



Arrebeef

Feeding the world sustainably

SUSTAINABILITY REPORT 2023





Hugo Alberto Borrell
Chairman of the Board of Directors

Opening Message

We are proud and glad to present Arrebeef's first Sustainability Report.

We are an Argentine company with over 100 years of experience in the sale of beef, aiming to do the same but differently. We have understood that sustainability is the gateway to a better future for the next generations.

We intend to feed the world in a sustainable way. In this regard, we were pioneers in the meat-packing industry by creating the first biogas plant which converts the organic waste from our production processes into renewable electric energy.

Driven by this innovation, we have developed a five-year Sustainability Plan and Strategy (2023 - 2027), which is aligned with the Sustainable Development Goals and commits to the most important issues for our business and stakeholders: Sustainable Production, Environment, Human Capital and Community, and Governance.

Throughout this Report, we present the Plan, share these commitments and outline the progress made to date, including indicators that reflect our performance for the year 2023.

In a complex local context for the industry, we have managed to increase our production levels with a sustainable approach.

We promote initiatives that contribute to the economic, social and environmental development of our community as well as we ensure animal welfare and the quality of each of our products.

We believe in the collaborative work with our entire value chain by taking care of relationships and boosting actions with a positive impact with team members, suppliers, and customers. In every decision, we intend to ensure business ethics and respect for human rights.

Committed to the environmental care, we work on the reduction of energy consumption, the water footprint, the waste and the greenhouse gas emissions. Furthermore, we promote internal innovation in order to optimize our processes and become more efficient in the use of new technologies.

To achieve these goals, it is essential to have a good work environment and a highly skilled team; therefore, we continue to invest in the training and well-being of our team members. Through the Employee Assistance Program (PAE for its Spanish acronym), we work on four key areas: inclusion, education, gender and diversity, and problematic consumption.



Hugo Alberto Borrell (h)
Vice-chairman of the Board of Directors

Our commitment to education also spreads to the communities around us. Together with educational institutions, we collaborate with supplies, receive students' visits to our industrial plant on a regular basis and carry out a professional practice program aimed at the last year of secondary school, and internships for higher education.

This report comes with the launch of our new corporate identity. We have decided to renew our business in order to highlight the value of our environmental, economic and social commitment, which makes us a dynamic company that adapts to change and is constantly changing towards sustainability.

We invite you to read the following pages in order to get to know how we work. We want to especially express our gratitude to our team members, suppliers and customers who contribute every day to help Arrebeef become increasingly more sustainable.

Hugo Alberto Borrell
Chairman of the Board of Directors

Hugo Alberto Borrell (h)
Vice-chairman of the Board of Directors



01

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About
Arrebeef





Who we are



We are an Argentine company **leader in the production and commercialization of beef and beef by-products.** With over **100 years of experience**, we excel because of our commitment to sustainable processes and quality.

Our extensive experience has enabled us to satisfy the most demanding national and international markets as well as to guarantee the excellence and food safety in every product.

100 YEARS OF HISTORY

Over 100 years ago, Mr. Jaime Borrell and his family started to sell beef in a small butcher's shop located within the Province of Buenos Aires. Since then and throughout the following generations, that business venture has grown and evolved to become what today is Arrebeef S.A.

The company is still run by the Borrell family, who keeps the entrepreneurial spirit of its founder intact and keep the values which allow them to stay so long in the market.



Mr. Jaime Borrell and his family start the commercialization of beef with a small butcher's shop located within the Province of Buenos Aires.

1921



A meat-packing plant is acquired in Pérez Millán and Arrebeef is created as an exporting beef company.

1996



Arrebeef Energía is created, which is the plant that generates renewable energy out of the organic waste from the meat-packing plant.

2017



Hugo and Osvaldo Borrell, grandsons of Mr. Jaime, lead a business venture that grows in the beef supply in a large part of Argentina.

1980



Arrebeef acquires a meat-packing establishment of Cycle 2, located in Escobar.

2008



With over 100 years of history, we renew our identity for a better future.

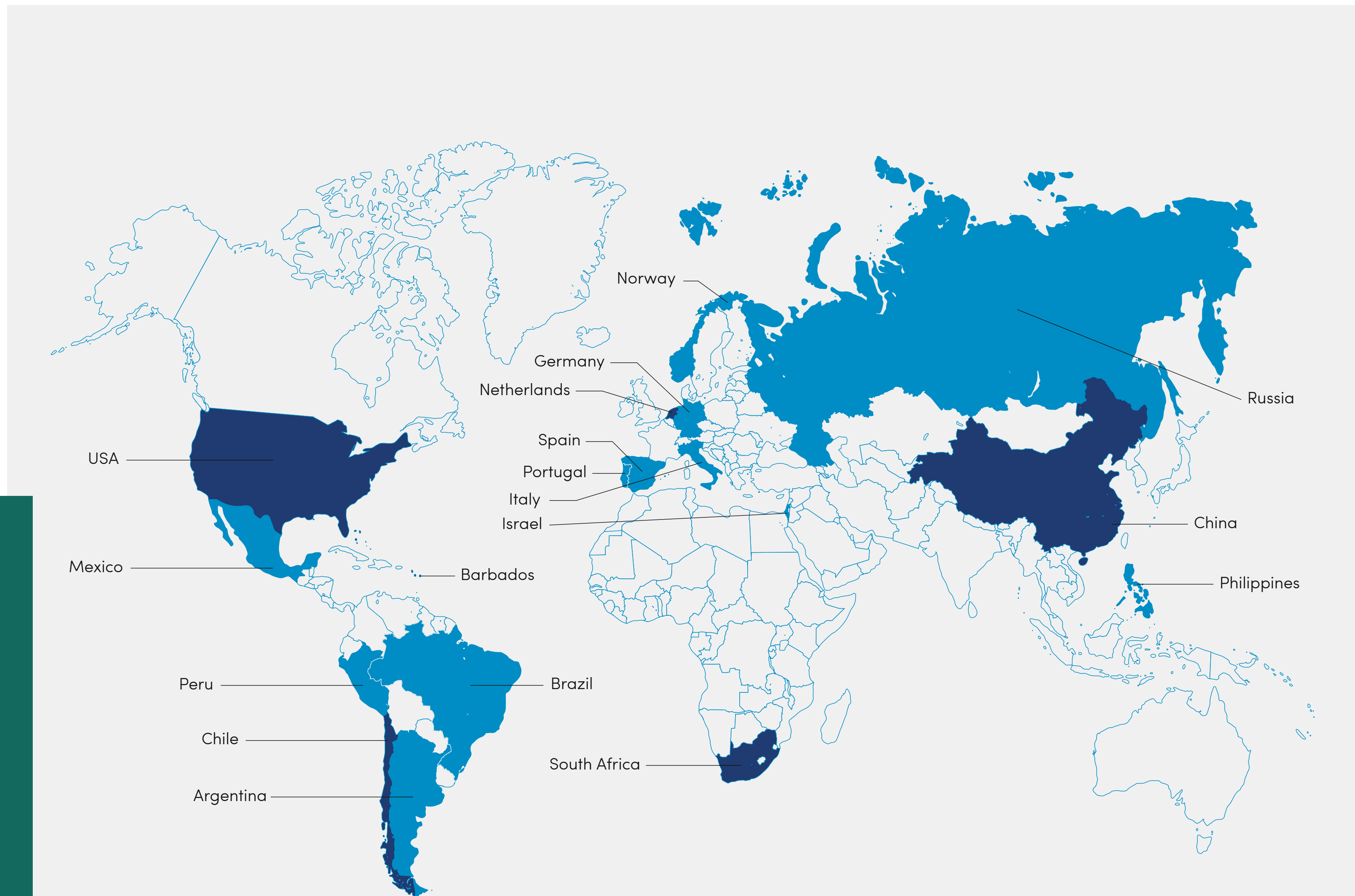
2023/2024

Our Business

Our main activity is the production of beef cuts and beef by-products, either chilled or frozen, which meet all the standards of the most demanding global consumers.

In 2023, we exported over 52 thousand tons of beef to 17 countries.

In turn, we sell products for domestic consumption in Argentina. In 2023, we sold **431623 flank units** (bone-in beef cut of the forequarter which encompasses the whole rib plate) and **over 2980 tons of bone-in and boneless beef cuts.**



Top 5

65%
China

9%
Chile

8%
The Netherlands

5%
The United States of America

5%
South Africa

Our brands

We sell our products under different brands which keep the highest standards of quality and food safety. In addition, we are characterized by our high capacity to customize products and we produce exclusive brands for big supermarket chains.



Arrebeef



Tradición 2082



ArreCampo

Our production establishments

Our main meat-packing plant is located in Pérez Millán, Ramallo, Province of Buenos Aires. It has an area of 26200 m2, where more than 1300 highly skilled team members work. The characteristics of our premises and the daily work of the team of Arrebeef make it possible to carry out in the same place all the stages of the production process, from the cattle slaughter to the dispatch of products, which ensures its highest quality and safety.

Pens capacity:
> 3000 heads

Chilling chambers capacity:
> 300 tons

Cattle slaughter capacity:
> 1500 heads daily

Frozen storage capacity:
> 890 tons

Deboning capacity:
> 6000 quarters a day

We also have a meat-packing plant located in Escobar, Province of Buenos Aires, with a capacity to debone 400 tons every month.



PÉREZ MILLÁN PLANT



ESCOBAR PLANT



We are pioneers in the Argentine meat-packing industry since we set up the **first biogas plant** which converts organic waste from the beef production into renewable energy.



For further information, see the section Environment



Economic performance and industry context

The year 2023 was a period of contrasts in our industry, which was characterized by an increase in the number of dispatches and a backward movement in the turnover, according to the data provided by the Argentine Beef Exporters Consortium (ABC for its Spanish acronym).

The exporters of Argentine beef reached a total of 966 thousand tons, which showed an increase of the 7.9 % with respect to the previous year. This increase was driven mainly because of the constant demand of the Chinese market, which accounted for 78.5 % of the total of beef exports during 2023.

Despite this increase in volume, the average price per ton underwent a significant fall, which was around USD 3330, under the maximum of USD 5900 achieved in 2022.

In these challenging circumstances, in Arrebeef, we managed to raise our production level, which was reflected in an increase of the annual slaughter. In short, the annual cattle slaughter grew from 319951 (January 31st, 2023) to 334670 (January 31st, 2024).

Risk management and Transparency

We have used the system *Enterprise Resource Planning* (ERP) of SAP since 2008, so as to have an efficient resource planning and an appropriate risk management. In addition, we have had an external audit process in charge of the firm PwC since February 2021.

In this regard, the fiscal year ended in January 2024 was our third presentation of the Financial Statements audited by PwC Argentina, demonstrating our unwavering commitment to transparency and accountability by subjecting them to the audit of one of the Big Four global auditing firms.

Alliances and recognitions

We have developed strategic alliances with organizations in our industry that empower us and drive us towards our goals.

	<p>We are associated with the Argentine Beef Exporters Consortium (ABC for its Spanish acronym).</p>
	<p>We are part of the Argentine Beef Promotion Institute (IPCVA for its Spanish acronym).</p>

Within the framework of these alliances, and in conjunction with governmental organizations, we participate in two work groups that address sustainability issues:

- Actions against deforestation – IPCVA.
- Project for Environmental Impact Assessment in accordance with the *Environmental Product Declaration* (EPD) System - ABC + IPCVA + Argentine Institute of Industrial Technology (INTI for its Spanish acronym) + Argentine Institute of Agricultural Technology (INTA for its Spanish acronym).

RECOGNITIONS RECEIVED IN 2023



"Testimonio Clarín Rural Award", for the Business Career of Hugo Borrell.



"Argentine Export Award", a recognition annually granted by the *Prensa Económica Magazine* to the companies that exported the most in their sector during the last year (2022).



02

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Commitment
to Sustainable
Development





We are a company with **over 100 years of experience and with a new approach.** We have understood that sustainability is the gateway to a better future for the next generations.

We are committed to **social, environmental and economic well-being**, and we work constantly to become an increasingly sustainable company in all our operations.





In response to the new trends and challenges outlined by the global sustainable development agenda, we created our first Sustainability Committee in 2021, with the aim of boosting initiatives and deepening the integration of this perspective into our business management and strategy.

As of 2022, we began a process of strategic planning and training for sustainability in order to understand how to continue improving in relation to the building of a sustainable company, in line with the international standards and best practices. This will allow us to create a route map to continue generating value for our stakeholders and to enhance our contribution to the United Nations' Sustainable Development Goals (SDGs).

Materiality Analysis: Defining Priority Issues

As a starting point for this process, we conducted a Materiality Analysis which enabled us to identify the most important issues for our business and stakeholders. In order to do this, we first mapped and prioritized the company's stakeholders, as well as we carried out an analysis of the main trends, issues, and work points addressed by other companies in the industry and the region, together with the relevant sustainability standards and requirements for our sector.

