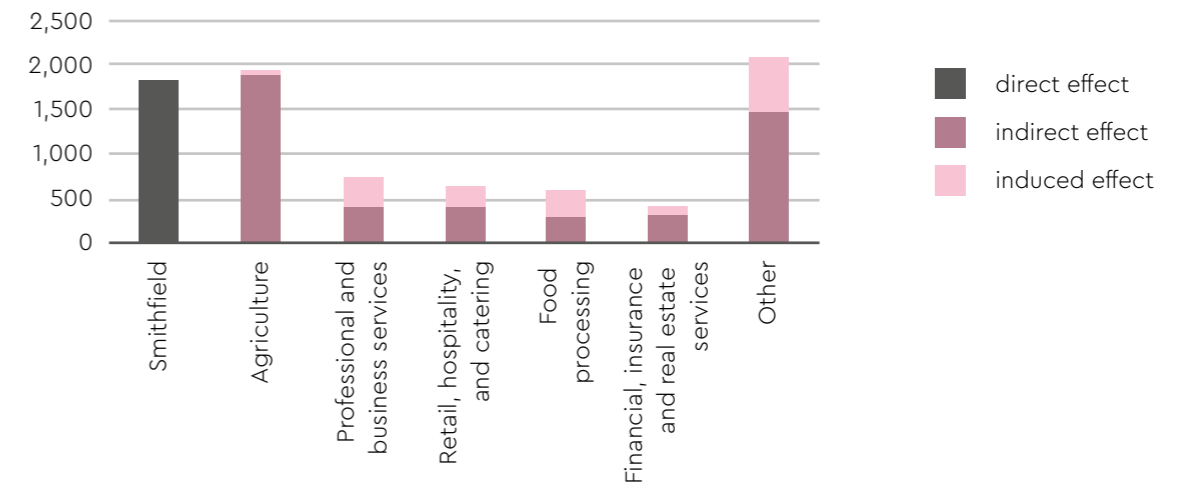
In total (including the indirect and induced effects), our business allowed us to generate over **PLN 8.2 billion** of added value.

Added value

PLN 100,000,000



Added value generated in the economy thanks to Smithfield Polska (in million PLN)



1 zloty of added value generated directly by our operations in Poland amounts to almost 3 zloty generated in the economy

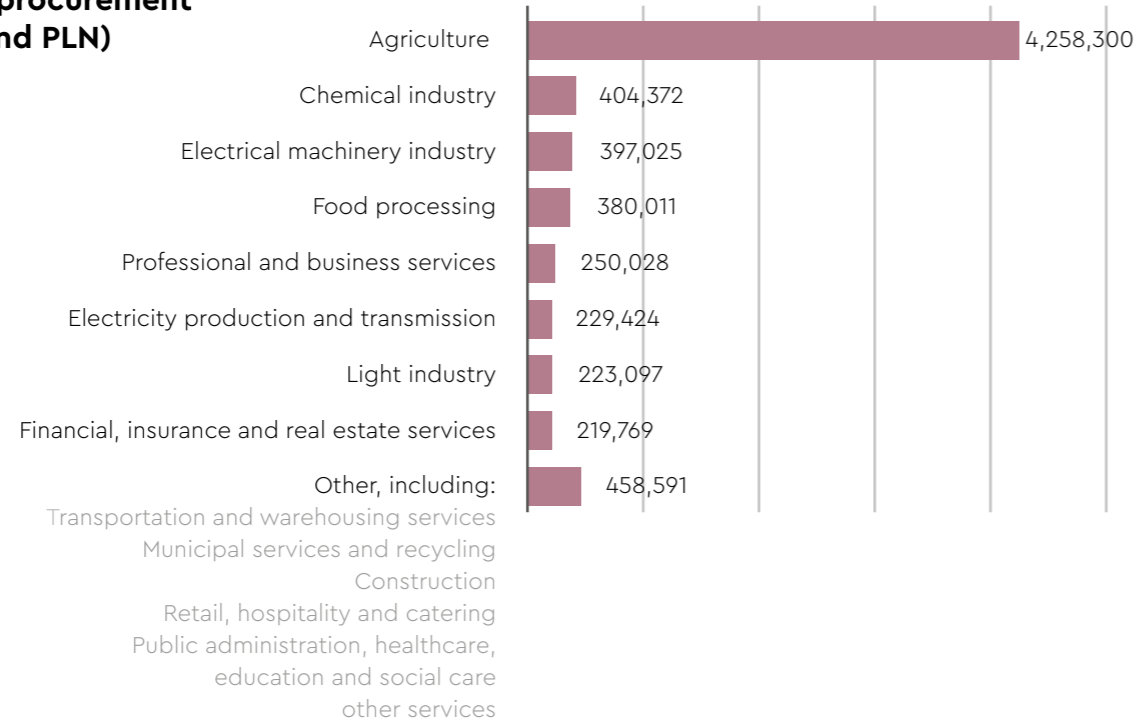


Bonin, Agri Plus

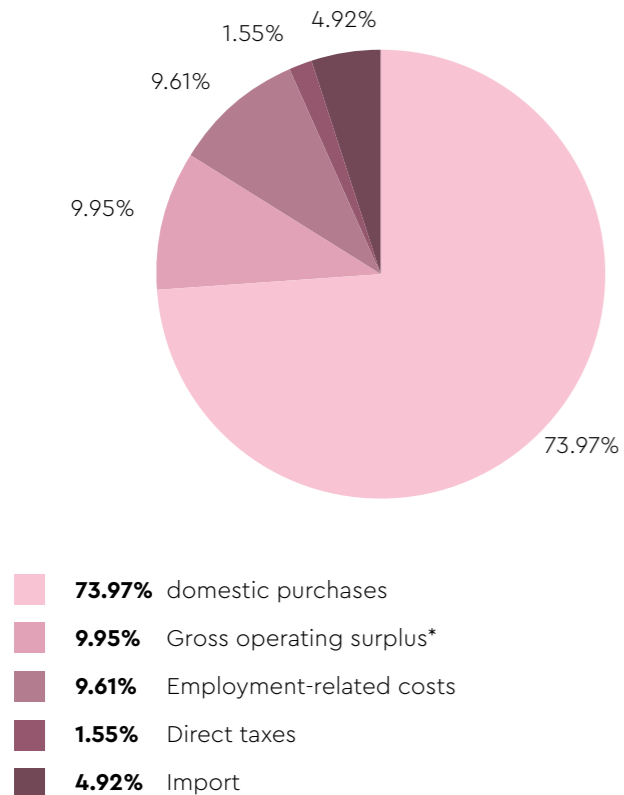


Morliny, Animex

**Domestic procurement
 (in thousand PLN)**



Smithfield Polska global production structure



Investments

Our position is based on strategic investments. In 2022, we allocated over **PLN 260 million** to development in key areas.

Taking on new challenges was also made possible thanks to long-term projects.



Over the past 10 years, we invested in Poland a total of nearly **PLN 2.4 billion.**

Did you know that...

...we used the Leontief Model to calculate our impact on the economy?

This is a macroeconomic model of inter-industry flows that allows us to demonstrate our impact in three categories:

- Generated added value
- Employment
- Income

For each of these categories, we were able to present:

- **Direct effect** – resulting from our core business
- **Indirect effect** – generated among suppliers, farms, and entities in industries with ties to Smithfield Polska
- **Induced effect** – further economic growth generated through the increase in household income.

* Gross operating surplus is value added after deducting employment costs and direct taxes

Our contribution to the development of agriculture and the meat market in Poland

Why is this topic important to us?

Being a leader in the industry is a source of pride, but above all, it's a huge responsibility. On one hand, there's the responsibility for continuously providing safe and high-quality meat products, ensuring they are always available when consumers look for them on store shelves or when our clients want to serve them to their guests (in restaurants or hotels). On the other hand, there's the responsibility towards the farms and growers we work with, to whom we provide stable incomes.

Thanks to us, they can support their families and grow their businesses. We are a committed partner and client for them, often also the main source of knowledge on best practices in technology, environmental protection, and biosecurity (protection against diseases). This is important because, in the meat market, we form one organism, and every link in our chain depends on the others and has a strong impact on the entire industry environment.



Bonin, Agri Plus



We are pleased that in the face of market challenges, the growers we work with have a stable financial situation, as well as access to the knowledge and practical solutions they need."



