



萬洲國際
WH GROUP

萬洲國際有限公司
WH GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)
Stock code: 288



2024

Environmental, Social and Governance Report



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MESSAGE FROM CHAIRMAN

Dear Readers:

Thank you for your interest in the 2024 Environmental, Social and Governance Report of WH Group.

Reflecting on 2024, we recognize the profound shifts in the global economy and the heightened market volatility that shaped the business landscape. Despite these challenges, WH Group remains steadfast in our commitment to steady progress, embracing change with openness, inclusivity, and an innovation-driven mindset. Anchored by our global development strategy, we continuously optimize our business and industrial structure in response to the evolving needs so as to enhance our overall competitiveness.

Wan Long / Chairman



MESSAGE FROM CHAIRMAN (continued)

At WH Group, we firmly believe that strong corporate governance is the cornerstone of sustainable development. We are committed to strengthening Board independence and diversity in line with our operational realities. Guided by the core values of “integrity as foundation, morality leads to success”, we foster a corporate culture rooted in honesty and ethics. Across our subsidiaries, we invest in resources to build stronger controls and capacities in areas important to sustainability, and act to empower stakeholders across the value chain.

We fully support global climate action and the targets set forth in the *Paris Agreement*. Over the past two years, we have actively identified and assessed climate-related risks and opportunities. Building on this foundation, we took a major step forward in 2024 by quantifying the financial impact of climate risks at key operational sites — marking an important milestone in strengthening our climate resilience. In parallel, we adopt a data-driven approach to greenhouse gas emissions reduction, aligning environmental goals with business growth. We are also exploring circular economy practices, including waste recovery and recycling, to minimize our environmental footprint and protect natural ecosystems.

WH Group has built and maintains a comprehensive product quality and safety management system that spans the entire value chain — from farm to table. We maintain rigorous oversight at every stage, working closely with suppliers to uphold high standards for animal welfare, biosecurity, and raw material traceability. In addition, we advocate for healthy diets by enhancing production techniques and improving product formulations, offering nutritious and flavorful protein products tailored to evolving consumer needs.

“People-centric” is at the heart of how we run our business and make decisions. Our employees are the backbone of our organization. We listen to their concerns, safeguard their interests, and promote their well-being. Through a fair and efficient human resource management system, we cultivate a diverse, equitable, and inclusive workplace, while ensuring a safe, healthy, and empowering environment for career development.

Rooted in our commitment to community engagement — giving back to society alongside our business development, we share our growth with all stakeholders. Through ongoing food donation programs, we support vulnerable populations addressing food scarcity. We also invest in the education and development of future generations by offering various youth support initiatives. In addition, our employees actively participate in volunteer and social welfare programs, further strengthening our connection to the communities around us.

Looking ahead to 2025, WH Group remains committed to our strategic vision of “integrating global resources, delivering synergy, creating a sustainable future.” With this as our objectives, we will continue to optimize our industrial chain, expand our global footprint, and diversify our animal protein offerings. By embracing digitalization and intelligent technologies, we aim to enhance quality and efficiency while advancing our mission of sustainable and high-quality development in collaboration with our partners.



2024 ESG PERFORMANCE



ESG Honours

- MSCI ESG rated BBB
- Hang Seng Corporate Sustainability Index rated A+
- Rated in the top **10%** of the food industry in S&P Global Sustainability Assessment (CSA)



Creating a Culture of Sustainability

- WH Group's Board of Directors participated in anti-corruption training for a total of **9** hours, and employees received anti-corruption training for a total of **99,498** hours, with **30,565** participants
- During the Reporting Period, the Board has one female Director, who chairs for the Audit Committee
- Identify key emerging risks with implications for future business and develop strategies to address them
- Continue integrating climate change risks into existing risk management frameworks and carries out quantitative financial analysis of climate risks in key operation sites



Providing Quality Products

- WH Group's R&D expenses amounted to USD**173** million
- **100%** of WH Group's slaughterhouse and meat processing plant operating facilities in global operations have acquired and maintained certifications for various product and/or food quality and safety systems
- The coverage rate of quality-related employee training in China, Romania, and Slovakia are all **100%**



Sustainable Supply Chain

- Smithfield surpasses its goal of securing at least one external certification from a globally recognized animal care organization for its farms by 2025
- Antibiotic uses in the North America, China, and Europe were **225** mg/kg, **317** mg/kg, and **240** mg/kg respectively
- Continuously strengthening sustainable procurement, with the procurement volume of traceable RSPO-certified palm oil accounted for **63%** and the procurement volume of seafood with MSC or ASC certification accounted for approximately **95%**