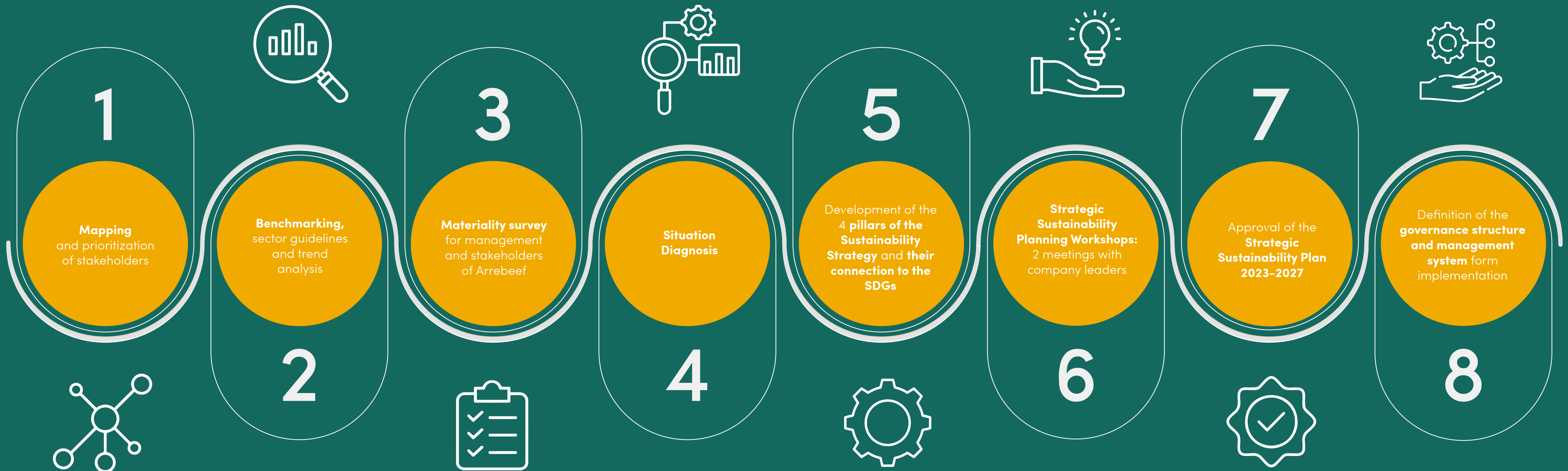
Subsequently, we carried out a Materiality Survey to prioritize the most significant economic, social, and environmental issues. Participants of such survey included team members of the company, union representatives, customers and consumers, cattle suppliers, logistics and other general suppliers, representatives from society, the local community, government and regulatory bodies, and shareholders, directors and managers of Arrebeef.

Finally, we developed a diagnosis of the company's current situation regarding the sustainability issues identified as priorities for the business and stakeholders, in accordance with the Sustainable Development Goals (SDGs), the Global Reporting Initiative (GRI) standards, and the ISO standard 26000.





PROCESS OF MATERIALITY ANALYSIS AND STRATEGIC SUSTAINABILITY PLANNING



Sustainability Strategy

Based on the situation diagnosis, we identified strengths and opportunities for improvement within each of the four pillars of our Sustainability Strategy: **Sustainable Production, Environment, Human Capital and Community, and Governance.**

Then, we carried out two strategic planning workshops, in which Management members, Managers from all areas and other leaders participated. In these workshops, we evaluated the main sustainability risks and opportunities for our business by making use of the results of the diagnosis and the industry trends as reference. We also identified ongoing actions and new projects we could implement in each pillar.

We developed our first **Strategic Sustainability Plan** (2023 - 2027) based on this entire process.



GOVERNANCE AND BUSINESS MANAGEMENT

- Ethics and Human Rights.**
- Compliance with human rights and ethics reference standards.
- Innovation and development.**
- Internal culture of innovation.
 - Knowledge of best practices.
 - Collaboration/Interaction with sectorial chambers.
- Communication.**
- 360-degree Communication.



SUSTAINABLE PRODUCTION

- Animal welfare, quality and food safety.**
- Continuous improvement in internal processes.
 - Food Safety Culture Project.
- Value chain management.**
- Sustainability assessment of customers, suppliers and competitors, and identification of foreign market requirements and trends.
 - Identification and analysis of sustainability requirements of domestic markets.
 - Risk and opportunity mapping of sustainability in cattle suppliers.
 - Risk and opportunity mapping of sustainability in general suppliers.
 - Development of lines of credit intended for financing sustainable initiatives from suppliers.
 - Commitment against deforestation.
- Packaging and container materials.**
- Initiatives to develop more sustainable packaging and containers.



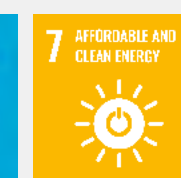
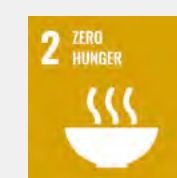
ENVIRONMENT

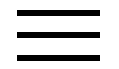
- Energy Efficiency, renewable energies, and carbon footprint.**
- Review of the energy matrix.
 - Energy efficiency program.
 - Use of alternative energy sources.
 - Measurement of the carbon footprint.
- Water Footprint.**
- Efficient use of water.
- Waste management**
- Measurement and treatment of hazardous waste.
 - Comprehensive Plan for Non-Special Industrial Waste.



HUMAN CAPITAL AND COMMUNITY

- Health and safety at work.**
- Wellness and health plan.
- Training and development .**
- Comprehensive training and development plan.
 - Productive promotion plan.
 - Completion of secondary school.
- Quality of life and work environment**
- Work environment measurement.
 - Benefits and recognition plan.
 - Integration spaces for the members of the different areas.
- Diversity, inclusion and equal opportunities**
- Promotion of inclusion, diversity and equal opportunities.
- Relationship with communities and social investment.**
- Private social investment in education.





Highlights 2023



Governance

- We created the Code of Ethics and Conduct for Arrebeef.
- No reports of anti-corruption registered.
- No fines or sanctions related to social or economic compliance breach registered.



Sustainable production

- **+52000** tons of beef exported
- **100%** certifications and audits approved
- **17** supplied destinations
- **1180** suppliers



Environment

- **2.74%** reduction in annual water consumption
- **6221 MWh** of renewable electrical energy generated
- **140%** reduction in energy consumption
- **5700** people supplied per day
- **36398 m³** of waste converted into electrical energy
- **2402** tons of CO₂ avoided



Human Capital

- **1367** Team members
- **4** women have completed the cutting (also known as "charqueo") training program
- **35866** hours of training and development
- **24** workers increased their education on-site
- **235** team members trained in skilled positions
- **311** students visited the plant



03

— Governance and business management





We work with the highest standards of **ethics and transparency** as well as we promote respect for **human rights** in all our operations and value chain.

Mission, vision and values

At Arrebeef, we have a clear direction towards a more sustainable future. We are guided by our mission, which sets the course along this path, and we align ourselves with our vision, purpose and values which define us as a company.

Our mission is to produce and commercialize beef and its by-products.



Vision: To lead the **sustainable** production and commercialization of beef and its by-products worldwide.



Purpose: To feed the world with sustainably produced beef of high quality standards.



OUR VALUES:

- **Operational Quality:** To ensure effective and efficient processes throughout the whole production chain.
- **Sustainability:** To generate social, environmental, and economic value for our planet.
- **Integrity:** To achieve the business ethics in all our operations.
- **Innovation:** To transform problems into trendsetting solutions that add value.
- **Agility:** To adapt to ever-changing scenarios.
- **Commitment:** To ensure our best effort every day and build long-term relationships with suppliers and customers.

Corporate Governance

The company's Board of Directors is composed of the Borrell family:

Name	Position
Hugo Alberto Borrell	Chairman
Hugo Alberto Borrell (h) *	Vice-chairman
Alicia Susana Fernández	Director
Santiago Carlos Borrell	Director
Ángeles Borrell	Alternate Director
Héctor Alejandro Borrell	Alternate Director

* In addition to being the Vice-chairman of the Board, Hugo Alberto Borrell (h) serves as the General Director of the company.

The Sustainability Committee is made up of 5 members:

- The Procurement Manager, who leads the team;
- The Manager of Safety, Occupational Health and Environment;
- The Legal Affairs Manager;
- The Communication Officer;
- The Management Control Analyst.

The committee reports directly to the Management and is responsible for developing the Sustainability Strategy and advising all areas of the company on the subject.

Ethics and Anti-Corruption

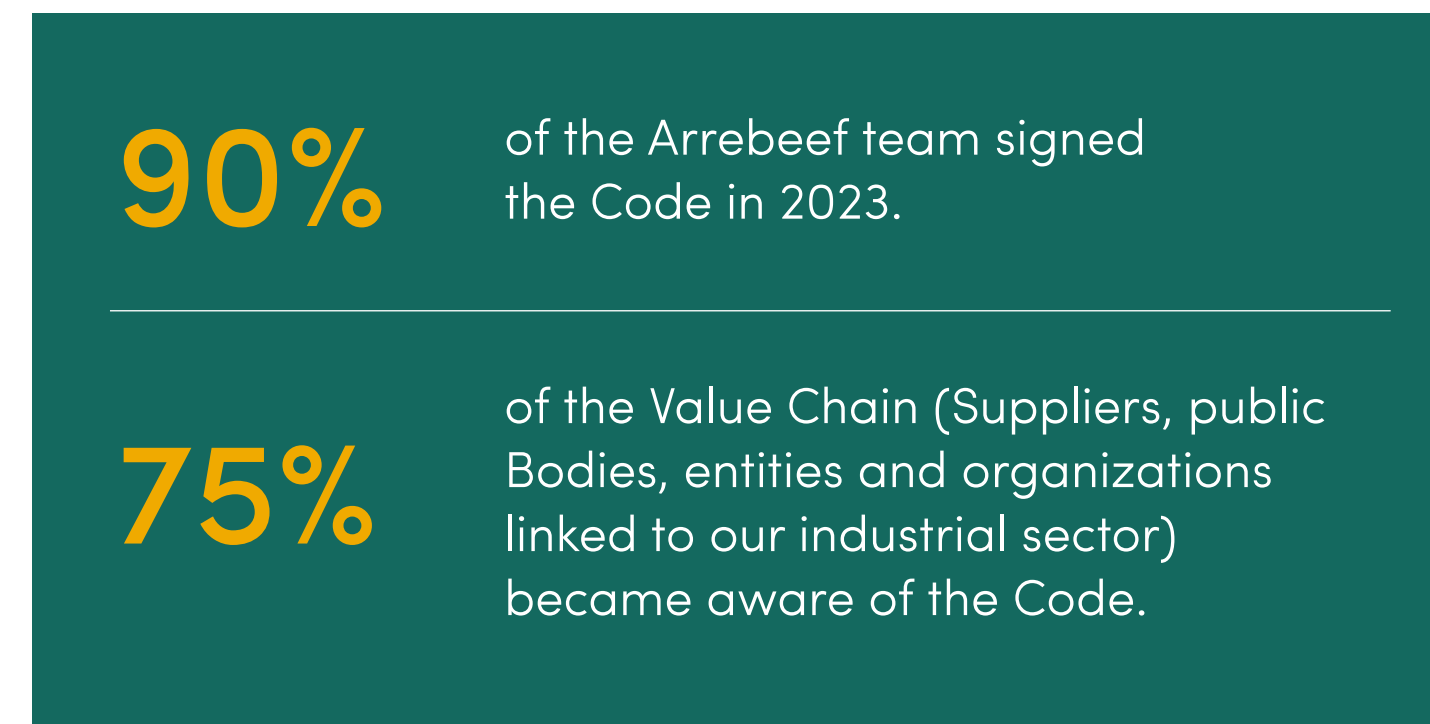
In line with the value of integrity, we seek the business ethics in all decisions we make and throughout all our operations.

To this end, in 2023, we created the Code of Ethics and Conduct for Arrebeef, which we spread throughout our value chain, and we gave every team member a copy as well as we communicated it via the internal mailing “ArreNews” and bulletin boards.

Aligned with our values, the key principles of the Code of Ethics and Conduct are:

- **Responsibility and professionalism:** We work together in order to abide by the rules and continuously improve the processes and the performance.
- **Respect and healthy environment:** We value the individual and cultural diversity and we intend for it to prevail in the interactions among team members, customers, suppliers and the community in general.
- **Transparency and integrity:** Every action of the company must abide by the applicable laws and regulations, based on honesty and ethics.

- **Fluent communication:** We foster the open and honest communication among every member of the organization, as well as with customers, suppliers and the community.
- **Development of human resources:** We seek the growth and the ongoing training of the staff in order to ensure competence and excellence in performance.
- **Quality work:** Quality is a permanent commitment in all our activities and processes, which fosters continuous improvements.
- **Sustainability:** We generate economic, environmental and social value in the development of every operation.