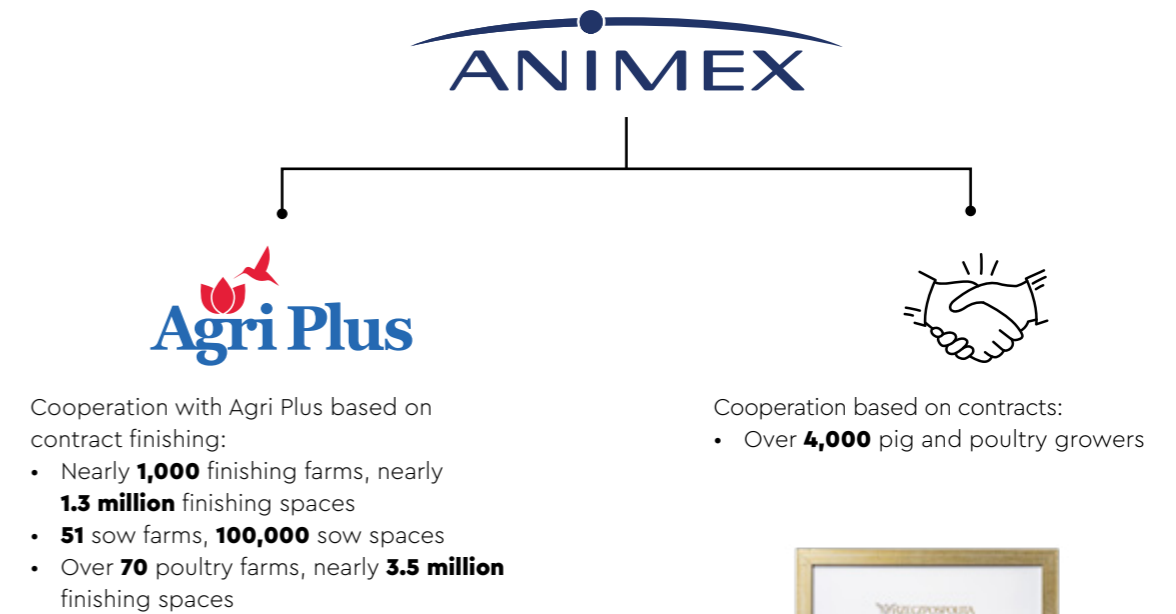
We cooperate with
5,000
Polish farms



We purchased
760,000 tons
of grain from Polish farmers



100% of Smithfield Polska raw material base comes from Polish growers



In business, we are the partner we would want to have ourselves

As a leader in the domestic meat market, we rely on steady, long-term cooperation with local pig and poultry growers. We offer clear and stable contracts, based on:

- Long-term cooperation;
- Favorable financial terms;
- Timely payments.

Additionally, we offer the growers we work with the support of our group of veterinary and animal science specialists. We also share our safety and production quality know-how with them.

We have solutions for producers who want to become independent from the constantly changing external factors and focus on breeding, as well as for those who would like to modernize their facilities with us or expand their operations.

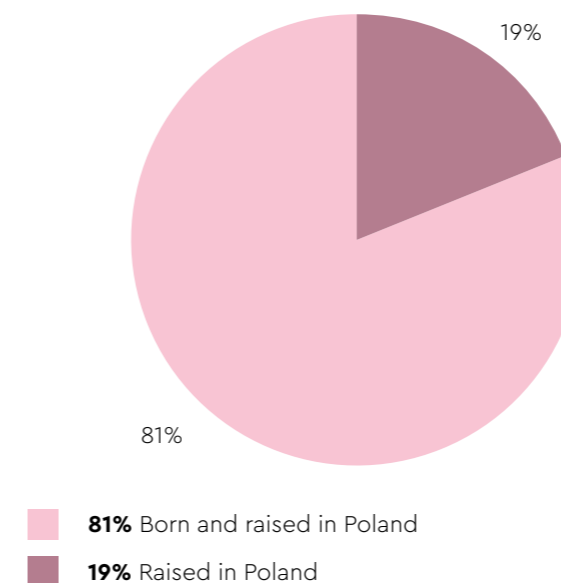
In turn, we can develop sustainably, maintaining quality control of processes and products 'from farm to fork.' We place special emphasis on:

- The quality of raw materials and products;
- Animal welfare;
- Environmental protection.

We are pleased that in the face of market challenges, the breeders we work with had a stable financial situation, as well as access to the knowledge and practical solutions they need. Our support allows breeders to overcome difficult situations.

Our goal is to create a large group of satisfied growers who, through continuous improvement of results, increase the income of their farms.

Origin of finishers in the Smithfield Polska group



RZECZPOSPOLITA

Animex Foods ranked #1 in the Rzeczpospolita 2000 list in the agricultural and food industry

The ranking conducted by Rzeczpospolita showcases a broad spectrum of companies, considering their activities and development across various industries.

The 2022 edition of the Rzeczpospolita 2000 list is intended as a snapshot of the economy after the critical events of the COVID-19 pandemic. This award is essentially a recognition of the Animex Foods employees who, in these difficult times, have shown tremendous commitment and responsibility in carrying out their tasks.



Gródki, Agri Plus contract farm



In 2022, our partnerships enabled over **5,000** Polish farms specializing in pigs and poultry to thrive.

Cooperation with Agri Plus as an answer to tough times

One of the cooperation models for swine growers with our organization is contract finishing.

The essential principles of our cooperation include:

- Partnership relations and honesty;
- Providing breeders with flexibility:
 - Complete freedom of choice – the grower can opt out or change the preferred model,
 - The possibility of refusing to stock animals without negative consequences,
- No long-term obligations of the grower towards Agri Plus resulting from financing or collateral;
- Impact on finishing performance – growers welcomed the model with a motivational bonus, and 90% of them chose GFM (an efficiency-rewarding cooperation model) instead of the standard arrangement;
- Regardless of the choice of the model, the grower always receives guaranteed revenue.

Terms of cooperation with Agri Plus

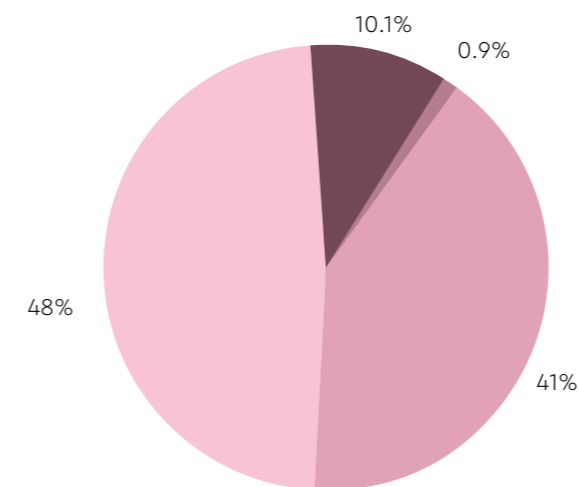
In contract finishing arrangements, Agri Plus takes on the most significant costs and market risks subject to unpredictable and radical changes, including:

- Cost of piglets;
- Feed costs;
- Purchase prices;
- Veterinary service costs.

The grower does not participate in the mentioned risks because Agri Plus fully covers them. In return, the company receives the highest quality Polish livestock for the Animex meat processing plants.

In contract finishing arrangements, Agri Plus bears 90% of the overall costs of producing finishers.

We take on the risk and costs



ON AGRI PLUS SIDE

- **48%** Feed costs
- **41%** Piglets costs
- **0.9%** Veterinary services costs

ON THE GROWER'S SIDE

- **10.1%** Other costs

Smoryń, Agri Plus contract farm



Thanks to cooperation with Agri Plus, I was able to raise four sons and afford to send them all to university. As a result, the young ones also want to farm because they see that it's good work; because today, the profitability of contract finishing is higher than it was a decade ago. All you need to do is meet the terms of the contract, work diligently, and be honest."

Feliks Kuna,
 grower cooperating with Agri Plus for many years



University of Warmia and Mazury in Olsztyn, Faculty of Veterinary Medicine

Thanks to our activities in 2022:

- 

Generated income of over **PLN 351.6 million** for those employed in the agricultural sector (indirect and induced effect);
- 

Produced over **PLN 1.9 billion** in added value in the agricultural sector (indirect and induced effect);
- 

In addition to employment at our plants and farms, nearly **4,000 jobs** were created among our agricultural sector suppliers;
- 

Purchased **760,000 tons** of grain from Polish farmers.

Sharing knowledge and experience

Being a leader in the agricultural and food industry is not only an honor but also a responsibility for the development of this sector. We ensure that Polish farmers, including grain producers and pig and poultry growers, grow alongside us.