Promoting Green Development

- Continue disclosing the Scope 3 GHG emissions in value chain of more than **80%** of its business
- A total of **84.6%** of WH Group's meat processing facilities obtained ISO 14001 certification
- Our wastewater facility in Virginia was awarded a Hampton Roads Sanitation District (HRSD) Platinum Award for Pretreatment Excellence and Pollution Prevention



Empowering Employees

- As of the end of 2024, WH Group employs a workforce of **103** thousand, a year-on-year increase of **1.3%** compared to 2023
- Global average employee training hours reached **34**, with an increase of **9.7%** year-on-year
- Recorded an annual injury rate of **1.33** per **200,000** hours worked
- Smithfield and Morliny Foods actively carries out employee surveys with a participation rate of **61%** in the U.S. and **89%** in Poland
- For the 14th consecutive year, the Shuanghui Development offered the Golden Autumn Scholarship to **1,761** employees' children who have been admitted to university, with a cumulative amount of approximately USD**5.02** million



Co-building Our Community

- WH Group donated in cash and materials with an equivalent total over USD**35.68** million, and the Group's employees participated in volunteer services for over **17,300** hours
- Smithfield and Morliny Foods have donated more than **184** million protein servings to food banks in the U.S. and Europe through hunger relief programmes such as Helping Hungry Families®
- In 2024, Morliny Foods partnered with food banks to donate **242** tons of food to needy groups in Poland, Spain, and Romania

ABOUT WH GROUP

Company Overview

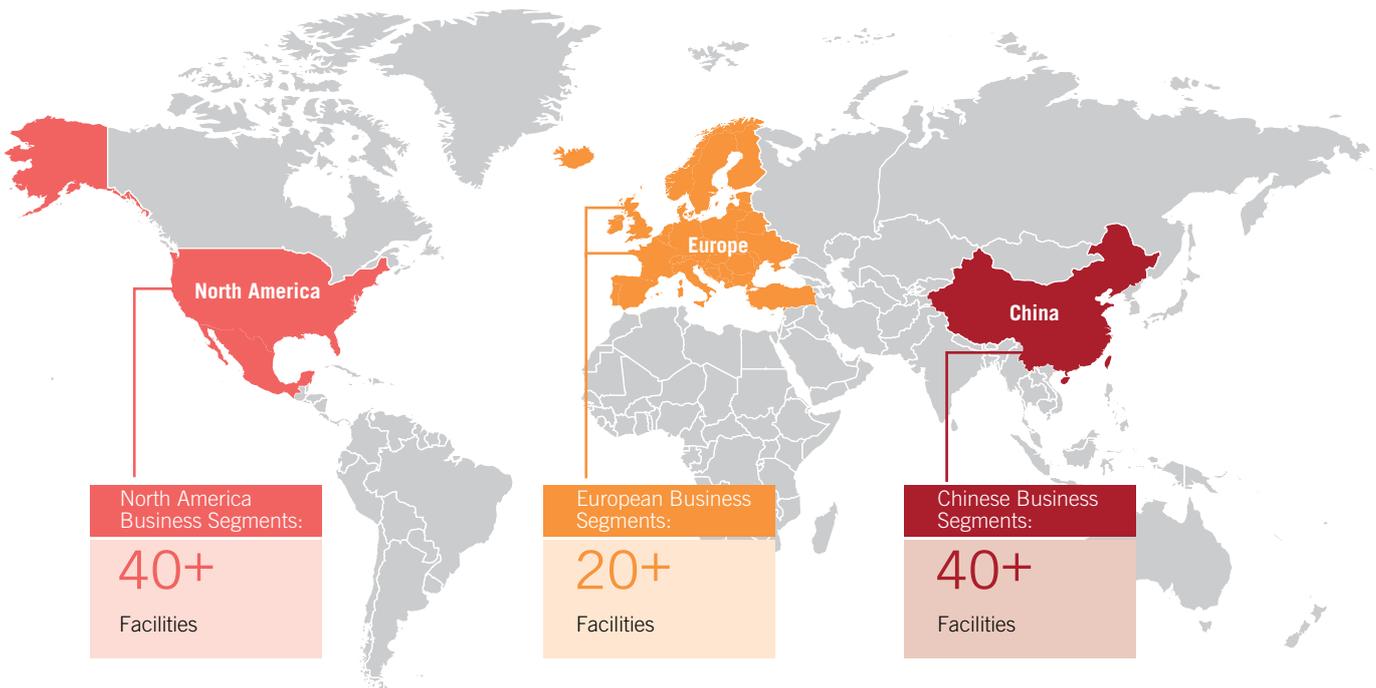
As the world's largest pork company, WH Group is committed to providing safe, affordable, and nutritious protein options to elevate the quality of life of consumers. WH Group boasts a vertically integrated pork business chain covering livestock farming, hog harvesting and processing, packaged meats, distribution and sales, and is moving forward in the R&D and promotion of preprepared food. With this unique global platform, WH Group has gained a leading position with considerable competitive advantage in the pork industry. WH Group has been listed on the Main Board of the Stock Exchange of Hong Kong Limited since August 5, 2014 under the stock code 0288.HK and was formally included as a constituent member of the Hang Seng Index since September 4, 2017.