Ethics Committee

In order to safeguard its validity, the administration of the Code is entrusted to the Ethics Committee, which is obligated to update and review its content. In turn, it is responsible, together with the leaders of the Employee Assistance Program (PAE), for implementing the communication mechanisms regarding the Code and the channels for complaints and inquiries. It is also in charge of collecting the acceptance and compliance with the Code signature of each team member and of its inclusion in the employee files.

In addition to being in charge of the Code, The Ethics Committee is responsible for enforcing the Workplace Rights Policy and the applicable labor legislation.

The Ethics Committee is composed of:

- › The HR Manager;
- › The HR Head;
- › One representative from the Management Staff;
- › Two representatives from the Union.

The Committee members hold a regular monthly meeting and, in case of receiving complaints, additional relevant meetings are considered essential until a solution to the problems is found.

The authority and responsibilities of the Committee in case there is a complaint are the following:

- 01 Investigation**
 Investigate the alleged infringements and guarantee in any case the strict confidentiality in relation to such issue.
- 02 Tracking**
 Review regularly each complaint raised, and attach the actions taken to each report and inform the complainant about the progress of the investigation.
- 03 Treatment**
 Work on each case in a personalized and confidential way, and prepare a report with the proposal of measures to be adopted.
- 04 Record**
 Keep a record of all the actions taken by the Committee in a minutes book that will be kept confidentially by the Human Resources Manager.

Reporting channels

The Human Resources Management is responsible for receiving issues, through either the suggestion box or spontaneous presentations, and for presenting them to the Committee, which will study and evaluate each case. Thus, the Committee will have the right to access all the information and documentation for the resolution of complaints, and its agreements will be adopted by a majority of its members.

Anti-Corruption

Within the Management Control area, an Internal Audit team was formed, which is responsible for assessing the risks related to corruption in the value chain, and extends its responsibility to the development of prevention and control policies regarding the areas with significant risk. In that regard, no significant cases which could be considered acts of corruption have been recorded so far.

In turn, anti-corruption policies and procedures have been communicated to all members of the governing bodies. In addition, training on anti-corruption aimed at the different levels of corporate governance in our company is planned for 2024.

In line with our value of integrity and our commitment to transparency, we highlight that no significant fines or penalties related to the violation of social or economic laws of the company have been recorded.



Human Rights

Our commitment to Human Rights is reflected in the company's policies and Sustainability Strategy. Through varied actions, processes and teams, we actively promote the compliance with Human Rights throughout our value chain.

We have a Workplace Rights Policy that protects these rights and which is communicated, along with the Employment Manual, to every new team member during their onboarding process.



WORKPLACE RIGHTS POLICY

It covers the following topics:

- > Freedom of association and collective bargaining
- > Forced labor
- > Child labor
- > Discrimination
- > Migrant labor
- > Working hours and compensation
- > Relationship with the community and stakeholders

AUDIT

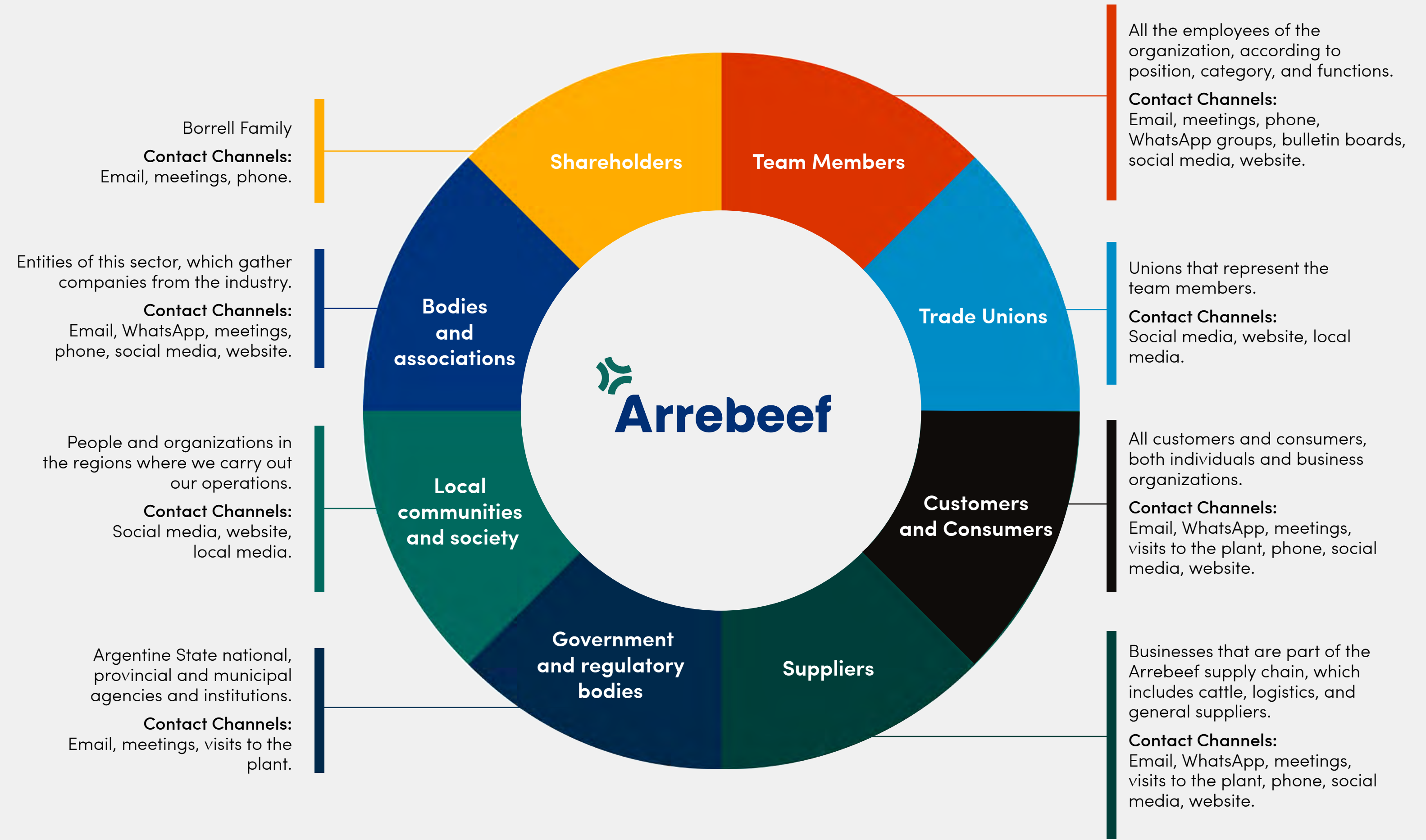
In addition to being regulated and disclosed, our work has a regular control process. In order to assess the impact on Human Rights, we conduct audits according to the SMETA Protocol. Used by organizations worldwide and required by our customers, this methodology helps us understand and improve the health, safety and working conditions, the environmental performance and the business ethics. Moreover, we complete the annual Self-assessment questionnaire for McDonald's as another means of evaluating such impact.



Dialogue with our stakeholders

We work continuously with our stakeholders, paying special attention to the dialogue channels with each of them.

In order to meet their expectations, we develop projects that respond to the main points raised in the Materiality Survey conducted to listen to our stakeholders. Through regular meetings led by the Sustainability Committee with the Management, we inform the company's Board of Directors of the expectations of our stakeholders.





04



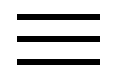
Sustainable production



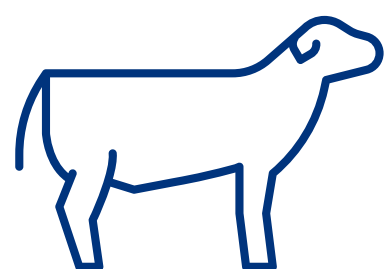


Day after day, we work to ensure **the quality and safety of our products**, improve our processes and strengthen relationships across the entire value chain to jointly promote a sustainable production.





Animal welfare, quality, and food safety



Animal Welfare

At Arrebeef, we strive to ensure decent conditions for animals throughout our entire supply chain, prioritizing their health and welfare.

In order to comply with animal welfare standards, we have developed a comprehensive policy that includes measurement procedures, improvement recommendations and corrective actions in case of deviations. This policy is based on the five freedoms that influence the ideal state of animal welfare, as defined by the Farm Animal Welfare Council of England (FAWC).

At Arrebeef, we reject any form of intentional abuse or mistreatment. In that regard, we disseminate our Animal Welfare Policy among team members and suppliers, and train and instruct all the staff involved in animal handling.

The five freedoms that influence the ideal state of animal welfare according to the Farm Animal Welfare Council of England:

- > **Freedom from hunger and thirst. Ready access to fresh water and a diet to maintain full health and vigor.**
- > **Freedom from pain, injury or disease. Prevention through rapid diagnosis and treatment.**
- > **Freedom from fear and distress. Conditions and treatment which avoid mental suffering.**
- > **Freedom to express normal behavior. Providing sufficient space, proper facilities and company of the animal's own kind.**
- > **Freedom from discomfort. Providing an appropriate environment including shelter and a comfortable resting area.**



Our animal welfare measures are applied from the moment the purchase of cattle is agreed upon until the time of slaughter, including the stages of transport to the premises, pens, corridors, chutes, and stunning. The adopted practices are the following:

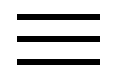
- Proper management of cattle transportation, considering the vehicle maintenance, careful driving, and the constant monitoring of the animals during the trip.
- Handling animals in calm conditions, respecting their welfare sensations related to their space, from the unloading to the stunning.
- Understanding animal behavior for proper handling, without causing them stress or fear.
- Establishing a cattle management plan for emergencies, which prioritize animal health.
- Correct use of appropriate handling tools for animals.
- Training staff and supervising procedures so as to minimize risks and deviations.
- Abiding by both the current Argentine and international legislation.

The animal welfare policy also establishes the guidelines for proper kosher and halal slaughter, for which our plant is certified.

We monitor the implementation of the principles of animal welfare and humane slaughter through different indicators via our Quality Control Department. Along the same lines, we conduct audits to control the implementation of our policy and its procedures by using the McDonald's and the North American Meat Institute Guidelines (NAMI) auditing forms; the latter are also used to monitor the cattle unloading.

Furthermore, through the Livestock Department, we evaluate the drivers, assess our suppliers according to the animal welfare conditions and prioritize the cattle purchase from those with the best ratings. We also conduct audits of producers' establishments in order to reinforce the commitment to the animal welfare.





TRAINING IN ANIMAL WELFARE

We believe that training the different actors involved in our production chain is a fundamental pillar for the awareness and adoption of good practices in relation to the animal welfare.

The Animal Welfare officer, together with Human Resources and the Veterinary Inspection Service (SIV for its Spanish acronym), conducts a training session on animal welfare for the staff involved in the animal handling and for each team member entering the sector at least once a year. Moreover, we train the livestock drivers on the subject and verify the effectiveness of the training once a week, through a written evaluation.



68

workers trained in animal welfare.



202

total hours of training.



2.9

hours of training per employee.

CERTIFICATIONS

100% of our production complies with animal welfare certification.

> We meet the animal welfare standards aligned with the requirements of the NAMI (North American Meat Institute Guidelines) guidelines, January 2021 version.

Such guideline is based on promoting and providing welfare to animals by a humane handling before their arrival at the plants, before and during the unloading, during their stay in the premises of the meat-packing plant and during the stunning and slaughter.

> We passed the McDonald's audits (McDonald's Animal Health and Welfare audit for beef Slaughter) to be their meat supplier, which includes a rigorous Animal Welfare audit.

Investments related to Animal Welfare



USD 2750 in certifications.



\$ 120000000 in stunning and pens maintenance work.





Food safety and quality

We operate under the belief that food safety is our main responsibility: day by day, we commit ourselves to producing healthy, safe and high-quality food.

We guarantee the safety of our products through the implementation of a Quality Management System based on Argentine and international rules and standards, good manufacturing practices, standardized operating procedures, animal welfare standards and through the compliance with the current regulations.

Furthermore, we conduct comprehensive reviews of the Quality Management System in order to evaluate its effectiveness and put forward improvement actions. And we maintain the quality management culture among all our team members through constant updates on new requirements and demands. To this effect, our annual training plan includes training on safety and quality, and we provide additional training in case of changes in the system or procedures.

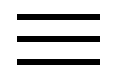
During 2023, we initiated the Food Safety Culture Project through different actions and workshops. We began with a diagnosis conducted the previous year, in which we assessed knowledge about food safety by surveying 90% of our staff.

Based on the survey results, we developed a plan to work on the following maturity attributes of the safety culture:

vision and mission, people, consistency, adaptability, and risk perception.

We started with meetings with top and middle management, and we are in the process of continuing with the operations management. Furthermore, as part of this program, we implemented a Quality-Oriented Talent Training Course in order to provide team members who handle food with the necessary knowledge to apply correct guidelines in their daily work.

We evaluate the impacts on health and safety **in the 100% of our production process** so as to make improvements.



APPROVED AUDITS AND CERTIFICATIONS



AA+ Version 9 of the British Retail Consortium Global Standard (BRCGS) with the highest rating for an unannounced audit: AA+



IRAM 323:2010 standard on the implementation and management of a Hazard Analysis and Critical Control Points (HACCP) system.