At the same time, we focus on the development of our employees and support students and young people who see their future in food production, also engaging in events they organize. We regularly share our knowledge and skills with them. Such support is incredibly valuable to them, especially considering our extensive experience in reducing the incidence of animal diseases, such as ASF (African Swine Fever) and bird flu. In this area, we have conducted numerous trainings and lectures for various groups and developed a range of educational materials.



wprost

Smithfield Polska: best employer in the agricultural and food industry

At Smithfield Polska, we continuously strive to build the best relationships with our employees and develop cooperation with farmers, based on pillars such as safety, employment stability, and partnership. Being awarded the Best Employer in the Agricultural and Food Industry as part of the Golden Hundred of Polish Agriculture 2022 competition was an exceptional honor for Smithfield Polska, especially in light of the economic crisis caused by the pandemic and the armed aggression on Ukraine.

100
 ZŁOTA SETKA
 GOLDEN HUNDRED
 OF POLISH
 AGRICULTURE

Animal well-being commitment

Animal welfare is the foundation on which our company stands and grows. It's our license to operate and guarantees the high quality of products we deliver to millions of people. Therefore, we strictly:

- **Comply with European and Polish laws** and adhere to the **principles outlined in the Five Freedoms of animal well-being**;
- Comply with stringent internal policies on animal well-being set forth in our **Animal Well-being Policy**;
- **Provide training in animal well-being** to all employees who interact with animals, as well as the employees of our transporters who handle transportation;
- Ensure that in every facility veterinarians work alongside **Animal Well-being Officers** who oversee compliance with applicable rules;
- Provide comprehensive **veterinary support** to our growers; under the contract, veterinarians, veterinary technicians, and animal scientists extend comprehensive care over the growers' farms;

- Ensure sow farms are audited for compliance with animal well-being standards; our well-being audits also cover farrow-to-finish farms and poultry breeding farms.

We also focus on the continuous development of specialists already working with us, hence:

- We regularly organize training conducted by renowned experts in swine breeding from both Poland and abroad;
- We also fund doctoral studies and enable the achievement of veterinary technician qualifications and specializations.

We believe that the development of our specialists is the best investment in the company's growth, and their sharing of acquired knowledge positively impacts the entire industry.



Nowy Bukowiec, Agri Plus contract farm

Did you know that...



...we established our unique Agri Plus University to share knowledge about swine and poultry?

Agri Plus University is a specialized unit responsible for organizing conferences dedicated to swine, where representatives from the academic community, veterinary medicine students, veterinarians, swine growers, and industry company representatives can share their knowledge and experience.

After the COVID-19 pandemic subsided, we returned to holding conferences in person. Due to immense value and high interest, in September 2022, for the first time, the event was split into two days. As with previous conferences, world-renowned speakers were invited to deliver lectures. Participants discussed challenges facing the Polish swine sector and nutritional issues, among others.



In line with the 'from farm to fork' concept, every link in the food supply chain is crucial. To obtain a final product of the highest quality, we must source animals where breeding meets the highest welfare standards, and the diet consists of high-quality, safe feed made from selected ingredients.



It's essential to continually improve animal living conditions, utilizing scientific achievements. To this end, as an organization, we launched the Agri Plus University and closely collaborate with many institutes and universities to exchange knowledge and experience."

Paweł Gołębiewski, CEO of Agri Plus

Animal well-being according to the Five Freedoms includes:

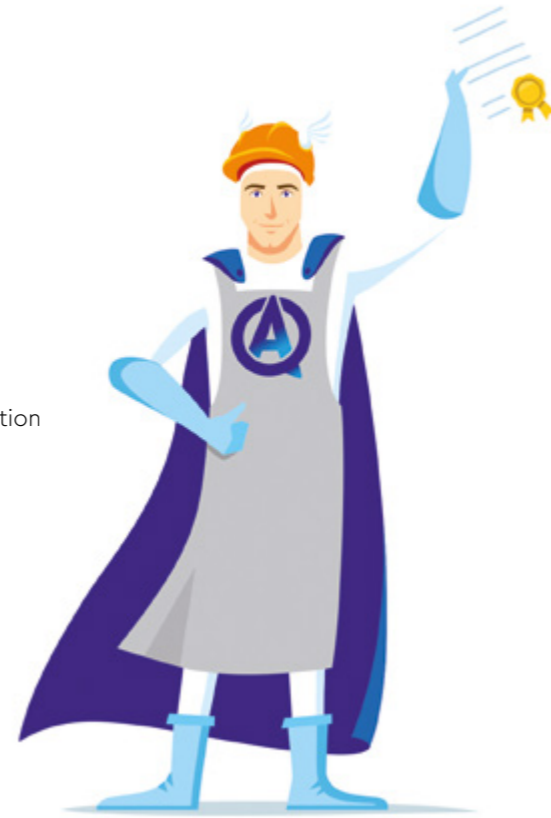
- 1. Freedom from hunger, thirst, and malnutrition**
By ensuring access to fresh water and food to maintain health and vigor
- 2. Freedom from distress and pain**
By providing suitable shelter and a comfortable resting area
- 3. Freedom from pain, injury, and disease**
Through prevention, rapid diagnosis, and treatment
- 4. Freedom to express natural behavior**
By providing sufficient space, proper facilities, and the company of the animal's own kind
- 5. Freedom from fear and stress**
By ensuring conditions and treatment that avoid mental suffering

These principles are benchmarks for our operations.

Food safety and quality culture

Maintaining safety and high quality of raw materials and the products derived from them are indisputable priorities at every stage of production 'from far to fork' for us. We ensure this through:

- Complying with the law;
- Rigorous procedures and internal standards throughout the supply chain;
- Testing conducted in our laboratories;
- External audits;
- Precisely formulated requirements for external suppliers;
- Increased (immense) focus on every employee's awareness regarding product safety and quality.



Morliny, Animex



The finest quality and most flavorful meat and cold cuts are the result of the dedication of our growers and the hard work of our team. Animex has been successfully operating in the market for over seven decades, and our acquired experience allows us to maintain stable forms of cooperation with business partners. Attention to process development at every supply chain stage influences the reputation our products enjoy, which meet the highest food safety and quality standards and are distinguished by a taste valued by consumers worldwide. Our goal is to develop the organization not only as a meat and cold cuts producer but also as a good neighbor and partner wherever we conduct our business.



Rafal Korus, CEO of Animex Foods



In the interest of feed quality, animal health, and safety

- **100%** of feed mills are certified to the GMP+ FSA standard;
- 12% of finishing farms have **Global GAP certification**;
- 13% of poultry finishing farms supplying raw material to the plant in Suwałki are QS certified.



In the interest of product safety and quality

- 100% of production plants implemented the **HACCP food safety assurance system**, in accordance with Codex Alimentarius: General Principles of Food Hygiene CXC 1-1969;
- **100% of our production plants have IFS Food and BRC Food certifications**;
- We operate **7 own laboratories** using modern research equipment to determine the content of protein, fat, water, salt, and the energy value of meat and its processed products;
- **We actively foster a culture of food safety and quality, therefore:**
 - We launched a new online platform for employees with access to key documents,
 - We have a virtual advisor called Qualitek, whose role is to remind employees of the rules and principles,
 - We organize initiatives such as the World Food Safety Day within the company.

Animex: an ambassador of Polish meat and its products worldwide


Animex was established 70 years ago as the Central Import and Export Agency for Animal Products, with the aim of exporting Polish products globally. Decades of experience in this field have reinforced our belief that the value and high quality of the food we produce are achievable because we prioritize what is Polish. That's why our operations are based on collaboration with local farmers and partners who provide us with the highest quality raw materials.

Moreover, the nature of our global structure and presence in other countries allows us to promote our traditional products almost everywhere in the world. Year after year, we are increasing our sales volume in foreign markets, even the most demanding ones. We are a leader in the export of both meat and its processed products.

Did you know that...