WH Group is the largest pork company in the world, with leading positions in China, the US and key markets in Europe. Our global platform integrates consolidated pork business chain providing packaged meats and fresh pork globally. WH Group owns subsidiary companies of Henan Shuanghui Investment & Development Co., Ltd., China's largest meat processing company, and Smithfield Foods, Inc., the biggest pork company in the US and Morliny Foods, the leading European multinational meat processing companies, and other subsidiaries. With our globally renowned brands, WH Group has a rich portfolio of products and a large market network. We also have an unrivalled advantage thanks to a globally integrated platform that realizes complementary resources and significant synergies. At the same time, we remain deeply committed to food safety, quality, and nutritional health, striving to serve the millions of consumers who trust and enjoy our products.

Business Segments

The Company's principal business covers packaged meats, hog production and hog farming, with packaged meats being the main source of revenue. The Company is also engaged in other peripheral business activities, including the harvest and sale of poultry, manufacture and sale of packaging materials, provision of logistic services, operation of retail chains, and production of seasonings, natural sausage casings, and biopharmaceuticals. WH Group pursues global development by allocating assets and integrating resources around the world. As at the end of the reporting period, together with tens of thousands of partners such as suppliers and distributors around the world, the Group offers a Farm-to-Fork service chain to global consumers and households.

WH Group's Globalization



More than
100,000
jobs

100+
facilities

Operate in over
9
countries

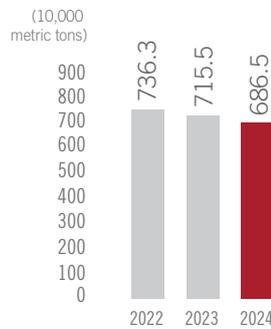
3,000+
owned and
contract farms



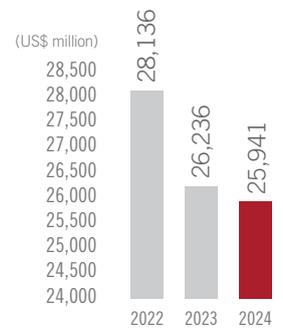
Business Performance

During the Reporting Period, amid economic complexity and market volatility WH Group's market share and scale of operation maintained generally stable with the Group's resilience sustained from its vertically integrated businesses which allow synergy leashed out amongst various regional operations.

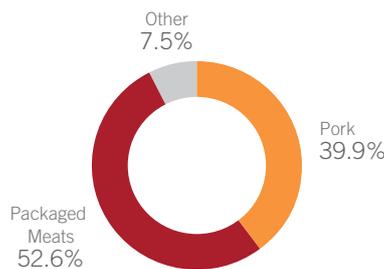
Packaged Meats + Pork Sales



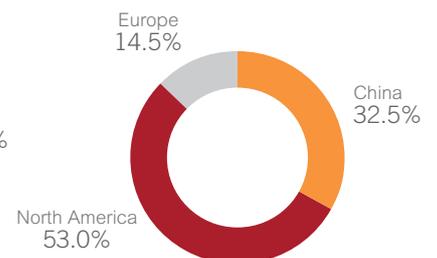
Revenue



2024 Revenue by Segment



2024 Revenue by Region



ABOUT THIS REPORT

● Overview

This report is the annual environmental, social and governance (ESG) report published by WH Group Limited (hereinafter referred to as the “the Company” or “WH Group”). We have reported on ESG issues annually since 2016. This report details the Company and its subsidiaries’ (hereinafter referred to as “the Group” or “We”) management measures and performance concerning ESG issues from January 1, 2024 to December 31, 2024 (hereinafter referred to as the “Reporting Period”).

● Definition of Names

Subsidiaries of WH Group Refers to WH Group’s subsidiaries.

Smithfield Refers to Smithfield Foods, Inc., including subsidiaries in the U.S., Mexico and other regions.

Smithfield’s business and operations in Mexico Refers to Granjas Carroll de México, S. de R.L. de C.V. (also referred to as “GCM” or “Altosano”).

Shuanghui Development Refers to Henan Shuanghui Investment & Development Co., Ltd.

Subsidiaries of Shuanghui and Project Company Refers to subsidiaries of Henan Shuanghui Investment & Development Co., Ltd.

WH Group (China Operations) Refers to Rotary Vortex Limited, Shuanghui Development, Luohe Shuanghui Logistics Investment Co., Ltd., and Luohe Huisheng Biotechnology Co., Ltd., among others.