IRAM324:2010 standard on Good Manufacturing Practices in the Food Industry.



McDonald's audit of our Hazard Analysis and Critical Control Points (HACCP) System and its prerequisites, which included the evaluation of our management of BSE Risk Material.



Supply chain safety for Walmart, which addresses food safety, information security and staff safety issues.

Attribute certifications:



Angus Certification, controlled by the Argentine Angus Association.



Alimentos Argentinos Seal (Argentine Food Seal).



High Quality Beef for Switzerland (HQB).

Merchandise certifications:

- > Halal Slaughter Suitability Certificate: compliance with the requirements applied in the slaughter process according to Islamic rites.
- > Kosher certification.

Animal welfare:

- > Recommended Animal Handling Guidelines & Audit Guide - January 2021 ed. North American Meat Institute Foundation.

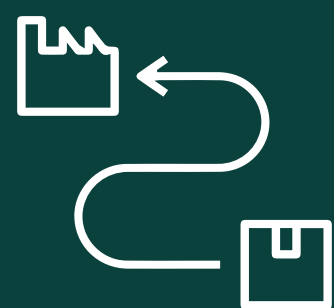
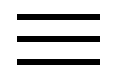
We are part of the following associations which address food safety:

> Argentine Beef Exporters Consortium (ABC for its Spanish acronym)

It monitors the implementation of the most demanding standards in terms of health and safety to expand Argentine beef exports to the international market.

> Argentine Service of Processed food Quality and Safety (SENASA for its Spanish acronym)

We abide by the Argentina Scheme for the Control of Waste and Hygiene in Food (CREHA for its Spanish acronym) implemented by SENASA, of which objective is to strengthen the safety of food in order to minimize risks and ensure an adequate protection for consumers' health. This plan detects the presence of waste and contaminants that exceed the values established in current legislation for products intended for human consumption. We then review our products according to the guidelines of the plan and we communicate the results as established by SENASA, which oversees such plan.



TRACEABILITY

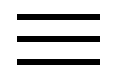
Traceability is not just a practice: it represents our heritage and a solid commitment to customer satisfaction.

It is one of the fundamental pillars with regard to food safety as it enables to connect all the stages of the production process, which involves suppliers and customers.

As regular suppliers of fresh meat for the European Union (EU), we follow the EU System in order to ensure the traceability of our products. We have a Traceability Manual aligned with the SENASA regulations, which covers everything from the livestock receipt to the merchandise dispatch. This manual ensures the verification of animal documentation and the tracking of products through the different manufacturing processes to their final destination.

In this way, we implement the highest traceability requirements to guarantee the traceability of the products we commercialize, both domestically and internationally. Thus, we can identify the used raw materials and packaging materials, as well as the conditions under which the processes occurred.





Commitment to the value chain

We focus on optimizing every link in our supply chain so as to maximize the sustainability and the efficiency, reduce costs and ensure customer satisfaction.

Suppliers

> 1180 total suppliers.

> 1118 Argentine suppliers (94.74%).

> 8 foreign suppliers (0.68%).

> 54 local suppliers (4.58%).

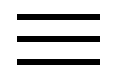
TOTAL EXPENDITURES TO SUPPLIERS



80% Argentine suppliers

11% foreign suppliers

9% local suppliers



We are aware that those who supply us are key to guarantee the quality of our products. That is why we carefully select our suppliers under the guidance of our Purchasing Policy and Procedure, which establishes the guidelines and behaviors to be followed for the acquisition of materials and services.

We foster the acquisition of goods and services from local or locally based suppliers to boost the development of the communities where we operate.

In order to work with us, each supplier must sign the Arrebeef Supplier Manual, which provides a clear and detailed guide to the requirements and practices that must be followed. The aim is on the one hand, to guarantee the integration of sustainability into the hiring and purchase process; and on the other hand, to ensure excellence for our customers at all levels of the supply chain. Thus, we ensure the compliance with human rights and the implementation of sustainable, social, ethical, safety, and hygiene practices.

SUPPLIERS EVALUATION

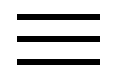
We evaluate our suppliers according to standards of quality, safety, authenticity, legality and technical level that guarantee the compliance with our policies. They are classified according to a risk analysis system, in which they are pre-established as suppliers of high, medium or low criticality according to their score.

In case of non-conformities found in relation to critical requirements, the supplier shall be disqualified, and an action plan which includes the study of causes and corrective actions shall be established. If a minor issue is detected, a partial evaluation shall be conducted by visiting their premises to resolve the matter.

All suppliers must sign our Code of Ethics and Conduct in order to be able to work with Arrebeef.

We ensure that our suppliers comply with the human and labor rights as well as we promote a culture of respect throughout the entire supply chain. We prioritize the climate action by hiring suppliers who have responsible practices regarding the use of energy, water resources and raw materials as well as decarbonization goals. Moreover, we assess the environmental performance of suppliers to prevent impacts and protect biodiversity in their areas of activity.





Actions and initiatives we carry out to consolidate a strategic and sustainable management of our supply chain:



We evaluate suppliers according to sustainability criteria.



We develop strategic alliances with suppliers in order to achieve secure and sustainable supply.



We optimize logistics for customers: we analyze the pre-established routes, the space and the merchandise distribution in trucks to optimize loading. We automate the information on times and routes.

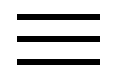


We promote collaboration and transparency in every operation.

COMMUNICATION AND TRAINING

We provide our suppliers with appropriate communication channels so as to facilitate the ongoing dialogue and interaction. For daily management, we connect via phone, email, and both virtual and face-to-face meetings. In turn, we schedule regular visits to their plants and branches and facilitate the invoice management, payment tracking and tax documentation through an exclusive portal for suppliers on our website.

We train and raise awareness among both buyers and suppliers of ethics and compliance aspects as well as of ESG (Environmental, Social and Governance) aspects, and, in turn, we encourage them to transfer this commitment to their supply chain.

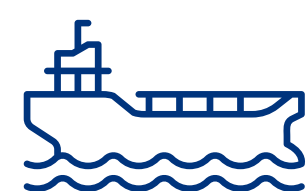


Customers

We seek customers whose purposes and working styles align with our values. We work to build up strong and lasting relationships with each of them, based on transparency and trust.

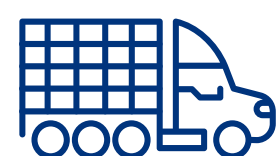
COMMITMENT TO CUSTOMERS

Currently, exports represent the largest percentage of our commercial transactions, which means that most of our customers are from the foreign market.



52383.94

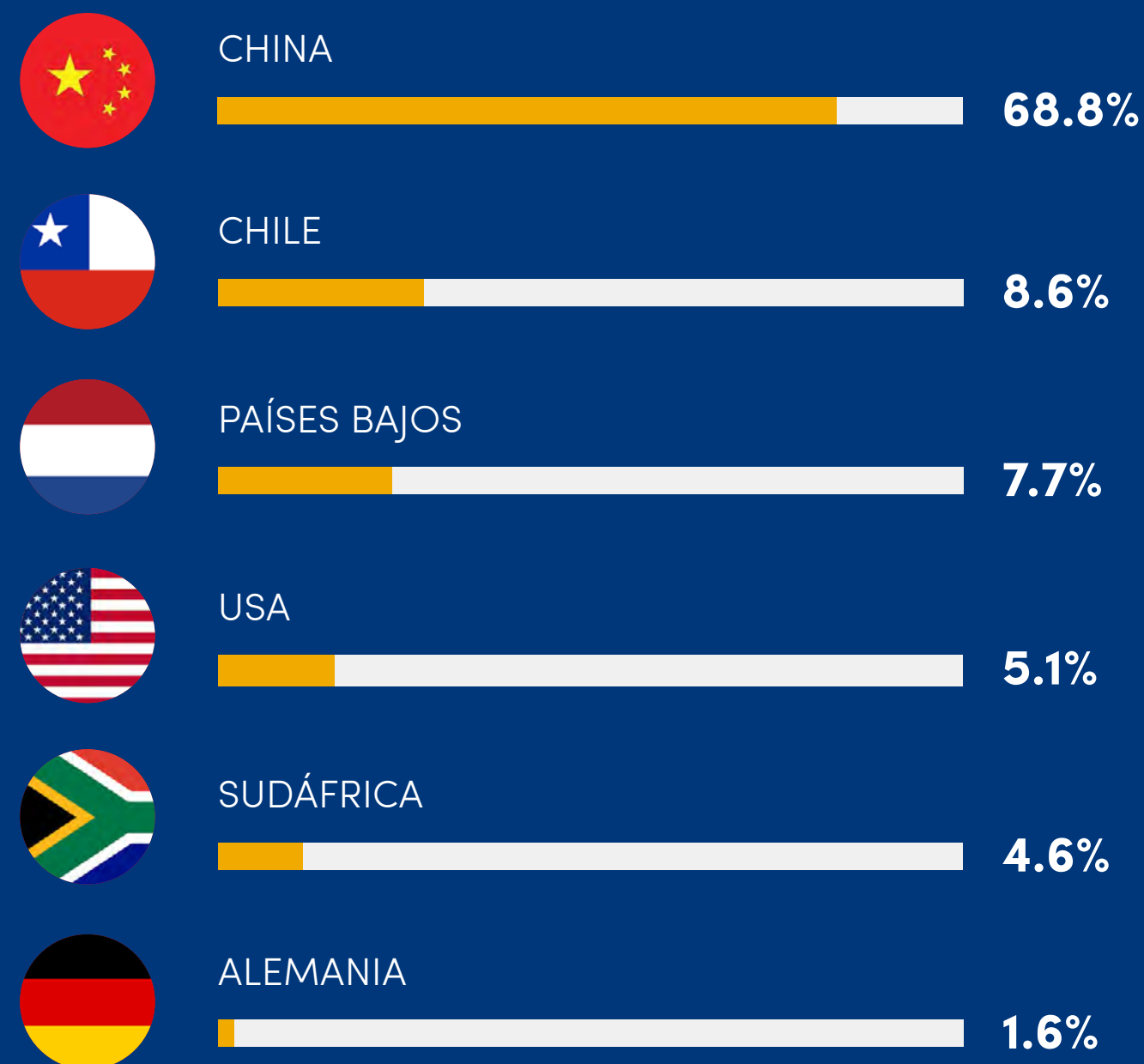
tons exported.



+8374

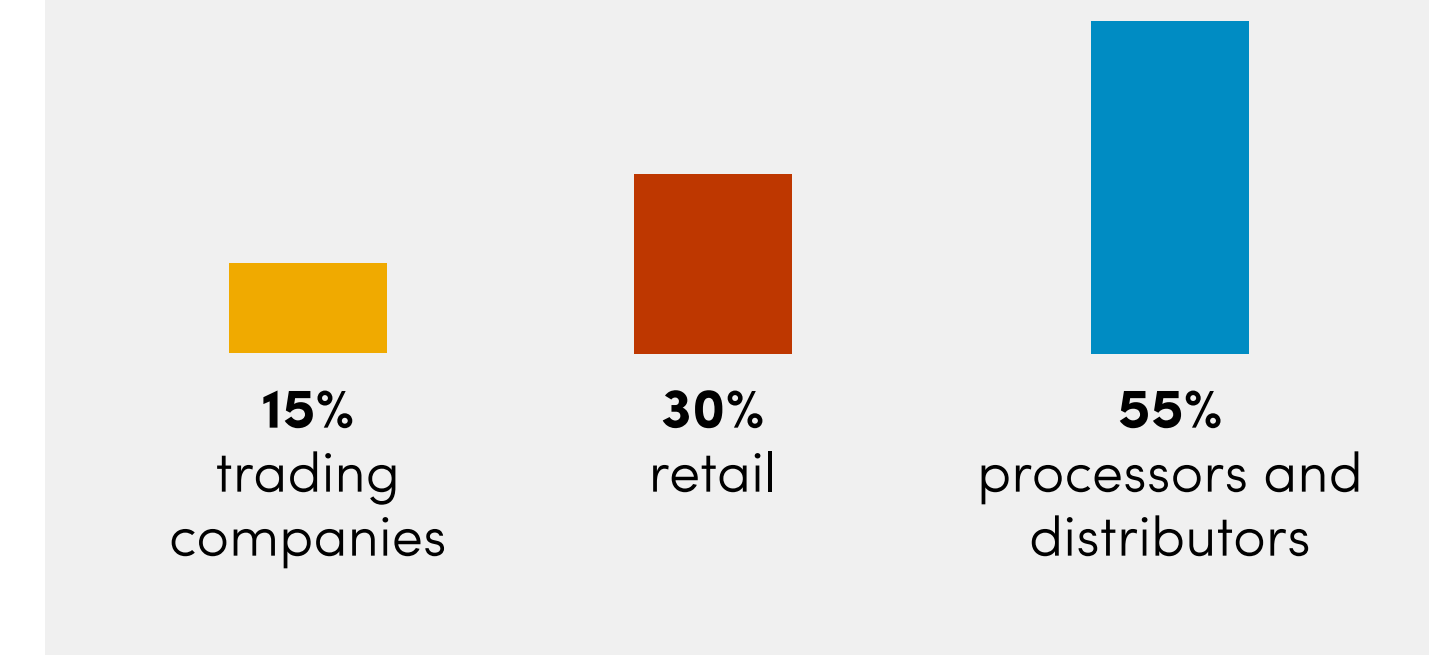
tons sold for domestic consumption

MAIN DESTINATIONS CONSIDERING TONS:



Our foreign customers are mostly trading companies, distributors, processors, and supermarket chains. Trading companies purchase and sell a load before it reaches its destination; distributors import the product and then sell it locally in smaller quantities; processors use the product as raw material for other finished products; and supermarket chains import the product and sell it directly to end customers.