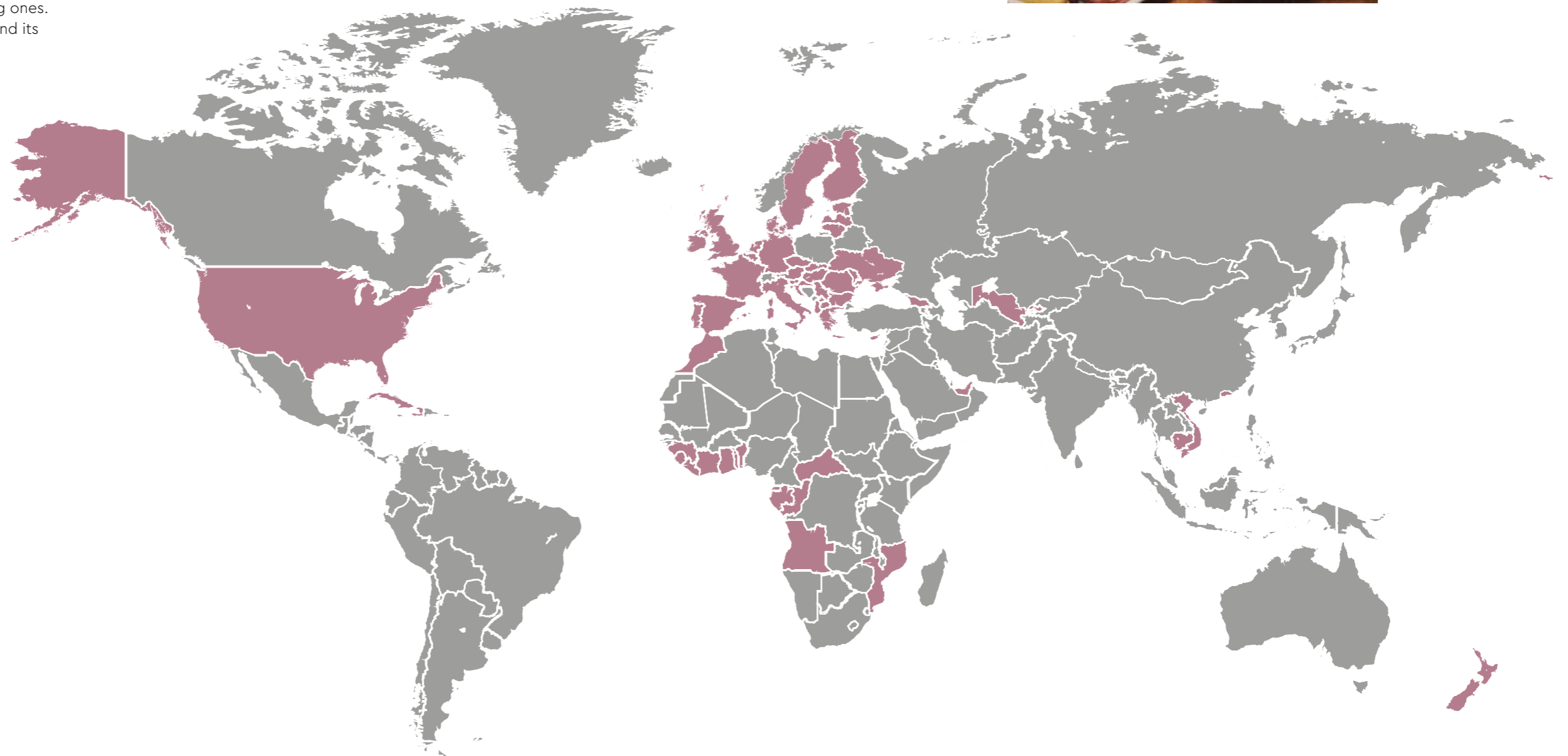
Currently, our products are available
In 67 countries
Across 6 continents



 In 2022, the value of our exports exceeded **PLN 4 billion**

Top 10 countries we export our products to:

1. **United Kingdom**
2. **USA**
3. **Romania**
4. **Germany**
5. **France**
6. **Slovakia**
7. **Hungary**
8. **Spain**
9. **Denmark**
10. **Hong Kong**



Investing in experience exchange for industry development

We firmly believe that investments in active participation in industry organizations and the exchange of experiences have a major impact on the future of our sector. With over 70 years of operation in the Polish market, our knowledge continuously expands, allowing us to specialize highly and deliver top-quality products.

As an active and equal partner in the market, we share our experiences, thereby influencing the industry's shape and setting new directions for the development of the food sector both domestically and internationally.

As the meat market leader in Poland, our companies actively participate in the works of industry organizations:



As Smithfield Polska, Animex Foods, and Agri Plus, we are also active at the European Union level, representing the Polish meat industry in:

- The European Commission (DG Agri) within:
 - Civil Dialogue Group on Animal Products – Poultrymeat and Eggs,
 - Civil Dialogue Group on Animal Products – Pigmeat,
 - Forecast Working Group on Poultry and Eggs,
 - Forecast Working Group on Pigmeat.
- International industry organizations:
 - AVEC,
 - CLITRAVI,
 - UECBV,
 - EDFA,
 - IDF.

Our actions to mitigate environmental impact

Why is this topic important to us?

To provide consumers with the highest quality meat, we manage and meticulously control the entire supply chain 'from farm to fork.' The quality of our products depends on the quality of the raw materials we use, which, in turn, directly depend on nature: soil quality, plants, air, water... Therefore, we take care of the environment from which we draw our strength, whose quality grants us the license to operate now and in the future.

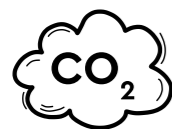
Faced with numerous challenges related to both access to natural resources and climate change, we are ready to more closely monitor our actions and those of our suppliers and continuously develop investments aimed at minimizing our impact on the natural environment.

Krąplewice, Agri Plus

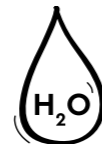


“

We manage and meticulously control the entire supply chain from farm to fork.”



We have reduced
CO₂ emissions by
14%



We have decreased
water usage by
16%

Water

For years, we have been taking steps to reduce water consumption in our production facilities.



At Agri Plus, we::

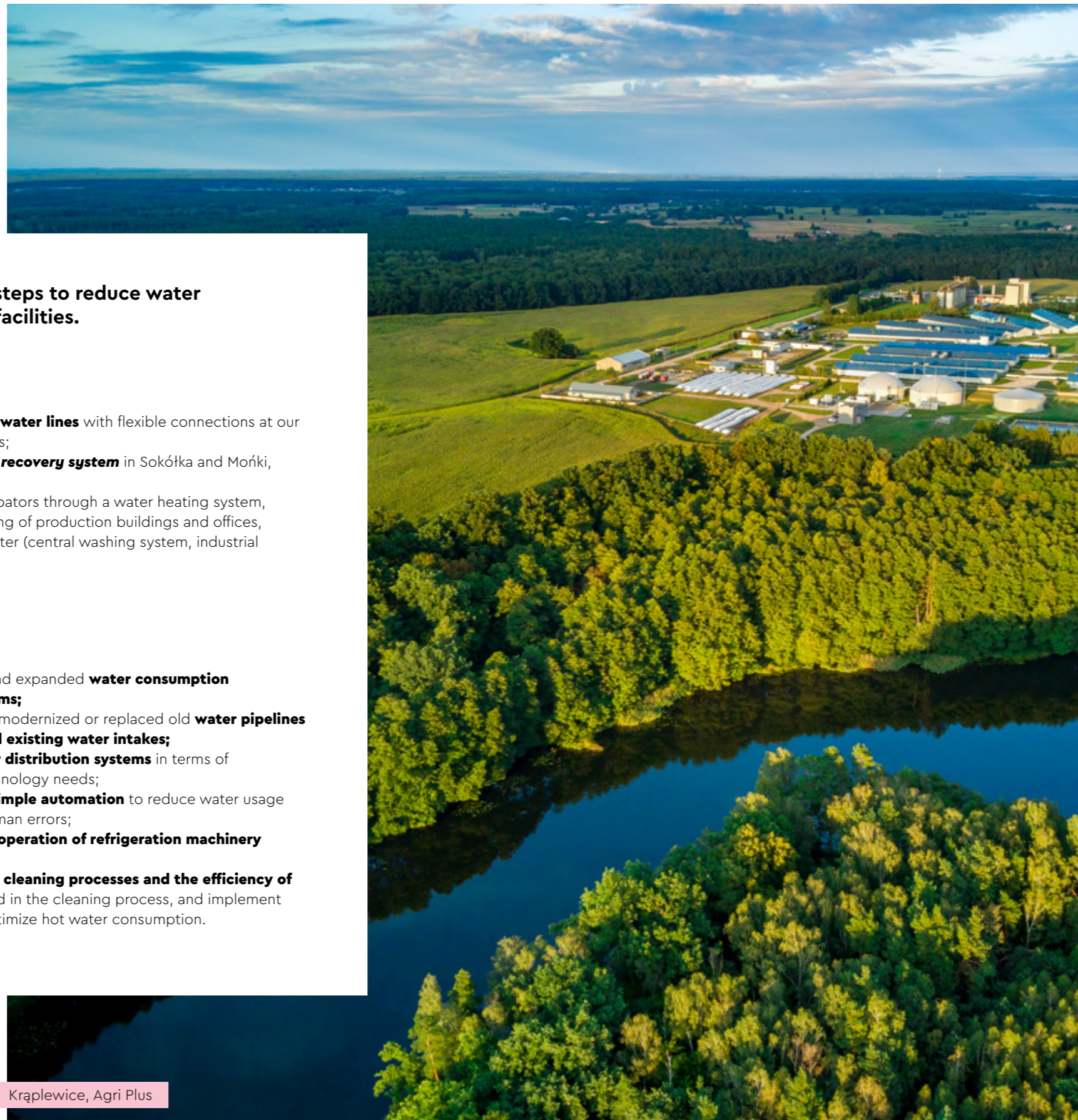
- **Replaced fixed water lines** with flexible connections at our own swine farms;
- Installed a **heat recovery system** in Sokółka and Mońki, used for:
 - Heating incubators through a water heating system,
 - Central heating of production buildings and offices,
 - Hot utility water (central washing system, industrial washers).*



At Animex, we:

- Implemented and expanded **water consumption metering systems;**
- Diagnosed and modernized or replaced old **water pipelines** and **refurbished existing water intakes;**
- **Analyzed water distribution systems** in terms of production technology needs;
- **Implemented simple automation** to reduce water usage and prevent human errors;
- **Optimized the operation of refrigeration machinery rooms;**
- Routinely **verify cleaning processes and the efficiency of devices** involved in the cleaning process, and implement measures to optimize hot water consumption.