Morliny Foods Refers to Morliny Foods Holding Limited.

Morliny Foods Subsidiaries Refers to Animex Holding Sp. z o.o., Animex Foods Sp. z o.o., Agri Plus Sp. z o.o., Comtim Romania S.R.L. Argal Alimentacion S.A., and Mecom Group s.r.o., among others.

● Basis of Preparation

This report is prepared in accordance with Appendix C2 *Environmental, Social and Governance Reporting Code* to the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (“HKEx”). Appropriate references are made to the MSCI ESG ratings, Hang Seng Corporate Sustainability Index Series and Research Evaluation Survey, S&P Global Corporate Sustainability Assessment (CSA) questionnaire, and the Institutional Shareholder Services (ISS) ESG ratings. In addition, subsidiaries of the Company Shuanghui Development and Smithfield also published their *ESG Report* and *Sustainability Impact Report*, respectively. The information mentioned in the reports can be regarded as supplemental to this Report.

The report follows the principles of Materiality, Quantitative, and Consistency in the *ESG Reporting Code*. The related processes include identification of significant stakeholders, identification and classification of material ESG-related issues, determination of the ESG reporting boundary, collection of relevant materials and data, preparation of the report based on data, and review of the data in the report.

● Report Scope and Boundary

The scope and boundary of the Report is consistent with the one in 2024 annual report of WH Group. This report covers the Company and its subsidiaries, including Goodies Meat Production S.R.L. (referred to as “Goodies”) acquired in 2023 and Argal Alimentación, S.A. (referred to as “Argal”) acquired during the Reporting Period, while its environmental and social quantitative data have been reflected in this report.

● Report Data

Unless otherwise indicated, all financial data in this report is in the USD. The average exchange rate of 7.208 in 2024 was chosen for the US dollar to RMB exchange rate. In addition, unless otherwise indicated, production data in metric tons only refers to packaged meats, pork, and poultry meat, and does not include production of hogs and production of poultry.

● Data Reliability Assurance

The data sources used in this report include publicly available government data sources, relevant statistical reports of WH Group, stakeholder communication materials, administrative documents and reports, third-party evaluations and interviews, etc. The data calculations are marked in the corresponding chapters with the calculation method. If there is any change in the statistics and disclosure methods in the Report, it shall be explained in the annotations. The Board of Directors of the Company confirms that the contents of this report contain no false records, misleading statements, or material omissions, and assumes responsibility for the truthfulness, accuracy, and completeness of the contents of this report.

This report was approved by the Board of Directors on 10 April 2025, following the confirmation by management.

If there is any question about the contents of this report, please call or write to us for consultation.

Our contact information is as follows:

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1

**CREATING A
CULTURE OF
SUSTAINABILITY**

CREATING A CULTURE OF SUSTAINABILITY (continued)

In line with the Group's purpose of "Holding Ourselves to the Highest Standards and Creating Sustainable Value for Society", WH Group continues shaping a sustainability-driven corporate value system through strategic decisions and operational execution in the areas of strategy and objective setting, risk assessment, policy alignment and performance evaluation, aiming to integrate sustainable development into its corporate culture.

We align with the UN Sustainable Development Goals and adhere to the *WH Group Corporate Principles* (hereinafter referred to as the *Corporate Principles*) focusing on eight key areas: Climate Change and Environment, Food Safety and Nutrition, Labor Standards and Employee Interests, Work Conditions and Safety, Animal Welfare and Care, Supply Chain Sustainability, Business Integrity and Community Engagement.

1.1 Corporate Governance

WH Group aspires to undertake high standards in corporate governance to effectively safeguard the interests of shareholders and the interests of the Group as a whole. We continue to build a Board of Directors with diverse backgrounds, drawing insights from different perspectives and expertise that complement one another for better decision-making. We enable the Board's capacity in evaluating and managing risks and opportunities in the face of complex challenges. The Board aims to improve its governance practice steadily and responds to stakeholders' concerns on their interests so as to sustain long-term viable development of the Group.

1.1.1 Governance Structure and Accountability

We comply with the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited*, other applicable laws and regulations in regions where we operate and market access requirements or international standards for our products. The Board of Directors has employed governance policies, which are reviewed at a pre-determined frequency, in carrying out its duties.

Corporate Governance Structure

The Board of Directors is the highest responsible body of the Group. There are several professional committees¹ under the Board, each performing its authorized responsibilities and cooperating with others as required, to collectively safeguard the Group's overall interests and create value for stakeholders.