CUSTOMERS IN TERMS OF REVENUE AND TYPE²



2. Estimated figures, since many customers work in different areas.



With respect to sales for domestic consumption, we have wholesale customers distributing in different regions of the country and retail customers purchasing products at our local retail shop in the Plant located in Pérez Millán.

Through our butcher's shop, we offer the community products at **prices 35% lower** than those in any other store. During 2023, we sold a total of **568 tons** of beef at affordable prices.

At the wholesale level, we sell flanks (bone-in beef cuts from the forequarter which encompasses the whole rib plate) and other cuts like topside, bolar blade, flank steak and rose meat.

As regards beef flank, 70% of the sales concentrate 4 customers distributing in:

- Argentine Northwest and Mesopotamia | **33%**
- Gran Buenos Aires | **27%**
- Atlantic Coast | **10%**

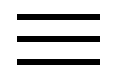
The remaining 30% of the beef flank sales are commercialized among 14 customers selling in cities near Pérez Millán.

As for the wholesale sale of other cuts, 80% is concentrated among 2 customers: one distributes them in Gran Buenos Aires and the other uses them as raw materials to make products.

Finally, given the attractive price-quality ratio, our retail shop receives customers from different nearby cities from Monday to Friday, who mainly buy flank, flank steak and rose meat.

We communicate the values and principles of Arrebeef to all our customers in the first commercial contact as well as we convey our way of working. We reinforce such values and principles in social media posts, in which we share initiatives that reflect our culture.

All our products comply with the labeling that informs about the origin of their components and their safe use.



Customer Service and Complaint Channels

We strive to generate and keep a permanent relationship with our customers in order to meet all their needs. We focus on their satisfaction by fulfilling their requirements, ensuring commercial and sanitary quality, providing prompt attention in relation to their inquiries and complaints, and ensuring reliable logistics services for the delivery of goods.

For the purpose of providing optimal attention and quality service, we are always working on continuous improvement. In this regard, we offer our customers various communication channels for inquiries and complaints. We have a complaint management protocol that establishes the methodology for reception and follow-up, as well as actions for improvement so as to reduce recurrence. This protocol guarantees a timely response and includes provisions for economic compensation, if applicable.

Furthermore, regarding our foreign customers, we have a digital complaint indicator. Monitored by our Quality Assurance Department, a statistical follow-up for data analysis is carried out, with quarterly reports that allow for the evaluation of trends and the need for improvements if required.



We train 100% of our Foreign Trade team members in order to improve their English skills and, thus, provide our customers with better service.



100% complaint response rate for the domestic market and 100% for the foreign market.

Furthermore, during 2023, we conducted a satisfaction survey for our foreign customers – with a response rate of 80% – for the purpose of being aware of their opinions about our service and keeping our commitment to providing excellent attention.

The vast majority of surveyed customers (94%) operate with other companies in the sector, and 75% of them rated Arrebeef as “superior/very superior”, in comparison. In addition, we obtained a Net Promoter Score (NPS)³ of 58%, which indicates that our company has a group of promoters higher than average, who share their positive view on their personal social networks.

3. Indicator that measures customers’ satisfaction and loyalty towards a company, product or service by looking at their likelihood of recommending them to others.



Innovation and development

We are constantly seeking new implementations, ideas and technologies which optimize our processes and align with our main goal: to be increasingly sustainable in the production and commercialization of beef. Moreover, we promote collaborative innovation through alliances with suppliers so as to jointly seek technological solutions that assist in the energy transition.

For such purpose, the Systems and Communications Management annually promotes an assessment of innovation improvement opportunities and analysis of new products by each Management within the company. In this process, proposals are put forward; finally, after a feasibility analysis, a prioritization of development and implementation is carried out.

As regards the initiatives arising from these assessment meetings, we have already implemented the following:

- We automated and integrated the plant logistics data between Arrebeef's own systems and SAP. This requirement contributed to reducing the workload of the plant logistics analyst.
- We installed video monitoring systems in each sector to control the different production processes (quality, production, safety and hygiene, among others).
- We applied a repository for photos of the slaughter process as a fundamental tool for classification and to keep record. This enables us to maintain a strict control over the quality

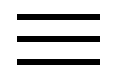
and characteristics of the animals and to share the record with cattle suppliers immediately.

- We implemented a handy communication system among the different sectors of Arrebeef because there is no phone signal within the plant; today, this method is an efficient means of communication, especially in the production areas.
- We applied the marbling⁴ measurement project, based on international scales, which enables a digital classification according to the quality of the product for sale, which results in an increase in sales prices. This not only improves our profitability but also enables us to deliver a better product to the end customer.
- Based on the Power BI⁵ platform, we developed online information dashboards for different areas of our company in order to optimize the decision-making.
- We use DocuSign⁶ to send documentation, which prevents us from using paper and generates significant environmental savings.

4. Visible intramuscular fat (healthy) contained in beef, which is crucial for its taste, juiciness and tenderness, which makes it an important indicator of the beef quality. The higher the marbling level is, the more commercial profit is generated.

5. Interactive data visualization software developed by Microsoft and used primarily for business intelligence purposes.

6. Software which makes it possible to send and sign documents electronically, conveniently and safely from any computer or mobile device.



Promotion of best practices

During 2023, we held talks to exchange ideas with other meat-packing plants on best practices in cyber security and infrastructure.

Moreover, being aware of the changes generated by the digital transformation in organizations and business models, we interacted with several consulting firms dedicated to software development and artificial intelligence in order to acquire knowledge of best market practices. Likewise, we participated in the “Digital Mindset” program from the IAE (IAE Business School at Universidad Austral), in which we explored the key aspects of the digital revolution, the opportunities brought by digital density and artificial intelligence, and the tools of the new mindset necessary to lead digital transformation.

Furthermore, we participated in different webinars from companies offering different software and updates related to process digitization.



Our team members participated in 10 webinars related to process digitalization.





05

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Environment





We constantly intend for our production process to have **the slightest environmental impact** by making **use of the natural resources and raising awareness** of the importance of the environmental care among our stakeholders.





Commitment to the environment

We work towards a greener and more conscious future. We strive to minimize our environmental impact by conserving resources, complying with legislation, preventing pollution and raising awareness and involving our staff and suppliers.

In this regard, we have an Environmental Management Plan (EMP) that encompasses all our activities, processes, products, and services.

It includes specific programs with the necessary mitigation and monitoring measures to minimize and/or avoid the environmental impacts arising from the operation of our production facilities, such as noise and vibrations, gaseous emissions, waste and effluents. In addition, it features a training module on the proper waste management and the rational use of water.

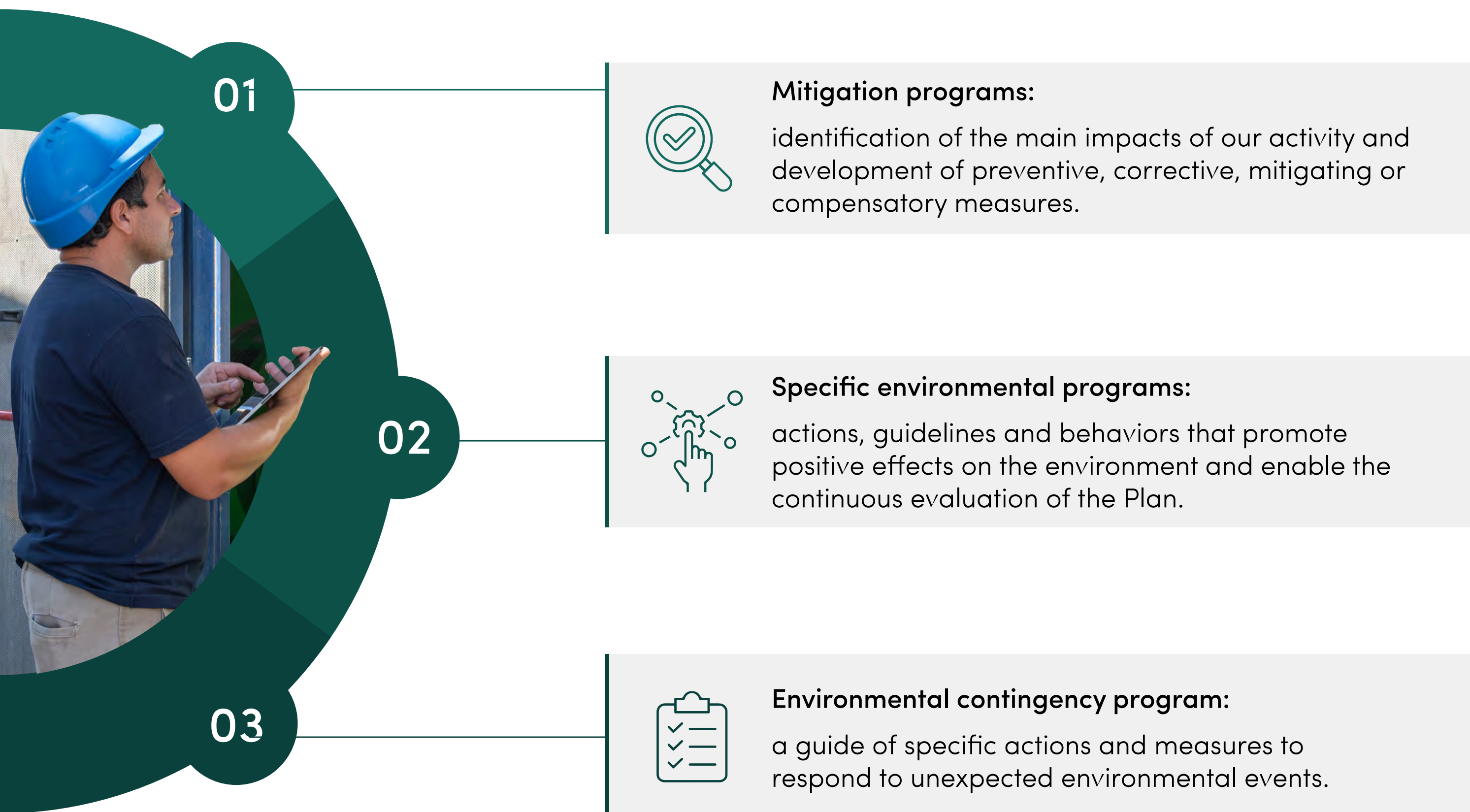
In 2023, three of our team members completed the Diploma program in Circular Economy for the Meat Industry at AgroGlobal, University of Agricultural Innovation.



Furthermore, we have implemented an Environmental Monitoring Program that establishes mechanisms and actions for the oversight of the execution and compliance with the EMP. This program includes measurements, inspections, and technical evaluations, as well as the subsequent preparation of biannual reports which are presented to the Company's Management.

Moreover, a laboratory authorized by the Ministry of Environment of the Province of Buenos Aires conducts regular sampling of air, water and soil to ensure that our company complies with the current environmental legislation. Each result is analyzed and compared with the record of the obtained results, which enables us to understand the impact we generate and the effectiveness of our environmental management system.

Furthermore, we conduct internal audits to verify the status of our certificates and authorizations issued by the relevant official bodies: the Argentine Registry of Chemical Precursors (RENPRE for its Spanish acronym), the Ministry of Environment of the Province of Buenos Aires, the Argentine Water Authority (ADA for its Spanish acronym), and the Municipality of Ramallo.





Water footprint

We are committed to a sustainable water management throughout our production process. That is why we use it efficiently and rationally, safely replenish it to the environment and develop solutions to protect it.

Efficient use of water

We work on the rational use of water by training operators and supervisors, making a record consumption and carrying out daily observations of the processes so as to improve its management.

We use fresh water (total dissolved solids ≤ 1000 mg/l) obtained from four underground pumping wells. The main uses are the following: washing cattle in pens and cage trucks; cleaning surfaces and sterilizing tools in production areas; generating steam for processes; general cleaning of the plant.

We measure water consumption with flow meters that we monitor daily, which enable us to track total consumption, consumption per slaughtered animal and consumption per hour of slaughter. This data and observations enable us to detect leaks or wastage, which are promptly reported for resolution.