Kraplevice, Agri Plus



In 2022, the **total volume of water withdrawn** amounted to

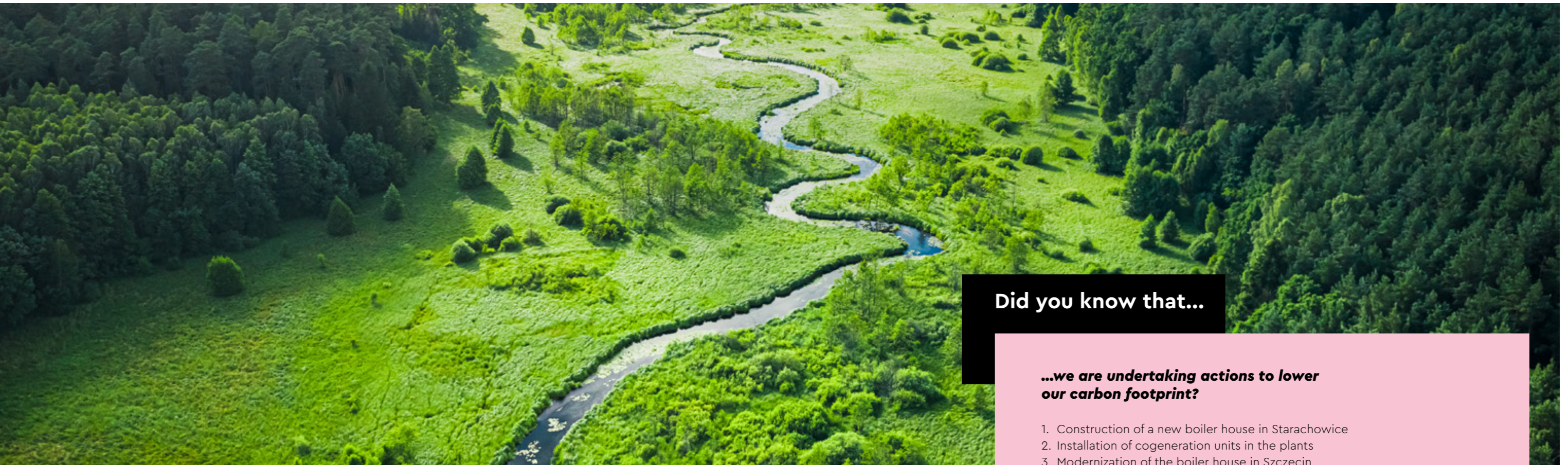
6,409,532 m³, including:

- **5,910,298 m³** at Animex
- **499,234 m³** at Agri Plus

In the coming years, we plan to:

- Continue and build on the actions undertaken so far;
- Design and construct closed water circuits for technological solutions and energy systems;
- Analyze methods and the feasibility of reusing gray water and rainwater in supporting processes (e.g., in fire protection tanks, for washing vehicles).

* This system saves energy that would otherwise be generated from burning heating oil. Additionally, the closed cooling system eliminated significant water intake and discharge into industrial sewers.



Did you know that...

...we are undertaking actions to lower our carbon footprint?

1. Construction of a new boiler house in Starachowice
2. Installation of cogeneration units in the plants
3. Modernization of the boiler house in Szczecin
4. Installation of dewatering units
5. Installation of economizers

Carbon footprint

We understand the importance of climate change and monitoring the emissions of greenhouse gases that affect the climate.

Together with Bureau Veritas, we calculated our organization's carbon footprint. This allows us to manage energy consumption and implement actions to minimize our carbon footprint.

We monitor emissions in accordance with the international GHG Protocol Corporate Accounting and Reporting Standard.

We have been measuring our direct (scope 1) and indirect (scope 2) emissions since 2020.

Animex	2020	2021	2022
Scope 1 + 2 [tons CO ₂ e]	285,823	294,113	285,526
Calculated per production volume [tons CO ₂ e/tons of product]	0.270	0.270	0.233

- The increase in greenhouse gas emissions in 2021 compared to 2020 was due to increased production and the launch of additional production lines.
- The decrease in eCO₂ emissions relative to production volume in 2022 compared to 2020–2021 was due to investments aimed at reducing the carbon footprint.

Agri Plus	2020	2021	2022
Scope 1 + 2 [tons CO ₂ e] Carbon footprint excluding emission reductions from sequestration	74,770	74,999	72,450
Scope 1 + 2 [tons CO ₂ e] Carbon footprint including emission reductions from sequestration	54,464	46,173	45,477

Our production at Agri Plus is primarily based on cooperation with growers, so the vast majority of the carbon footprint is contained in other indirect emissions (scope 3). For the accuracy of the data we publish, in the case of Agri Plus, we do not show emissions calculated per production volume.

- The increase in greenhouse gas emissions in 2021 compared to 2020 (excluding emission reductions from sequestration) was due to increased energy consumption due to the armed conflict in Ukraine.
- Thanks to continuous investments aimed at replacing equipment with more energy-efficient alternatives and initiatives to reduce fuel consumption, particularly coal and coal dust, by transitioning from solid fuel heating to gas fuel heating, we recorded a decrease in greenhouse gas emissions from direct emissions in 2022 compared to 2020 and 2021.

Environmental protection at sea

As we pursue sustainable development in our operations, we believe our mission extends beyond just food production and distribution. We aim to be a catalyst for social and ecological change. Hence, we continue our involvement in various projects that have a tangible impact on environmental protection, always seeking new solutions and partners for their implementation at every stage of our business.

As a leader in meat product exports, we utilize various transportation methods, including maritime shipping. Our collaboration with CMA CGM and a shared openness to modern technological solutions have enabled us to transport our products in a more environmentally friendly way. Thanks to the carrier's years of research and development, in 2022, we decided to export our products using container ships powered by alternative fuel sources (a blend of LNG with biomethane from renewable resources). This solution provides a 25% reduction in carbon dioxide, 99% in sulfur oxide, 92% in nitrogen oxide, and 91% in particulate matter.

Furthermore, we co-finance CMA CGM's projects aimed at offsetting the carbon footprint generated during the maritime transport of our products.



By transporting our products on eco-friendly vessels, we managed to reduce our carbon footprint by **132.55 tons** in 2022 alone.

By co-financing a portfolio of projects led by CMA on our behalf, we offset 398 tons of CO₂. The project we participate in involves planting traditional fruit tree species (in this case, the kosztela apple variety). This initiative focuses on planting traditional varieties of fruit trees, such as the kosztela apple variety, contributing to the conservation of indigenous tree types and supporting local communities.



Kutno, Animex



In 2022, **total electricity consumption** amounted to **309,019.17 MWh**, including:

- In Animex **268,367.56 MWh**;
- In Agri Plus **40,651.611 MWh**.

Electrical energy

In recent years, we have invested in energy systems that significantly impact our electric energy consumption profile, including:

- Modernizing **refrigeration rooms**;
- Replacing compressors and refurbishing **compressed air** transmission installations;
- Purchasing **air dryers**;
- Upgrading **heating in social facilities** (Turostowo and Parcz farms);
- Continuing the implementation of **production line automation systems** at the feed mill in Szamotuły;
- Upgrading **fat storage heating**;
- Modernizing **ventilation systems**;
- Replacing **engines in feed mills**;
- Gradually implementing GEM (Gardner Energy Management) dehumidifiers;
- Switching to **LED lighting**.

Between 2020 and 2022, the Energy Regulatory Office awarded us **white certificates with a total value of over 794 tons of oil equivalent (TOE)**.