¹ The responsibilities of the respective committees are outlined on the WH Group website: https://wh-group.com/html/about_gov.php

CREATING A CULTURE OF SUSTAINABILITY (continued)

Board Composition

WH Group's Board of Directors adheres to the *Board Diversity Policy* and seeks to maintain a board composition that is diverse in terms of specialization, background, market experience, and gender, amongst other criteria. This helps enhance the Board's governance capabilities in assessing the growth and risk management of the Group from broader perspectives in order to achieve its long-term strategic goals and bolster its corporate reputation.

As of the end of the Reporting Period, the Board is comprised of nine members, including five Executive Directors, one Non-Executive Director and three Independent Non-Executive Directors (including one female Director). Please refer to the *List of Directors and their Roles and Functions*, and the Corporate Governance section of the *2024 Annual Report of WH Group* for details about the meetings of the Board and its committees.



1.1.2 ESG Governance and Management

WH Group takes the implementation of its sustainable development principles and targets as one of the important pillars for the progress and growth of the Group. The Board of Directors authorizes the ESG Committee to provide oversight on major sustainability issues of the Group. The subsidiaries are tasked to establish their sustainability targets and relevant implementation mechanisms based on their own circumstances respectively, delivering high-quality sustainable practices across their value chains. We are committed to optimizing our engagement programs for effective dialogues with stakeholders, and exercise rational judgment balancing the Group's overall interests with the expectations of each stakeholder group.



ESG Governance Structure

WH Group has formed a top-down three-tier ESG governance structure consisting of the Board of Directors, the ESG Committee under the Board and the ESG Working Group. The respective subsidiaries are responsible for delivering related performance in their daily operations. The ESG Committee is chaired by Mr. Guo Lijun, an Executive Director and joint by Independent Non-Executive Director Mr. Lau Jin Tin Don, and Executive Directors Mr. Wan Hongwei, Mr. Charles Shane Smith, and Mr. Ma Xiangjie. In January 2025, following the separate listing of Smithfield on a U.S. Exchange, Mr. Charles Shane Smith resigned from his roles on the Board and other committees, including the ESG Committee, to focus on his duties as Director, President, and CEO of Smithfield.



Within each level of the ESG governance structure, specific roles have been clearly assigned to ensure that the Group's policies, aligned with relevant targets, are consistently enforced, and vigilant oversight is maintained over risks and performance. The Group's ESG Working Group coordinates with the sustainable development teams of its subsidiaries to facilitate essential collaborations and knowledge sharing.

During the Reporting Period, WH Group optimized and consolidated its business and industrial structure in response to its development needs, and announced plans to spin-off and separately list Smithfield's business in the U.S. and Mexico. Meanwhile, the Group founded a wholly-owned subsidiary, Morliny Foods, to manage the European operations and assets that are divested from Smithfield.

CREATING A CULTURE OF SUSTAINABILITY (continued)

WH Group's main subsidiaries, namely Shuanghui Development, Smithfield, and Morliny Foods, have each set up a dedicated team which is responsible for the implementation and advancement of related initiatives. During the Reporting Period, Shuanghui Development restructured the Board's Strategy Committee into the Strategy and Sustainability Committee supported by a newly set-up function, the ESG Management Office, which is tasked to coordinate all ESG initiatives across different departments. Smithfield has a Chief Sustainability Officer who is responsible for overseeing issues relating to sustainable development and reports directly to the Chief Executive Officer. Morliny Foods has a Sustainability Director who is tasked with coordinating and implementing the company's ESG initiatives in all operating locations across Europe, and reports directly to the company's Chief Executive Officer.



We have formed a management approach that is suitable for our current stage of development whereby ESG KPIs is incorporated as a part of the performance appraisal of related personnel to ensure effective implementation of our sustainability targets. The Board of Directors of Shuanghui Development has decided to include ESG performance in the job description and performance appraisal of the company's President and the senior management team, and relevant results are duly reflected in the variable remunerations. Smithfield and Morliny Foods have integrated ESG factors into their respective corporate strategies, standing operations, value chain management, and performance appraisal.

CREATING A CULTURE OF SUSTAINABILITY (continued)

Roles within WH Group's ESG Governance System

WH Group Board of Directors

- Assessing, defining and overseeing ESG risks to ensure that the Group has appropriate and effective ESG objectives and risk management measures in place, and that the Board's governance practices are in compliance with the relevant rules of the HKEx

ESG Committee

- Reviewing and reporting to the Board of Directors on the effectiveness of the Company's policies and performance in relation to significant ESG issues
- Identifying and responding to material ESG issues to stakeholders through appropriate means
- Supervising the standards set and performance achieved by the Group on material ESG issues

ESG Working Group

- Organizing internal exchanges with counterpart leaders and functional departments of subsidiaries including Shuanghui Development, Smithfield and Morliny Foods, promoting the exchange of sustainability management experience and synergy between subsidiaries, and working with them to jointly advance the implementation of routine ESG-related work under the coordination and guidance of the ESG Committee

During the Reporting Period, WH Group's ESG Committee regularly enquired about and reviewed the work of the ESG Working Group and attended briefings as appropriate. It also supervised and provided guidance to the annual ESG programs, including stakeholder engagement, climate change related analysis, food quality and safety, customer/consumer services, and employee interests.