We comply with the legal extraction limits in order to avoid harming close stakeholders, and in 2023 we managed to reduce water consumption with respect to the previous year.

Reduction of consumption

Since 2018, we have carried out a “Water consumption reduction campaign,” which in 2023 was transformed into the “Efficient use of water” project.

It consists of three stages:

- 1. Mapping leakage points in each process and identifying opportunities for improvement.
- 2. Developing and executing an action plan.
- 3. Ongoing evaluation of results and preparation of progress reports.

During 2023, we invested in improvements and adaptations in several production areas to use water more efficiently:

- In the pens, we installed 360° rotating sprinklers suspended from the ceiling to reach a better coverage and prevent animals from breaking them.
- We also replaced the float valves in the water troughs with a new bottom-mounted float system, which prevents in a 100% the damage which may be caused by animals and the subsequent water wastage.
- As for the cleaning of chambers, we incorporated a floor cleaning machine that has a water usage limit.
- As for the cleaning of scales, instead of using a hose, we installed a pressure washer, which reduces cleaning time and effort as well as it pauses the water consumption when this is not in use.
- We increased the stock of flow meters in order to have more and better measurements.
- We replaced the hose to clean the yard with a vacuum sweeper, which is used prior to the washing with water, which reduces cleaning time and removes most of the dirt before using water.

We managed to reduce and improve water consumption in the production areas: we decreased our average annual water consumption by 2.4%.

Effluents and discharges

We comply with the legislation that regulates discharges and have a Treatment plant that meets the legal requirements. In addition, we have a Biogas plant that optimizes the process by making use of the organic load from these wastes.

The effluents we generate are liquid waste. For better treatment, we divide them into a green line (liquid with manure and rumen residues) and a red line (liquid with blood and fat residues). The industrial effluent flows through

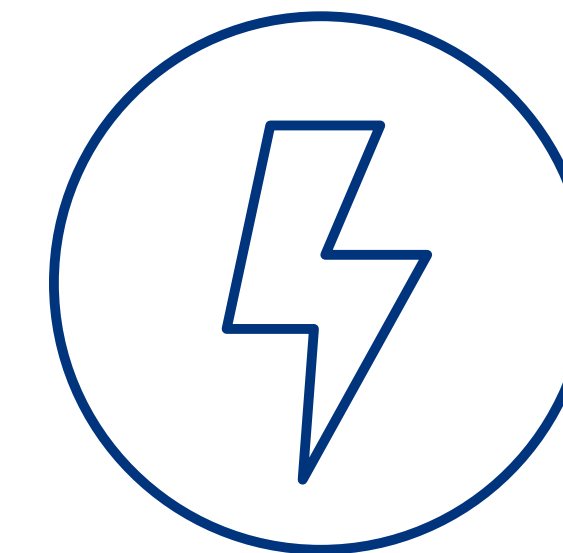
drains to their primary treatment, where it undergoes solid-liquid phase separation processes, which are mechanical via screens and physicochemical using DAF equipment.

The organic load obtained in this process is utilized by ArreBeef Energía to generate biogas, which is transformed into renewable electrical energy. Besides, the already clarified liquid fraction is directed to the secondary treatment lagoons for the effluent.

We have six lagoons: the first is used as a solid trap, three are facultative and two are aerobic, which allow to process wastewater in order to produce an effluent suitable for discharge into the authorized disposal water stream. Thus, we comply with the discharge quality criteria established by the Argentine Water Authority (ADA).



Energy efficiency, renewable energy and carbon footprint



We focus on reducing our energy consumption and making it more efficient by continuously investing in facilities and equipment as well as incorporating new technologies. Besides, we carry out ongoing maintenance of the existing infrastructure to ensure its optimal functioning.

In our operations, most of the electrical energy is consumed in the refrigeration of chambers, warehouses, tunnels, and production areas. To a lesser extent, it is used for the operation of machinery in the production areas, and finally, it is used for services such as compressed air, boilers and water pumps.

During 2023, we mapped the electricity consumption within all our plant for the purpose of identifying its proportion and critical consumption points. As for the steam (energy in heat form), the general survey of its distribution and consumption is ongoing.

Furthermore, we initiated the study and execution of a project to expand the natural gas supply due to the growing need for the increase of the processes capacity and to the lack of electrical energy supply from the provider. In this way, we intend to reduce the reliance of processes—mainly, the refrigeration—on the electricity service, and to generate thermal energy by using natural gas from the grid. The construction was initiated in August 2023 and the completion date is expected by 2024.

Total fuel consumption from non-renewable sources	2023
Natural gas from the grid	14900 m ³ /day

Energy consumption	2023
Electricity	17247420 kWh
Heating	0
Refrigeration	12418142 kWh
Steam	3080478 m ³ of gas to generate 62500 tons of steam



Consumption reduction

Improvements we made related to the energy efficiency and consumption reduction:

- We replaced the fluorescent tubes with LED tubes, mercury vapor reflector fixtures with LED reflectors in internal lighting, and the sodium vapor reflector fixtures with LED reflectors in external lighting.
- We installed multi-stage water pumps in place of centrifugal pumps for the cleaning of trucks, pens, cages, production areas, etc. The new pumps allow a higher pressure with lower water flow, which results in a greater energy efficiency and a lower water consumption.
- We incorporated machinery to optimize the refrigeration cycle: we installed new, larger and more efficient evaporative condensers; we replaced piston NH3 compressors with screw compressors and installed new air compressors of the same technology, which implies a higher air flow and, in turn, results in a better energy efficiency per m³ of air; and we implemented the preventive maintenance program by changing doors and door seals in cold chambers areas and in frozen and refrigerated warehouses.



The conservation and efficiency initiatives we implemented reduced our energy consumption by 140%.

Arrebeef Energía

We convert organic waste from our processes into renewable energy.

ArreBeef Energía is the first biogas plant in the meat-packing industry that generates renewable energy out of the efficient treatment of organic waste.

It has a 5000 m³ biodigester fed with organic load and produces the required amount of biogas to fuel a cogeneration engine.

This engine converts the methane from biogas into electrical energy, with the capacity to deliver 1.5 MW/h of power to the Argentine electrical grid and supply the energy demand of 5700 inhabitants.

Furthermore, the engine produces thermal energy that is used in the biogas generation process and in different processes of the meat-packing plant.

Moreover, as a result of the biodigestion process, organic fertilizer rich in nutrients is produced, which improves the soil quality.



has the certification of the **ISO Standard 14001**, internationally recognized for Environmental Management Systems.

RESULTADOS 2023



Triple impact

We contribute to the reduction of greenhouse gas emissions and generate positive impacts on our community.

Environmental

- > **773348 m³** of treated industrial effluents.
- > **36398 m³** of waste made into energy.
- > **2402 tons CO₂** avoided, equivalent to 1987847 trees.
- > **990 tons** of organic compost generated.

Economic

- > **6221 MWh** generated.
- > **437** trips avoided in waste logistics.
- > **568089 m³** of natural gas equivalent in thermal energy used.

Social

- > **5700** people stocked per day.
- > **1425** houses stocked per day.
- > **386** school students who visited the plant.
- > **18** professional practice opportunities on-site.

Carbon Footprint

We measure the carbon footprint.

We are working together with the Argentine Beef Promotion Institute (IPCVA for its Spanish acronym), the Argentine Institute of Industrial Technology (INTI for its Spanish acronym) and the Argentine Institute of Agricultural Technology (INTA for its Spanish acronym) on measuring the carbon footprint of 1 kg of Argentine beef.

To achieve this, we combine the information from our plant with that of three of our cattle suppliers, which allows us to be aware of the carbon footprint of cattle in the field. This initiative is a public-private interaction experience with few precedents at the international level and is unprecedented within the sectors' value chain. It has a strategic importance for Argentina, since having information about the environmental performance is key to establishing new pillars of competitiveness which strengthen the prestige of Argentine beef in the main foreign markets. Furthermore, it facilitates the adoption of sustainable production methods to meet the growing environmental concerns of consumers.

In addition, by the close of this report, we have made progress in hiring a consulting firm to measure, analyze and monitor our 1, 2, and 3 scope emissions, and to establish a management strategy for their reduction.



Waste management

At our plant, we have management procedures for waste management, classification, collection and disposal, which enable us to measure and set goals for its reduction. Through these processes, we identify the waste generated and define how to treat it according to its characterization, as well as we always attempt to reuse it.

SOLID WASTE SIMILAR TO HOUSEHOLD WASTE:

those generated daily by our administrative activities, auxiliary activities and food waste from the cafeteria (damaged products, packaging and food scraps). We collect this waste in bins and then transport it to the classification area, where it is removed by an authorized third party.

NON-SPECIAL INDUSTRIAL WASTE:

these are elements, objects or substances generated by our activities: scrap metal, plastics, cardboard, wood and pallets, manure and beddings, debris, polypropylene, carcasses and condemned organs, salt. We proceed with them as follows:

For the purpose of our waste to be reused, we work with third parties that reuse some of these materials (cardboard, plastic threads, metal scrap, low-density polyethylene, known as stretch film, and plastic drums) as materials for their processes.

WASTE	COLLECTION AND DISTRIBUTION	
	Collection in plant	Destination/final use
SCRAP METAL	Outsourced company	Smelting
PLASTIC	Outsourced company	Recycling
CARDBOARD	Outsourced company	Recycling
POLYPROPYLENE	Outsourced company	Recycling
WOOD	Outsourced company	Donation
MANURE / BEDDINGS	Own transport	Fertilizer / biogas
DEBRIS	Own transport	Donation
CARCASSES / ORGANS	Own transport	Arrebeef Energía
KOSHER SALT	Outsourced company	Operator authorized by the Ministry of Environment of the Province of Buenos Aires

SPECIAL / HAZARDOUS INDUSTRIAL WASTE:

as part of our production processes, we generate the following wastes which are harmful for the environment:

- Mineral oils not suitable for their intended use.
- Oil and water or hydrocarbons and water waste emulsions and mixtures.
- Waste resulting from the disposal of industrial waste.
- Waste resulting from the production, preparation and use of biocides and phytosanitary products.

All of these are removed by companies authorized by the Ministry of Environment of the Province of Buenos Aires for final disposal in accordance with the current regulations.

PATHOGENIC WASTE, BOVINE SPONGIFORM ENCEPHALOPATHY (BSE)-RISK WASTE AND CONTAMINATED BEDDINGS:

these are produced in the medical service and laboratory areas, and the BSE-risk waste comes from the slaughters and the by-products. The former is disposed of in accordance with the relevant inspections/records and regulations for its final disposal. The latter is subjected to a cooking process at three bars of pressure (133°C) for at least 20 minutes, and the resulting waste is buried in a designated location for that purpose.



45% of the total waste we generate is recovered. The remaining 55% is transported and disposed of through an authorized handler.

The suppliers we work with for the proper disposal of our waste are registered with the Ministry of Environment of the Province of Buenos Aires and provide us with a transportation manifest and a final disposal certificate for the waste.

Amount of waste generated in 2023 (tons)*	
Hazardous	2.6
Non-hazardous	681
Total	683.6

681720 kg

of waste generated (55% industrial waste disposed of in hazardous waste landfills - 45% waste recycled).

339400 kg

of industrial waste recycled.

342320 kg

of industrial waste disposed of in a hazardous waste landfill.

1430 kg

of waste donated to the Garrahan Foundation.

36398 m³

of waste converted into energy through our biodigester.

990 tons

of organic compost generated through our biodigester.

*The data on hazardous waste is obtained from the final disposal certificates issued by the waste management company. The quantity of non-hazardous waste is accounted for using the disposal data from the Argentine State Office of Ecological Coordination for the Metropolitan Area (CEAMSE for tis Spanish acronym) and the outbound delivery orders indicating their weight.

Packaging containers and materials

We have developed a comprehensive plan to reduce or replace the use of packaging materials in our production process under the following commitments:

- Do not compromise the quality or safety of our products.
- Minimize the environmental impact of our operation by adopting sustainable practices.
- Optimize resources and reduce costs associated with packaging.