We are already taking steps that will significantly reduce electric energy consumption in the near future, including:

- A pilot project implementing two-stage energy recovery technology from combined energy sources (cogeneration) in Suwałki;
- Analyzing the possibility of purchasing green energy from the free market;
- The Animex Energy Transformation pilot program in Szczecin and Suwałki, aimed at optimizing and reducing emissions in energy-related area.

Fuel and refrigerants

Natural gas

Over the past six years, we have also made many investments aimed at reducing gas consumption.



At Agri Plus, our actions included:

- Conducting roof modernizations in the feed mill at Czarne Małe;
- Implementing a water treatment system in the feed mill at Zamość, which allowed us to achieve gas consumption savings of approximately 15% compared to consumption before the reverse osmosis system was introduced;
- Upgrading the insulation and energy efficiency of livestock buildings in Grodziec;
- Investments in thermal modernization of social buildings on farms: Byszkowo, Radziejmy and Parcz;
- Implementing solutions to optimize production processes in six feed mills, which led to an 8.3% decrease in gas consumption per ton of produced feed.

Meanwhile, at Animex, we focused on:

- Implementing and developing systems for measuring media consumption (hot water, steam, heat losses, technology demand);
- Applying heat recovery technologies to reuse heat for our own boiler house and to generate energy for technological solutions;
- Implementing systems that reduce energy losses at energy distribution points (additional insulation jackets on collectors and main steam valves in boiler rooms and distribution points);
- Gradually implementing GEM (Gardner Energy Management) dehumidifiers;
- Optimizing the operation of systems using thermal energy in energy areas (ventilation, refrigeration, central heating).

Currently:

- At Agri Plus, we have started building biogas plants and are planning to modernize boiler and compressor facilities;
- At Animex, we are planning the thermal modernization of buildings, installation of cogeneration systems, heat recovery systems, and new GEM dehumidifiers.

Coal

In the past six years, we have executed numerous initiatives aimed at reducing coal consumption in Smithfield Polska, including:

- Purchasing fuels with the highest possible calorific value at a constant price;
- Introducing additional, cyclic diagnostic activities to assess the efficiency of boilers and steam installations;
- Modernizing boiler rooms and steam installations and introducing a series of restrictions to prevent their partial malfunctions, which generate significant energy losses;
- Conducting audits by external companies regarding the possibility of installing GEM type dehumidifiers.

We are currently undertaking further work to reduce coal consumption in the group, including:

- Developing an energy plan aimed at, among other things, the elimination of coal-fired boiler rooms;
- At Animex, implementing an energy project related to the modernization of coal-fired boiler rooms and the construction of a gas boiler room in Starachowice (with the investment completion planned for 2023) and analyzing the implementation of a similar project in Etk.

Refrigerants

To prevent the release of ozone-depleting substances and high global warming potential substances (CFCs) due to cooling and freezing, we mainly use ammonia as a refrigerant in our facilities. This choice is driven by ammonia's negligible impact on the ozone and its minimal contribution to global warming.



Starachowice, Animex

Packaging

In recent years, Animex has embarked on a series of actions aimed at protecting the environment and our planet. Sustainability and environmental protection are key factors in the design and selection of our packaging.

Since 2018, we've been reducing the weight of packaging we introduce to the market. Our initiatives in this area are carefully planned and executed in close collaboration with our customers (such as retail chains) and packaging suppliers. The following steps are taken for the sake of the environment and the future of our planet:

- At the packaging design stage, we focus on creating environmentally friendly packaging from materials with the simplest compositions that can be recycled in the future. Designing optimal packaging also helps minimize waste, like plastics, cardboard, and paper;

- We are reducing the amount of plastic in our packaging (trays, films, and other plastic materials), thereby reducing the amount of plastic released onto the market;
- We are cutting back on unnecessary packaging features and enhancements where they are not essential, significantly easing the recycling process in the long run;
- We are introducing onto the market environmentally friendly packaging made from mono-materials designed for recycling;
- We are reducing the use of materials produced with carbon-based dyes, which prevent material recycling. Black carbon pigment absorbs light from the light sources used in plastic sorting facilities, preventing the type of polymer used from being identified by sensors, and as a result, the material does not go to recycling;
- We prioritize purchasing packaging materials made using water-based, environmentally friendly inks;



Kutno, Animex

Morliny, Animex



Did you know that...?

...an important feature of the mono-material packaging we release to the market is that each component is made from the same type of material.

This eliminates the need for manual separation of packaging layers and reduces the risk of contaminating the recycling stream.

- We are adding labels on packaging to help consumers sort packaging waste;
- We are committed to modern technologies in packaging production. Modern technologies and innovative solutions reduce the use of solvents, paints, and other substances that have an adverse effect on the natural environment;
- The application of innovative technologies and materials also leads to lower electricity consumption and reduced waste amounts;
- We are designing cardboard packaging using recycled materials;
- We are replacing bleached cardboard with unbleached cardboard.

Second life of raw materials

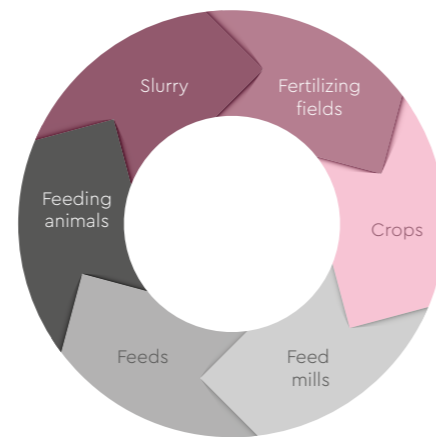
In our organization, we focus on the efficient use of animal by-products (ABPs), developing new directions and methods for their application. Currently, raw materials not intended for human consumption are passed on to our partner companies, which process them into products such as pet food, feed for farm animals, fertilizers, biogas, and bio-components for the fuel industry.

The slurry generated on our farms is utilized for:

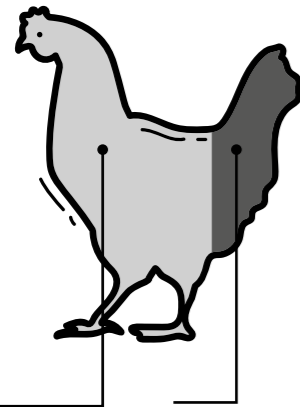
- Fertilizing fields cultivated by Agri Plus;
- Agricultural use by farmers we cooperate with;
- Biomass in biogas plants.

This approach enables us to achieve circularity in this area. Poultry slurry produced on farms is utilized by the farmers we work with.

In 2022, a separate department was established with the goal of optimizing the use of animal by-products and building the processes necessary for future in-house processing of ABPs, which will improve environmental impact, such as optimizing energy use and minimizing raw material transport.



POULTRY*

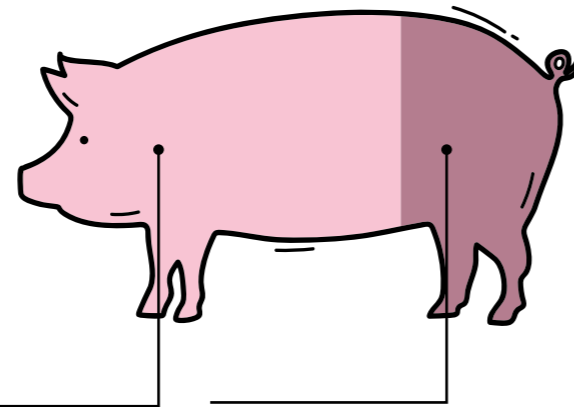


72% – Meat intended for human consumption;

28% – Raw material for by-products, including:

- **13%** – Products for feeding pets and farm animals,
- **5%** – Organic fertilizer,
- **10%** – Biomass, biodiesel, and technical fat.

SWINE*



71,5% – Meat intended for human consumption;

28.5% – Raw material for by-products, including:

- **6%** – Products for feeding pets and farm animals,
- **3%** – Wet pet food,
- **1.5%** – Organic fertilizer,
- **6%** – Casings (Asian market),
- **3%** – Pharmaceutical heparin,
- **6%** – Gelatin and fats,
- **3%** – Biomass.

* The graphic presents a general outline and estimated values

Did you know that...

...we engage local communities in caring for the natural environment?

Annually (the pandemic being an exceptions), we organize:

- **World Water Monitoring Day***, and
- **World Clean Up Day**,

in which we also engage students and local government representatives.

Since 2007, about 8,000 people have participated in our events, with whom we have shared knowledge about the natural environment and invited them to act together for its protection.

A significant recognition for our educational and community engagement efforts came in 2012 when Animex Foods was awarded the Water Champion Award Europe by the International Water Association for our extensive WWMD initiatives across Poland.