ESG Management and Implementation

WH Group's ESG Working Group holds regular meetings with its subsidiaries to track the progress of ESG targets, discuss changes in the regulatory regimes and their jurisdictional reach, and share best internal practices. In addition to supporting the ESG Committee, the ESG Working Group also, when needed, synchronizes information and coordinates priorities with the Food Safety Committee and the Risk Management Committee on issues where cross-committee collaboration is necessary to jointly promote the sustainable development of the Group.

CREATING A CULTURE OF SUSTAINABILITY (continued)

During the Reporting Period, the ESG Working Group reviewed the Group's environmental, social and governance standing management practices and capabilities, and assessed the feasibility of enhancing the transparency of certain ESG data. The ESG Working Group also prepared the annual ESG report, and reviewed the compliance of such disclosures with the principles and requirements of related regulatory agencies. Using the Hong Kong Stock Exchange's *Environmental, Social, and Governance Reporting Code* ("ESG Code") as a reference, the ESG Working Group spearheaded initiatives for the Group and its subsidiaries to address and adapt to potential climate risks, and perform quantitative analysis of projected financial impacts.

WH Group has consistently been recognized and honored for its robust operational performance and ESG achievements. These include consistent ESG ratings and awards for exemplary ESG practices.

WH Group

- Rated as BBB by MSCI-ESG Rating
- Hang Seng Corporate Sustainability Index, rated as A+
- Rated in the top 10% of the food industry in S&P Global Sustainability Assessment (CSA)
- Named "ESG Leading Enterprise 2024" by Bloomberg Business for companies with a market capitalization exceeding HKD12 billion

Shuanghui Development

- Rated A by Wind ESG Rating
- Honored as a top-10 brand preferred by consumers for 10 consecutive years
- Selected as the "2024 Best Sustainability Practice Case of Listed Companies" in the PRC by CAPCO
- Selected as the "Outstanding Listed Company Board of Directors Practice Case" in the PRC by CAPCO

Smithfield

- Awarded the "Environmental Stewardship Rookie Award" by NCDEQ
- The wastewater treatment facility was awarded the "Platinum Award for Pretreatment Excellence and Pollution Prevention" by HRSD
- Awarded the "Worker Safety Recognition Award" by the Meat Association
- Awarded the "Golden Hog Award" by Cloverleaf

Morliny Foods

- Awarded the "Special Award for Implementing ESG Procedures" at the Poland Business Gala
- Named "Leader in Environmental, Social, and Governance" in the Poland Agriculture Top 100 Awards

CREATING A CULTURE OF SUSTAINABILITY (continued)

1.1.3 Stakeholder Engagement and Material ESG Topics

WH Group values communication with its stakeholders. We have established diverse, interactive channels to maintain an open dialogue with all stakeholders to understand their views and needs, so that we can continue to create value for them.

Stakeholder Engagement

Stakeholders' feedback serves as valuable input for the Group's informed decision-making on its sustainable development plans. In light of the Group's strategic positioning and nature of business, we have identified the following parties as our key stakeholders: investors, consumers, employees, suppliers, distribution partners, regulators, industry experts and organizations, NGOs, sustainability think tanks, and the media. We set up communication procedures and mechanisms to engage these stakeholders to ensure that their interests are fully considered while we work towards our sustainable development targets. Our subsidiaries also have their own stakeholder communication channels and procedures appropriate to their respective business situations. The Group has identified topics that may affect its stakeholders, and these are presented in the Appendix of this Report.

ESG Materiality Matrix

WH Group conducts ESG trends studies semi-annually. We review and update our material topics based on a holistic analysis that consolidates media reports, peer benchmarking, stakeholder interviews, international standards for ESG disclosure, and the material topics identified by our subsidiaries. Our management team deliberate and prioritize these material topics before submitting them to the Board of Directors for final review and approval.

During the Reporting Period, WH Group conducted an annual review of the prioritization of topics, taking into account industry trends, changes in ESG regulatory standards, and the Group's business and operations. The Group receives on-going feedback from its stakeholders with regard to their expectations on ESG development, including regular communication and stakeholder surveys conducted by our subsidiaries. Based on these, we evaluate and prioritize the materiality of identified ESG topics, and refine our management focus accordingly.