We have the following strategies to implement this Plan:

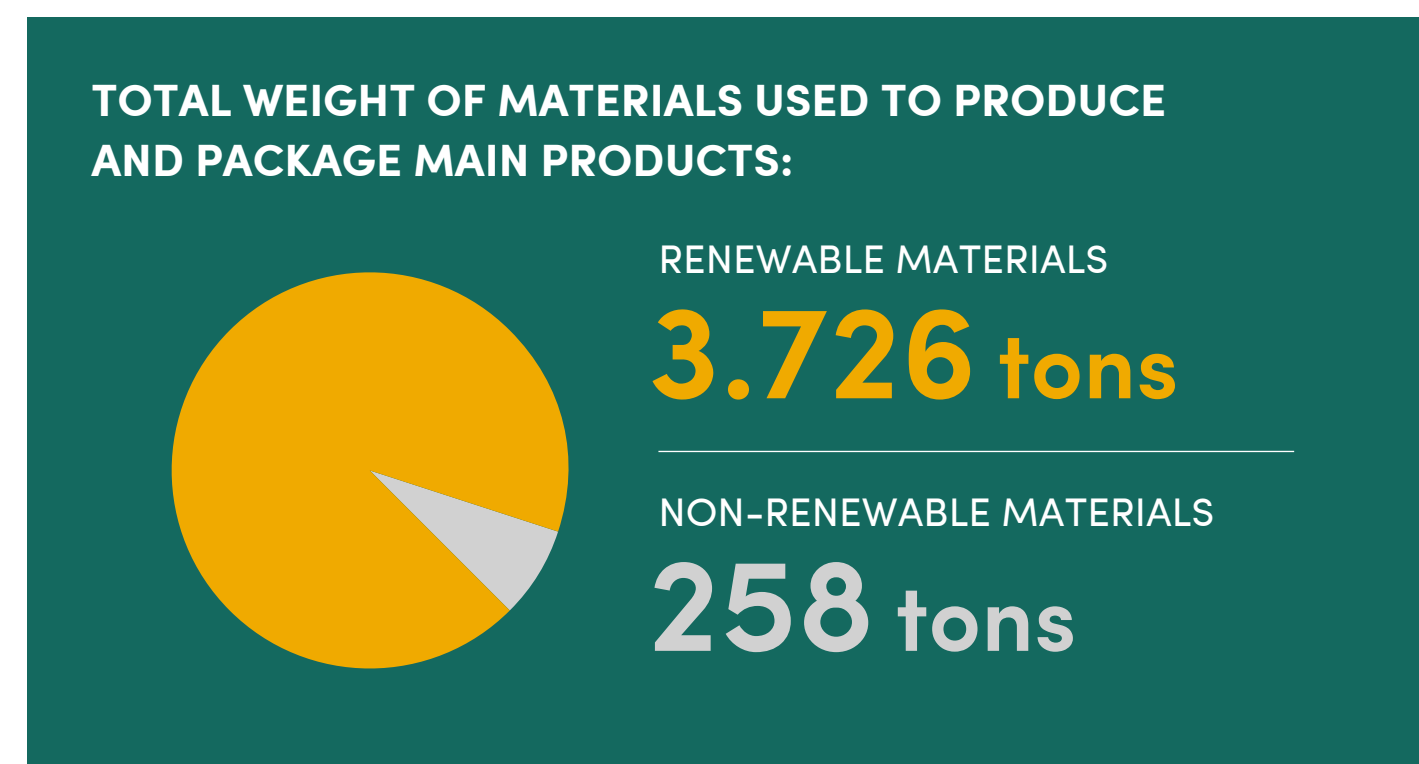
01_
Design optimization: we review our packaging design in order to minimize the use of materials without compromising the protection and presentation of our products.

02_
Use of sustainable materials: we seek alternative and sustainable packaging materials, such as recycled or biodegradable cardboard, which meet our quality and safety standards.

03_
Reduction of unnecessary layers and elements: we simplify our packaging processes by eliminating layers and superfluous elements which do not add value (added value) to the final product.

04_
Reuse and recycling: We foster the reuse of packaging materials, whenever possible, and we promote the proper recycling of the materials used in our operation.

05_
Education and awareness: We train our team on the importance of reducing packaging materials and we foster a corporate culture focused on sustainability.



In order to reduce the consumption of single-use plastics, in 2023, we began to survey their generation by areas as well as we sought sustainable alternatives for their replacement, for the purpose of reducing the use of these plastics by 0.5%.

We purchase cardboard boxes only from **suppliers who have FSC⁷ certification**, so as to ensure that the raw material used for their production comes from sustainable practices.

7. For further information about the FSC certification you may visit the following [link](#).





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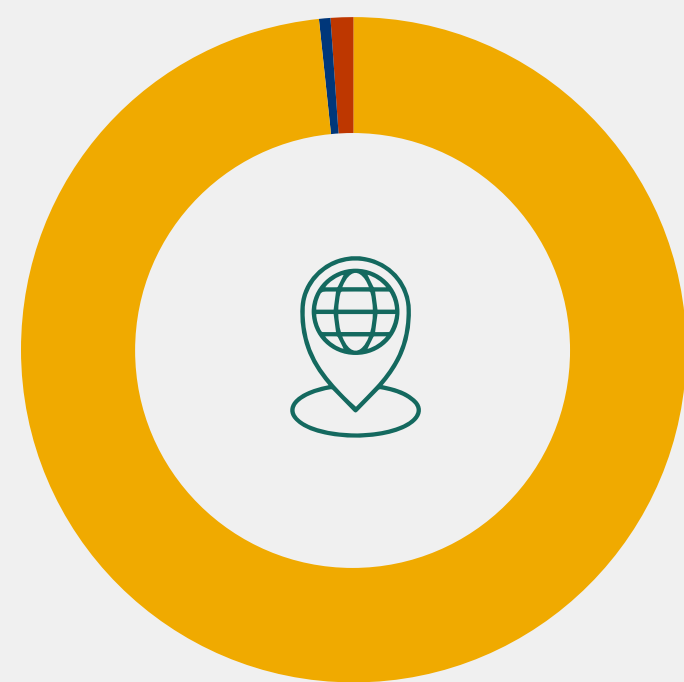
—
Human
capital and
community



We foster an inclusive and respectful work environment in which everyone feels comfortable as part of our team. **We support the personal and professional development** of our team members and **seek to create opportunities and collaborate on community projects** in our areas of influence.



Our team



1367
TEAM MEMBERS

1345
IN PÉREZ MILLÁN
98.4%

10
IN THE CITY OF
BUENOS AIRES
0.7%

12
IN ESCOBAR
0.9%

Distribution by position:

6 directors

4 Men
2 Women

15 managers

12 Men
3 Women

34 heads

23 Men
11 Women

85 analysts and supervisors

46 Men
39 Women

1227 administrative and operational staff

1019 Men
208 Women

● Men
● Women

Distribution by gender:

81%
men

19%
women

Distribution by age:

646 / 47%
under/up to
30 years old

605 / 44%
from 31 to
50 years old

116 / 9%
over 51
years old

Our human resources management is strategically focused on attracting, developing and keeping the essential talent necessary for the achievement of individual and group challenges that make the foundation of the company's success.

Therefore, we promote Arrebeef as an employer brand on social media, publish job openings on LinkedIn and other relevant media, as well as we disseminate vacancies in the employment section of the Municipality of Ramallo.

Furthermore, we build strategic alliances with several universities (UTN in San Nicolás, UCA in Rosario, UADE in the City of Buenos Aires) and we have a University Internship Program to attract talents, train them as well as support their professional development and growth within our organization, under the Young Professionals Program.

Moreover, we provide the different areas of our company with the appropriate tools for their personal and professional training, create good working conditions and foster an atmosphere of trust and innovation so that our staff is motivated and feels proud to belong.

Quality of life and work environment

We keep a close relationship and an open dialogue with each team member, which enables us to be aware of their needs or difficulties. Our communication is open, with listening spaces where we promote feedback at all levels. From Human Resources and through our Employee Assistance Program (PAE), we offer different channels for our staff to voice their inquiries, requests or complaints, as well as we ensure immediate and personalized responses and seek to improve their work well-being.

In case of complaints or reports, we have a protocol in place. These can be directed to immediate superiors, the Human Resources Management, the PAE, through the Suggestion Box or via the email and phone line designated for such purposes. For each complaint, we commit ourselves to preserve the confidentiality of the parties involved, investigate, resolve and respond through our Ethics Committee, as well as we take appropriate corrective measures.



Employee Assistance Program (PAE)

Since 2021, we have had the Employee Assistance Program which, besides being a communication channel for our team members to express their concerns, focuses on four fundamental points: inclusion, education, gender and diversity and problematic consumption.

Through this program, we have developed initiatives to integrate people with disabilities into our team, foster literacy among our team members and encourage them to complete their studies, provide gender and diversity workshops to raise awareness among all our staff, assist those suffering from any form of violence with a specialized multidisciplinary team and promote healthy behavior habits through our preventive policy on alcohol and drug use.

Dialogue Spaces

- Inductions
- Training sessions
- Informative meetings
- Emails
- WhatsApp
- Phone calls
- Bulletin boards
- TVs in the cafeteria
- Newsletters
- Team meetings,
- Spontaneous approach to HR or to the PAE
- Satisfaction surveys.
- Confidential Suggestion Box
- Confidential hotline for complaints
- Confidential email for complaints.





We monitor the work environment through team meetings (between area managers and their teams, as well as between executives and managers) and via satisfaction surveys regarding different services, initiatives and/or attentions offered to our staff.

We also hold different celebrations aimed at contributing to the staff integration, such as the Spring Day, the Mother's Day and the year-end lunch.

We promote spaces and activities to improve the communication among teams. Furthermore, during 2023, we carried out a Management Development Program with the participation of 22 leaders. This involved work sessions intended to foster the integration of different management teams and to enhance the competencies required for managerial positions, for the purpose of promoting a better work environment and a better interaction between managers and other team members.



100% of our team members who benefited from the parental leave returned to their job positions.





Recognitions and benefits

We offer all our staff a discount on the purchase of our products in the retail butcher's shop, an annual gift box and different gifts on commemorative dates. For those who reach the retirement benefit, we recognize their career with a gift and a celebration in the area. Moreover, we have individual recognitions related to performance, which may imply a salary increase and/or promotions, as well as role changes.

Compensation policy

We seek that our team members have a fair compensation for the tasks performed; therefore, we have a fair and transparent compensation policy. Through this policy, we design the necessary conditions so that salaries are within the market level, the branch of activity and within the pay scale planned in our organization. Therefore, we carry out annual reviews of the salary scales of our organization based on remuneration surveys and market trends and similar companies. This way, we seek to promote working conditions that stimulate the best performance of our team members, encourage their loyalty and presence, and attract new talent, as well as we always ensure the compliance with the current legislation.



Our compensation policy is 100% fair, free from gender bias: we only consider the comparison of roles, regardless of the person working in a certain position.



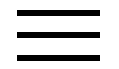
Training and development

We offer training for all the levels of our organization as well as we provide every team member with the technical and management tools which are required to reach the goals of our company and which, most importantly, enable them to develop all their potential.

Our Comprehensive Training Program is designed and aligned with the vision and Code of Ethics and Conduct of Arrebeef. Besides fostering the development of skills and working specific techniques, it promotes inclusion and diversity, health and safety and sustainability in the long term.

The training is also offered to employees of temporary service companies and, occasionally, to individuals from contracting companies who perform tasks in our establishment.

COMPREHENSIVE TRAINING PROGRAM					
Maximize the potential of our staff	Foster the development of technical and soft skills	Promote inclusion and diversity	Produce safe products	Ensure the safety of our team members	Promote long-term sustainability
We evaluate the skills and competences of mid-level and senior management to understand the strengths and areas for improvement and to develop personalized training modules.	We ally with educational institutions and industry experts to provide courses and workshops which guarantee our staff keeps updated with the latest market trends and develops skills relevant to their current and future roles (ITBA, UADE, IAE, etc.).	We offer awareness and training sessions on cultural diversity, gender, disability and other relevant dimensions.	Every team member receives training in safe production practices.	We train our staff in topics such as emergency procedures, accident prevention, proper use of personal protective equipment, applicable safety regulations for the industry and specific roles, safe handling of chemicals, ergonomics, and injury prevention.	We have introduced modules aimed at sustainable practices in our work processes and operations.



We measure the effectiveness of the Program through ongoing assessments and feedback from staff. Also, we track the individual performance of each team member in order to evaluate the direct impact of training on their productivity and professional development.