Caring for the natural environment in which we live and work, we have implemented, maintained, and continuously improve an Environmental Management System based on the **PN-EN ISO 14001:2015 standard and earlier versions**. The Environmental Management System was first implemented and certified in Animex in 2012, and in Agri Plus almost 17 years ago.

In 2021, Animex facilities K1, K2, and K4 in Kutno, and K3 in Daszyn joined the certification scope. Moreover, Animex and Agri Plus facilities hold a certificate from the leading certifying body Bureau Veritas Polska.



Kętrzyn, Agri Plus

* We celebrated it as part of the EarthEcho Water Challenge Program.

Our social impact

Why is this topic important to us?

As the domestic meat industry leader, we work every day with our consumers in mind, throughout the entire supply chain 'from farm to fork.' Our responsibility is to produce food sustainably and to share the fruits of our labor with those in need. We are not only the largest employer in the agricultural and food sector, providing a stable and reliable source of income for over 11,000 families, but also a solid partner for more than 5,000 farms, a customer of many local companies, and a good neighbor to the residents of the regions where our facilities are located. People are our driving force, motivation to act, and inspiration. We listen to the needs of our environment and openly discuss them. Social responsibility is one of the fundamental principles that guide us in our daily work.

As a food producer, we support those in dire need, for whom providing meals for themselves and their loved ones is a significant challenge. In this area, we regularly collaborate with organizations such as Food Banks. After the onset of Russia's invasion of Ukraine, we took active measures to help the citizens affected by the war. We are also eager to support young, talented, and ambitious individuals by offering scholarships funded by our Foundation.

Daszyna, Animex



We help where our engagement is needed and can lead to real improvements, for individuals, their families, and entire communities."

Smithfield
Polska



216 tons of products donated to those in need



430 pupils and students receiving scholarships



Daszyna, Animex

Different People. Different Skills. One Goal.

As the largest employer in the Polish agri-food sector, we ensure safe employment conditions for our workers based on employment contracts, timely payments, opportunities for development, and invest in building a diverse, committed, responsible, and professional team.

Employment structure by gender at different job levels

	Women	Men
All roles	51%	49%
Management Board	56%	44%
Director	25%	75%
Manager	51%	49%
Supervisor	26%	74%
Foreman	37%	63%
Other	53%	47%

Together, we are more than 11,000 people and, though we work across many locations and different stages of the supply chain, we are united by one goal and a common mission:

By acting responsibly, we build a stable organization that develops based on the growing skills and competencies of our employees."

Smithfield
 Polska



wprost

Best employer of 2022

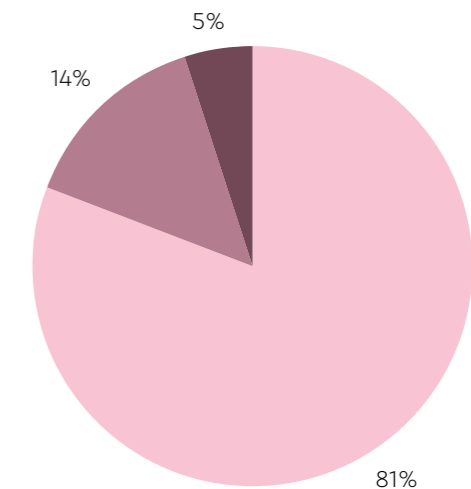
We consistently implement a personnel strategy that values diversity, skills development, competence, and leadership. This was also recognized in 2022 when, as Smithfield Polska Group, we were announced the **winner of the ranking of the 50 best employers organized by the editorial team of the weekly magazine Wprost.**

The competition took into account aspects of HR policy such as employment stability, pay growth, fringe benefits, and the level of dismissals.

Employment structure by age at different job levels

	<30	30-50	>50
All roles	18%	52%	30%
Director	1%	72%	27%
Manager	8%	74%	18%
Supervisor	6%	68%	26%
Foreman	12%	62%	26%
Other	19%	50%	31%

Employment structure by nationality



81%	Polish	9,072		
14%	Ukrainian	1,607		
5%	Other:			
	Georgian	289	Pakistani	1
	Moldovan	87	Armenian	1
	Belarusian	62	Slovak	1
	Nepali	17	Hindu	1
	Azerbaijani	7	Bulgarian	1
	Indonesian	5	Italian	1
	Filipino	4	Nigerian	1
	Russian	3	Romanian	1
	Vietnamese	2	Albanian	1
	Czech	2	Kazakh	1
	Nigerian	2	Uzbek	1
	Lithuanian	2	German	1
	Zimbabwean	1	Hungarian	1

We focus on development

We place great importance on the quality of education within the organization:

- **By fostering a culture of on-the-job training**, we have enabled 1,170 Animex production employees to participate in specialized internal training since 2017, with 354 completing such programs in 2022 alone;
- **We have implemented internal training systems** for skilled workers and managers of key areas.

We conduct regular employee opinion surveys. Drawing from the feedback, we raise the level of satisfaction and engagement of employees in the company and encourage our team to drive changes in their work environment.



We also develop cooperation with universities and high schools. We invest in the development of young people who are just learning a profession and gaining their first practical experience. We believe they will be the ones to influence the sustainable development of our industry in the future. That is why, as part of our cooperation with selected universities, we offer:

1. **Internships at our farms** provide students the chance to engage in specific professional tasks, guided by our veterinarians. In 2022, we had 30 participants in this enriching program;
2. **Collaboration on administering protective vaccinations** for swine and poultry;
3. **Series of lectures and practical sessions**, including clinical internships that delve into swine diseases;
4. The opportunity to participate in **activities offered by Agri Plus University**;
5. Student internship at our facilities, during which students are able to work with an experienced team and execute project;
6. Meetings with students and university authorities.



Rożnowo, Agri Plus contract farm



As a result of these activities, 258 improvement initiatives were implemented in 2022."

Smithfield
 Polska



Suwalki, Animex

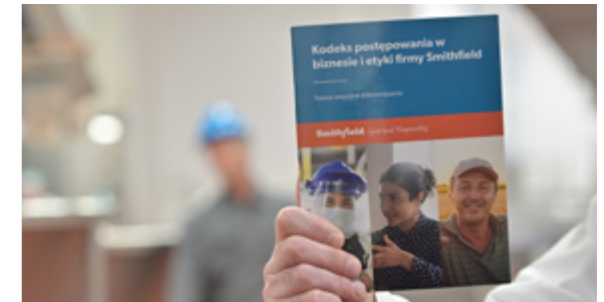
Our ethical values

At the core of our organization, we build on values shared across the board and high ethical standards encapsulated in our internal procedures, ensuring that as a company, we operate within the law and mitigate compliance risks.

- As a Sedex (Supplier Ethical Data Exchange) member, our production facilities undergo SMETA audits and other ethical audits requested by our clients;

- We adhere to the Smithfield Code of Business Conduct and Ethics and the Procedure for Reporting Code Violations;
- For years, we've maintained a confidential, anonymous system for reporting violations of the Code of Business Conduct and Ethics. In each facility, an Ethics Officer our principles are respected;
- Our comprehensive internal systems and detailed documents help us counteract corruption;

- We run an extensive training program on ethical standards;
- Our company values competence and dedication, so we have zero tolerance for any form of discrimination based on origin, gender, age, religion, or disability.



Żabin, Agri Plus



Executive Club

In 2022, we emerged as winners in the Social Responsibility **Leader category at the Sustainable Economy Diamonds** contest.

This award is given to an 'entity that shows care for its employees, engages in social and charitable activities, and stands out for high business conduct standards, especially in integrity and honesty.'

Moreover, Smithfield Polska was also nominated in the Business Ethics Leader category.

Smithfield Polska Zygmunt Piwoński Foundation

Established in September 2007, our Smithfield Polska Foundation in memory of Zygmunt Piwoński aims to support youth education by providing financial aid through scholarships to talented students who excel academically and in extracurricular achievements.

The funding is offered to children of employees from the Smithfield Foods group in Poland with at least one year of service (full 12 months) and children of farmers collaborating with our organization.



Since its establishment, the Foundation has awarded over **4,000 scholarships** for a total amount of nearly **PLN 9.7 million;**



For the 2022/2023 academic year, **430 scholarships** were granted (287 to pupils and 143 to university students) with a total payout of **PLN 960,100** for the year;



In the previous academic year 2021/2022, **470 academic scholarships** were awarded, amounting to a total of **PLN 1.05 million.**

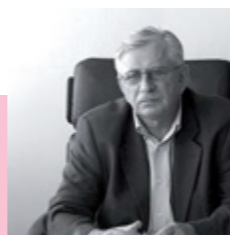
Did you know that...

...our Foundation is named after an employee of the Starachowice Plant?