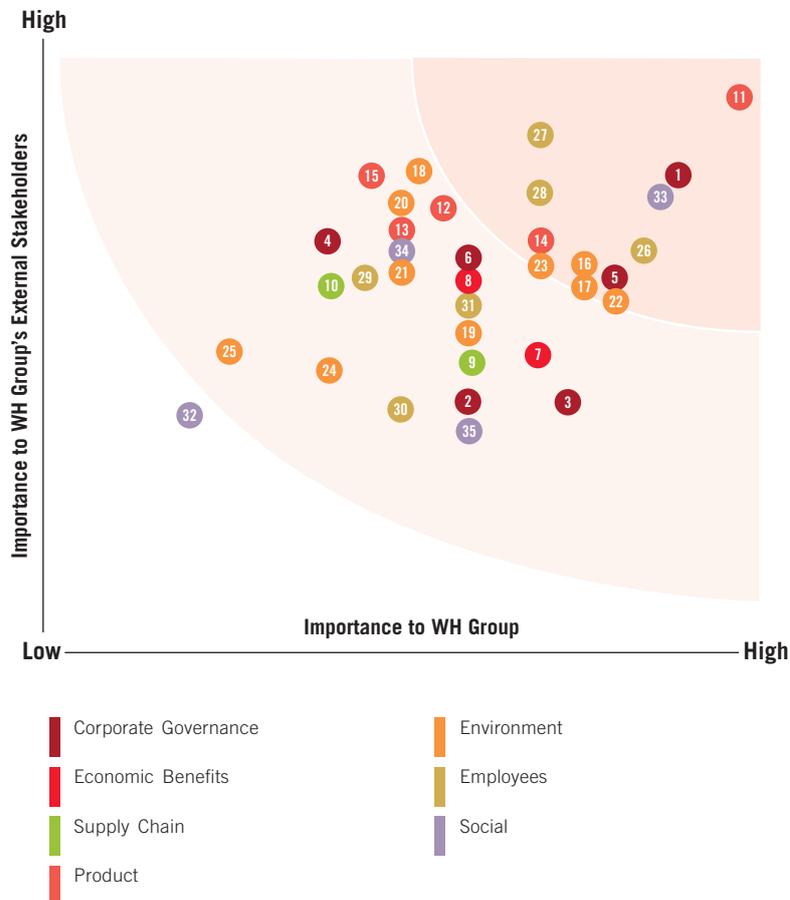
During the Reporting Period, Shuanghui Development conducted a double materiality analysis that assessed the significance of potential sustainability risks and opportunities in terms of operational impact and financial consequences. Smithfield continues to put management efforts based on the results of the 2023 material topic analysis. The Group remains attentive to the evolution and changes in the material ESG topics of its subsidiaries to assess the need to revise the Group's materiality matrix. Morliny Foods identified and assessed sustainability risks and opportunities in accordance with the *European Sustainability Reporting Standards (ESRS)* for non-financial information reporting, and reviewed its key ESG management indicators. Please refer to the matrix below for WH Group's material topics.

CREATING A CULTURE OF SUSTAINABILITY (continued)

The Identification Process of Material Topics

Identification/update of potential material topics	Materiality assessment	Determination and prioritization of material topics	Review of material topics
<ul style="list-style-type: none"> Identify potentially material topics based on a holistic view that combines extensive industry benchmarking, media coverage analysis, macro environment analysis, international ESG disclosure standards and the Group's strategic positioning. 	<ul style="list-style-type: none"> Conduct stakeholder interviews to summarize the topics of high interest to stakeholders Consolidate and comprehensively evaluate the material topics of subsidiaries 	<ul style="list-style-type: none"> Management team is responsible for prioritizing and summarizing material topics 	<ul style="list-style-type: none"> The Board of Directors reviews and approves material topics and their prioritization, which are then disclosed in the ESG report

2024 WH Group Materiality Matrix



CREATING A CULTURE OF SUSTAINABILITY (continued)

Corporate Governance		Environment	
1	Governance framework and transparency²	16	Response to climate change
2	Code of business conduct and anti-corruption	17	Energy management
3	Risk management	18	Water resource management
4	Public policy and responsibility	19	Use of packaging material
5	Information and security	20	Air pollution
6	Responsible marketing	21	Odor control
Economic Benefits		22	Wastewater discharge
7	Sustainable income growth	23	Waste management
8	Internal tax regime	24	Ecological restoration
Supply Chain		25	Biodiversity conservation
9	Supply chain management system	Employees	
10	Sustainable procurement system	26	Occupational health and safety
Product		27	Equal employee development
11	Product quality and safety	28	Reasonable remuneration and benefits
12	Product nutrition (food health and nutrition opportunities)	29	Diversified staff training
13	Product labeling (advertising and labeling)	30	Non-discrimination
14	Technology and innovation	31	Protection of basic labor rights
15	Consumer complaint platform	Social	
		32	Elimination of hunger
		33	Use of antibiotics
		34	Social contribution
		35	Animal welfare

1.1.4 Board Statement

Board of Directors' ESG Accountability

The Board of Directors assumes the highest responsibility for developing WH Group's ESG strategy and management approach, setting ESG targets, and monitoring progress towards the targets and overall ESG performance. The Board is also responsible for the final review and approval of ESG information disclosures. The ESG Committee under the Board is authorized to formulate an ESG management system and targets, identify related risks, coordinate management resources and report regularly to the Board on progress made. For the specific responsibilities, please refer to the *Terms of Reference of the ESG Committee*³.