35866 hours

of training provided to employees

26.23

average training hours per employee

27617 hours

of training provided to men

24.9

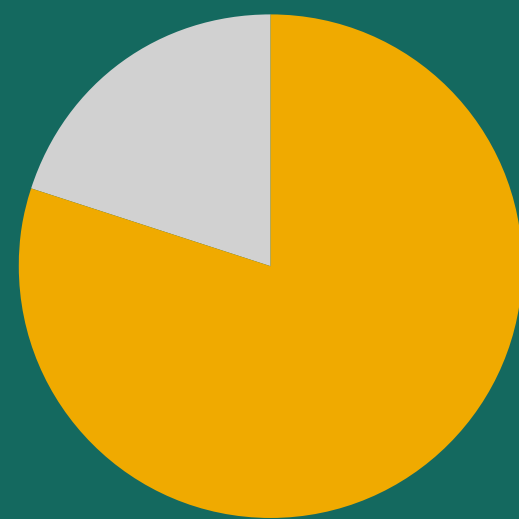
average training hours per male employee

8249 hours

of training provided to women

31.97

average training hours per female employee



80%

HOURS OF TRAINING CONDUCTED BY INTERNAL TRAINERS

20%

HOURS OF TRAINING CONDUCTED BY EXTERNAL TRAINERS

External training and development of training modules tailored to specific roles and individual goals:



814.75

hours allocated



355

team members trained

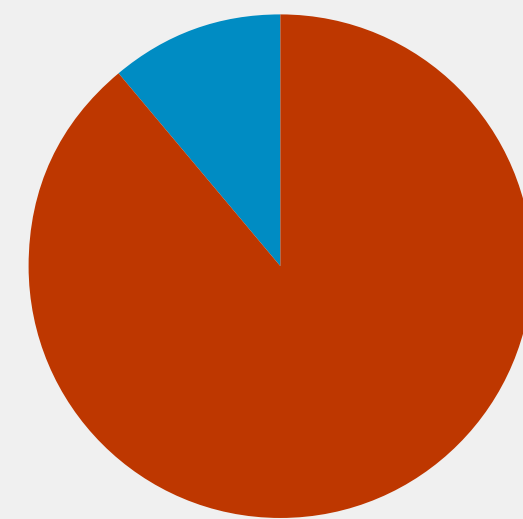
Management Development Program:



22

participants (managers, directors, and heads with growth potential)

Overall satisfaction: **4.36 on a scale of 1 to 5**



89%

IN-PERSON HOURS

11%

VIRTUAL HOURS



280

employees trained in workshops on diversity and inclusion



280 hours

dedicated to diversity and inclusion awareness



Training in regulations, good storage and manufacturing practices, POES, HACCP, and SPS:

2163

employees trained

9192.5 hours

devoted to safety training



Training in topics related to safety and health at work:

5007 hours

allocated

2684

participants



Informative sessions on sustainable practices and waste reduction:

667

participants

333.5 hours

allocated

Moreover, through the education pillar of the Employee Assistance Program (PAE), we offer a literacy workshop aimed at workers who want to learn or improve their reading and writing skills. We also have an agreement with the *FinEs*⁸ Plan, which provides them with the opportunity to finish high school with an official certificate. For both forms of education, we offer flexible hours: they can change their work shift if necessary to attend the *FinEs* Plan as well as we have a classroom on-site for their studies; and they can devote between one to one and a half hours of their workday to the literacy workshop.

While we began offering the *FinEs* Plan at our premises in 2021, during 2023, we strengthened its launch with a communication campaign to reach more workers who have not completed their secondary education, which implied providing information and adjusting their roles and schedules to facilitate attendance. Thus, we achieved the opening of three new classes (1st, 2nd, and 3rd year) in the town of Pérez Millán, in which a total of 29 workers enrolled.

10 workers completed our literacy Workshop.

14 workers completed the *FinEs* Plan.

8. The Argentine Primary and Secondary School Completion Program (*FinES* for its Spanish acronym) is a program implemented by the Argentine government available in all the regions of Argentina.

As part of our promotion of education, we have also been carrying out the Skilled Trades School since 2015, which establishes training for specialized positions and is accredited by the Ministry of Education that certifies such positions. This school enables the satisfaction of the demand for qualified labor in key positions, as well as it fosters the growth and development of our team members and covers absenteeism and staff turnover. During 2023 competences of 235 workers were certified.

Internal Searches

In mid-2022, we implemented a digital file system that centralizes the documentation and information of our staff, including their education levels. This way, when a vacancy arises, we conduct an internal recruitment process to check if there are suitable candidates within the company. If so, we discuss with the immediate superior the possibility of a position change before starting the selection process, which sometimes also includes external applicants.

In 2023, we filled 55% of operational and/or administrative vacancies internally.



Diversity, inclusion and equal opportunities

Inclusion and diversity are fundamental for the success of our company. We are committed to promoting and maintaining a work environment where respect, cooperation, equity, plurality and cultural diversity come first. We foster an inclusive environment through fair hiring policies and mentoring programs that promote diversity at all levels of our organization. In addition, we encourage the constant development of new abilities to create equal opportunities for professional growth.

Thus, the literacy workshop and the access to the FinEs Plan are initiatives which contribute to promoting equality in the workplace and non-discrimination. Every person who joins Arrebeef is informed during their induction about the Employee Assistance Program (PAE), its initiatives, and the available communication and reporting channels.

Moreover, we have a policy for the Prevention, Addressing and Eradication of sexual diversity and/or gender violence, which we support with awareness workshops as part of our Comprehensive Training Program. In the same way, we provide our entire staff with gender and sexual diversity workshops, in

which we share the gender policy and its action protocol, for the purpose of developing the gender perspective of all our staff.

In addition, we have a multidisciplinary gender team composed of members from the PAE, the Legal area, Human Resources and the Medical Service. This team provides assistance to anyone who reports experiencing any type of violence, either in the workplace, where we take immediate measures to address and eliminate such situations, or, if the person suffers from domestic violence, they receive the necessary advice, treatment, and support and weekly follow-ups on the case are carried out, which allows the employee to take days off as needed.

As regards initiatives related to women's work, we have assessed job positions to increase female representation, and in 2023, we created the Cutting Training Program for Women, and cutting is a task that has historically been performed only by male staff.

In 2023, we created the Cutting Training Program for Women, and there are 4 women who have already completed it and four women expected to have completed it by 2024.

Moreover, through the PAE, we aim to integrate people with disabilities into our company. For that purpose, we assess the vacancies to be filled and prepare the work teams to ensure that these integrations are gradual, empathetic and responsible. Finally, we carry out a personalized follow-up and support during the adaptation process so as to achieve the full inclusion of the new team member. Currently, we have integrated two people with disabilities (both intellectual and motor) who work in our organization with daily shifts of 4 and 5 hours.

Health and safety at work

We promote safe conditions for everyone who enters our premises, comply with current legislation and seek to improve the quality of life and well-being of our team members by implementing practices and policies that enhance their physical, mental and social health as well as we foster healthy behavior habits within our organization.



We have an Occupational Health and Safety Management System that encompasses all individuals (whether internal or external to our company) who are engaged in activities within our premises. Its main objectives are to prevent workplace accidents, occupational diseases and to minimize our environmental impact. As for the staff directly involved in the production process, we have a legal compliance matrix, a matrix for personal protective equipment by position and safe working procedures. For the staff external to our organization, we verify the compliance with safety standards through documentation control upon entry to our premises and check compliance with occupational safety and hygiene regulations through the issuance of work permits.

What is more, our management system includes a Health and Wellness Plan, which involves developing a strategic link with public health entities (to enhance the care of our team members), implementing practices that minimize daily absenteeism, medical insurance coverage and creating and communicating different health and wellness campaigns for our staff and their families.



HIGHLIGHTS OF OUR SAFETY AND HEALTH MANAGEMENT



Evaluations of positions: we carried out a thorough study of each work position for the purpose of identifying their risks and implementing preventive measures to minimize or eliminate them.



We carried out daily inspections to verify the correct use or personal protective equipment, unsafe acts and the corrective or preventive modifications of the facilities according to workers' experience or suggestions.



Ergonomics Program: we analyzed every operative positions as well as the Hygiene and Safety area.



We produced an investigation report for every workplace accident in order to find its cause and make an action plan to eliminate it and avoid recurrence.



We conducted a monthly evaluation of the indicators of workplace accidents and occupational diseases.



As part of our annual Comprehensive Training Program, we provided all our staff with on health and safety. From a safety induction for all the newcomers to training sessions on safety procedures, good hygiene practices, infectious and contagious diseases, safety recommendations for work at height and work with boilers and the correct use of the self-contained breathing apparatus, among others.



We trained supervisors and mid-level managers in first aid and CPR.



Heart Week: preventive controls were carried out on our team members and offer an informative speech by a cardiologist.



Safety Week: we conducted different training sessions and carried our activities related to safety during the week of April 21st, which was communicated through our newsletter, banners and internal bulletin boards. The speeches included covered topics such as the hands protection, the use of personal protective equipment and work ergonomics, among others.



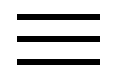
VR training sessions: we offered informative speeches which consisted of a theoretical module on a specific topic and a subsequent practice with the VR devices, which simulate real situations and enable the application of the techniques previously studied. This way, we trained maintenance electricians on electrical lockout, authorized drivers on the safe handling of forklifts and all our staff on the use of extinguishers.



Meeting with the staff of the Volunteer Fire Department: we mapped risks and unified criteria for a team work of the firefighters with the squad of our company in emergency situations. We verified our tools to extinguish fires and detect ammonia leaks and the safety procedures in cases of emergency; we carried out an inspection of the accesses to critical areas and communicated our firefighting network reconditioning project. 25 people participated during 2023.



Evacuation drills: once a year, we train with the squad members and the production staff to be aware of the evacuation routes in order to prepare our team members in case of emergency.



During 2023, we trained 2684 team members on 59 topics related to occupational safety, which amounts to 5007 hours of training.

Workplace Accident Injuries 2023	
Fatalities resulting from a workplace accident	0
Injuries from workplace accidents with significant consequences (not including fatalities).	39
Rate of injuries from workplace accidents with significant consequences	3.9 (annual average)
Recorded injuries from workplace accident	929 (with and without time off)*
Rate of recorded injuries from workplace accident	77.4 (annual average)

*132 had 1 to 2 days off work; 11 had 3 to 4 days off work; 39 were severely injured and had 5 or more days off work; 747 incidents recorded, although such individuals did not require days off and continued working.

Occupational ailments and diseases 2023	
Fatalities resulting from an occupational ailment or disease	0
Recorded occupational ailments and diseases	568*

*568 cases of treatment for symptoms related to occupational causes during 2023; 47 cases of treatment for occupational diseases per month (annual average).

This data allows us to evaluate the positions in which the team members work to implement preventive actions.

Moreover, treatments for non-occupational illness cases are managed according to an internal health procedure, in which we record the first treatment received by the worker in a digital medical record. These reports help us identify both non-occupational and occupational illnesses and, based on this filter, they also help us monitor pathologies, detect diseases early and provide immediate treatments.

Protocol for action regarding problematic substance use

Within the Employee Assistance Program (PAE), we have a protocol for identifying cases of problematic use of psychoactive substances. Our goal is that the team members may receive the necessary treatments for their recovery and work while caring for both their mental and physical health. For that purpose, we have a preventive policy on the consumption of alcohol and other drugs, which we promote to encourage adherence and compliance. Moreover, we conduct preventive health studies (EPS for its Spanish acronym) to reduce risk situations related to consumption, intoxication and withdrawal from these substances, and we address situations as required as well as we support the person going through such a situation and their family environment. Furthermore, we train individuals of the different areas of the company to raise awareness about alcohol consumption and other drugs use. In addition, we continually monitor the scope of our protocol to assess changes and/or improvements.

Community relations and social investment

We intend to have a positive impact on the communities where we operate by improving the quality of life of their residents and promoting their development. Our main strategy is to foster education as a tool for personal and professional growth

In this context, we offer literacy workshops and the FinEs Plan⁹, as well as professional practice programs for final-year high school students and Internships for those studying at the tertiary or university levels.

The professional practice programs last two months and consist of four hours daily: students from technical schools participate every day in an area related to their specialization (Arrebeef Energía, Systems, Maintenance or Quality); while young students from agricultural schools attend three times a week and rotate among the Production, Quality, Arrebeef Energía and Safety and Hygiene areas.

9. For further information, see the section "Training and development".

Furthermore, by following interviews with directors of local educational institutions and with the Secretary of Education of the Municipality of Ramallo, we identified the needs of the community and developed actions to respond. Thus, we invest in supplies for the schools (such as paint, computers and food) and coordinate visits to our plant to foster students' interest in the industry and motivate them to complete their studies, for the purpose of fighting against school dropout.



SCHOOL VISITS

OBJECTIVE

- Provide students with information about procedures within the meat-packing plant: production processes, environment, human capital management and our commitment to sustainability.

PARTICIPANTS / ALLIANCES

Representatives from different sectors.

ACTION IN NUMBERS

17 school visits.
311 visits to our plant.

UNIVERSITY INTERNSHIPS

OBJECTIVE

- Provide job opportunities.
- Develop skills that contribute to professional and organizational growth.
- Combat school absenteeism.

PARTICIPANTS / ALLIANCES

Universidad Católica Argentina de Rosario (UCA), Universidad Argentina de la Empresa (UADE) and Universidad Técnica Nacional (UTN)

ACTION IN NUMBERS

3 interns developed at our company.

PROFESSIONAL PRACTICE PROGRAMS

OBJECTIVE

- Boost the learning of young people.
- Combat school dropout rates.

PARTICIPANTS / ALLIANCES

*Escuela Técnica (Technical School) located in Pérez Millán
Escuela Agropecuaria (Agricultural School) located in Arrecifes*

ACTION IN NUMBERS

26 students benefited from the practice programs.



About this report

Our first report is intended to inform our stakeholders about Arrebeef's economic, social, environmental and governance performance during the period from February 1, 2023 to January 31, 2024. The participation of all the areas of the company was considered for the preparation of this document.

For inquiries or comments on this report, write to arrebeef@arrebeef.com





Arrebeef

Feeding the world sustainably

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