Zygmunt Piwoński, our former employee serving as the Raw Material and Trade Advisor to the President, was known for his openness, social and charitable involvement, and collaborations with institutions aiding people in need. Throughout his career, he executed numerous projects that enhanced the understanding of cooperation between the meat plant and farmers, creating stable conditions for pig production in the region through direct, long-term contract cooperation with breeders, collaboration with local banks, and providing quality feed to farmers.

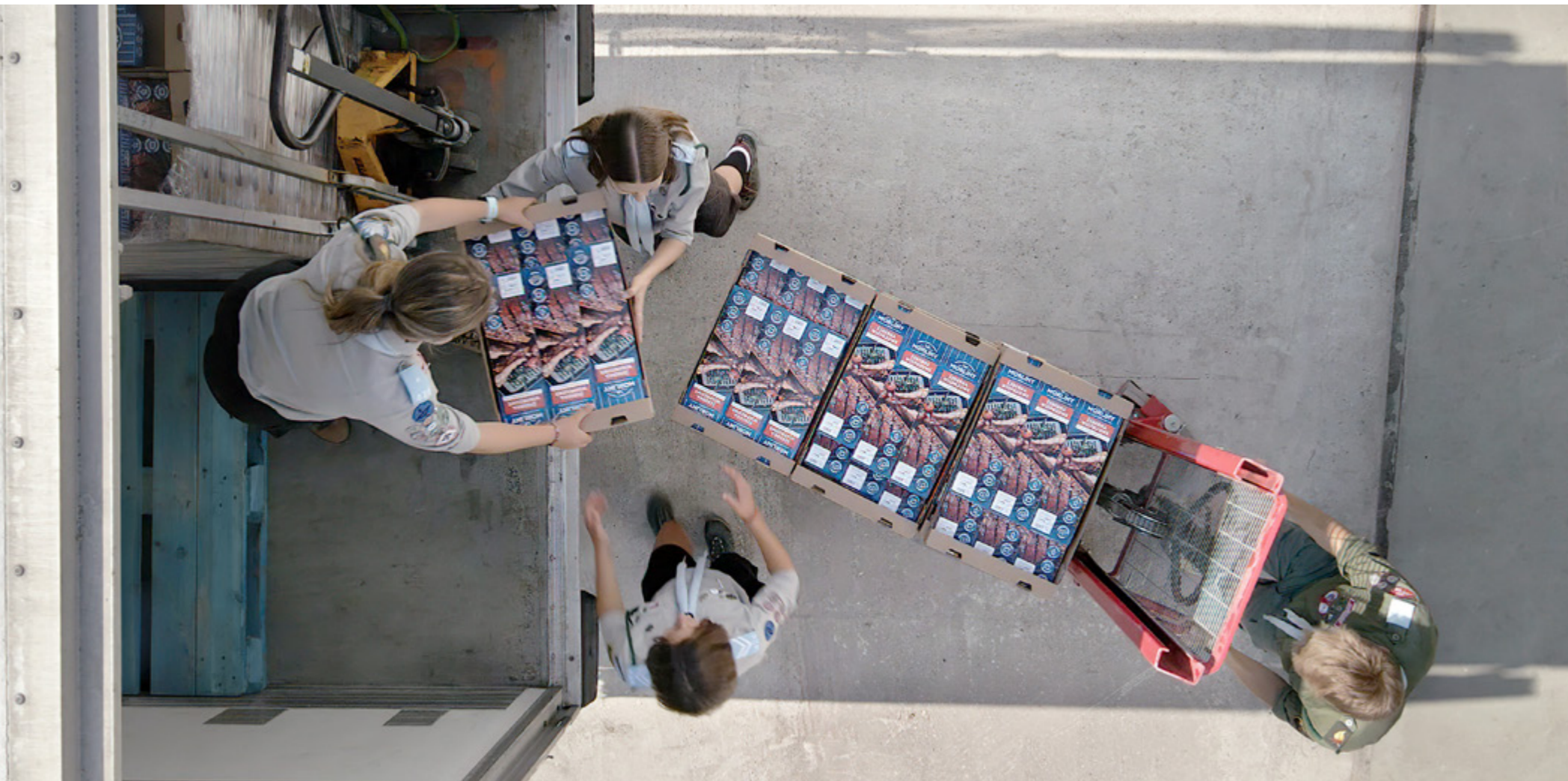
Zygmunt Piwoński tragically passed away in a car accident on his way to work in May 2007.

We are proud that our Foundation carries his name.



Warszawa, Smithfield Polska





Initially, our company was donating about 3 tons of food products per month to a regional food bank.

By the end of 2021, we had sent about **30 tons** of food there in total;



Additionally, we donated **119.87 tons** of products valued a **PLN 1,345,850.95** to Ukrainian citizens affected by the war;



In 2022, we significantly broadened our collaboration to include more Food Banks, through which we donated **96.13 tons** of products valued at **PLN 1,171,931.01** to those most in need;



In total, in 2022, we donated **216 tons** of products valued **PLN 2,517,781.96**.

Providing food for those in need



In Poland, 1.6 million people live below the extreme poverty line, meaning they have less than PLN 692* for monthly expenses, which equates to approximately 23 PLN per day. As a producer of meat and meat products, which are essential sources of protein, we cannot ignore these stark figures. Hence, we share our products with those in need.

For many years, our company has been actively supporting Food Banks. In 2021, we centralized and streamlined this collaboration, enhancing our capacity to extend food assistance, an effort we continuously seek to expand.

Did you know that...

...through Food Banks, we ensure our food aid reaches those most in need?

In Poland, 31 non-profit organizations form the Federation of Polish Food Banks, distributing food assistance to soup kitchens, orphanages, hospices, shelters, youth centers, and other entities aiding the underprivileged. Food Banks not only collect and distribute food to those in need but also engage in educational initiatives to highlight food waste as a worldwide problem (annually, Poland discards 4.8 million tons of food).

The mission of the Food Banks aligns with our goal of providing nutritious, safe food and our sustainable development vision that leaves no room for food or resource waste. Therefore, we are committed to expanding our partnership in the years to come.

* <https://bankzywnosci.pl/o-bankach-zywnosci/informacje-ogolne/>

Aid for Ukraine

In 2022, our efforts focused on supporting Ukrainian citizens affected by the war.

Since the outbreak of armed aggression in Ukraine, Smithfield Polska immediately took active measures to support local communities there.

By the end of 2022, we provided our eastern neighbors with:

- around **120 tons** of meat products worth over **PLN 1,345,850**;
- more than **2,800** bedding items valued at around **PLN 130,000**, collaborating with about 50 public benefit institutions and organizations.

POMAGAMY

Additionally, at virtually all our locations, our employees spontaneously organized collections of goods and offered various forms of support to their Ukrainian colleagues and their families.

This unprecedented, extensive aid campaign was possible thanks to the immediate decision of the Smithfield Polska authorities and the commitment of hundreds of employees who, driven by the desire to help, actively participated in it.



Cherson, Ukraine

We are eager to engage in charitable actions

We actively engage in projects that benefit aid organizations, contributing to initiatives where proceeds go to those in need. Sylwia Ryszczuk, a Board Member of Animex Foods, along with 12 well-known and respected women in business, participated in the Stars' Calendar initiative.

The proceeds from this project were donated to the **SOS Children's Villages Association**. As part of this campaign, we also funded holiday packages that were auctioned off during a charity gala.

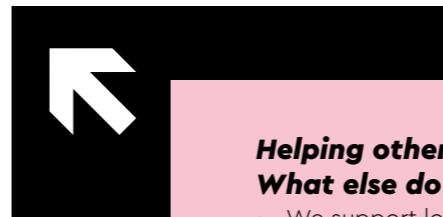


Sylwia Ryszczuk
członek zarządu Animex Foods

Jakub Kacner
aktor, prezenter osobowość medialna

Listopad 2023

PN	WT	ŚR	CZW	PT	SOB	ND	PN	WT	ŚR	CZW	PT	SOB	ND
		1	2	3	4	5	6	7	8	9	10	11	12
13	14	15	16	17	18	19	20	21	22	23	24	25	26
27	28	29	30										



Helping others has become a permanent part of our activities. What else do we do?

- We support local communities, including charitable organizations;
- We partner with and sponsor sports activities for children and youth;
- We initiate and support environmental and educational activities among children and youth;
- We subsidize schools in our regions of operation (educational aids, books, sports and cultural activities);
- We support initiatives aimed at children and youth from groups at risk of social exclusion;
- We sponsor social organizations and public utility entities such as Volunteer Fire Brigades and organizations and associations working for the development of local communities.

Smithfield
Polska


Agri Plus


ANIMEX

www.smithfield.pl

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