During the Reporting Period, the ESG Committee continued to reach out to stakeholders to analyze and understand their expectations on the Group's sustainable development. It also regularly reviewed the progress made towards achieving the Group's targets in carbon reduction, resource efficiency, product quality and safety, and employee interests protection. Based on the ESG performance in the subsidiaries' operations, the Committee urged them to enhance KPI tracking and regular reviews, and report the results to the Board of Directors. The Group continues to take a phased approach in incorporating climate and other ESG risks into its overall risk management system and explore response plans for ESG topics that might affect its long-term sustainability.

² Bolded text refers to highly material topics.

³ https://media-whgroup.todayir.com/pdf/esgc_en.pdf

CREATING A CULTURE OF SUSTAINABILITY (continued)

ESG Goals and Achievement

WH Group focus on long-term, diverse, and pragmatic goals that are in alignment with the Corporate Principles, and continue to enhance performance in areas such as climate change and the environment, food safety and nutrition health, employment standards, employee rights, animal welfare, biosecurity and etc..

Core Topics	Key Actions	Achievement Status
Climate Change	<ul style="list-style-type: none"> WH Group continues to organize Scope 1, 2 and 3 GHG inventories within its operational boundaries in China and Smithfield (U.S.) 	On track
	<ul style="list-style-type: none"> In key operation sites in China, North America and Europe, WH Group has estimated the quantitative financial impacts of climate change risks and formulated adaptation and mitigation responses 	Completed
Energy and Emissions Management	<ul style="list-style-type: none"> Shuanghui Development has installed distributed rooftop photovoltaic power generation systems following feasibility studies Smithfield has invested in clean energy projects in the U.S. with clean energy companies Morliny Foods has installed photovoltaic power generation systems at various production sites 	On track
Environmental Management System	<ul style="list-style-type: none"> Globally, 84.6% of WH Group's meat processing facilities obtained ISO 14001 certification 	On track
Resource Management	<ul style="list-style-type: none"> In 2024, Smithfield reduced petroleum-based plastic use in packaging by 52% and increased recycle-ready, reusable or industrially compostable packaging by 60% compared to 2019 baselines Solid manure generated from livestock and poultry farming activities was 100% recycled through various methods, including self-use, local distribution to farmers, and partnerships with resource and energy companies 	On track
Quality Assurance System	<ul style="list-style-type: none"> 100% of the harvest and meat processing related facilities in global operations have passed and maintained one or more product and/or food safety system certifications WH Group subsidiaries routinely receive audits from regulators and conduct internal audits 	On track
Nutrition R&D	<ul style="list-style-type: none"> WH Group has established a localized R&D system and set quantitative indicators for new product developments, resource utilization efficiency, and health formula improvement WH Group continues to take various measures such as optimizing product formulas, adding natural ingredients, strengthening nutrients, and reducing packaging portions to keep up with consumer needs 	On track

CREATING A CULTURE OF SUSTAINABILITY (continued)

Core Topics	Key Actions	Achievement Status
Industrial Chain Construction	<ul style="list-style-type: none"> WH Group has strengthened sustainable procurement management of palm oil, beef, dairy products, seafood, soybeans and soybean meal, and gradually increases the proportion of procurement that is sustainably certified and traceable 	On track
Labor Standards and Employee Interests	<ul style="list-style-type: none"> WH Group has established and continues to promote workforce diversification, providing support for employees including individuals with disabilities, veterans, and female WH Group has set and implemented employee communication-related performance goals such as “the proportion of employees participating in opinion surveys” WH Group has set employee training goals and promoted employee skills and leadership development programs appropriate to local cultural sensitivities and type of business of each operation site 	On track
Work Environment and Safety	<ul style="list-style-type: none"> In the U.S. and Europe, all facilities have been awarded ISO 45001 health and safety certification and have maintained an accident rate below the global average, with a safety-certified injury prevention system (SIPS) audit score of at least 90%, and employee safety participation has increased to 65% and above In China, Shuanghui Development has successfully achieved the set work injury and safety accident management goals during the Reporting Period, such as maintaining the injury rate at or below 1.5‰ 	On track

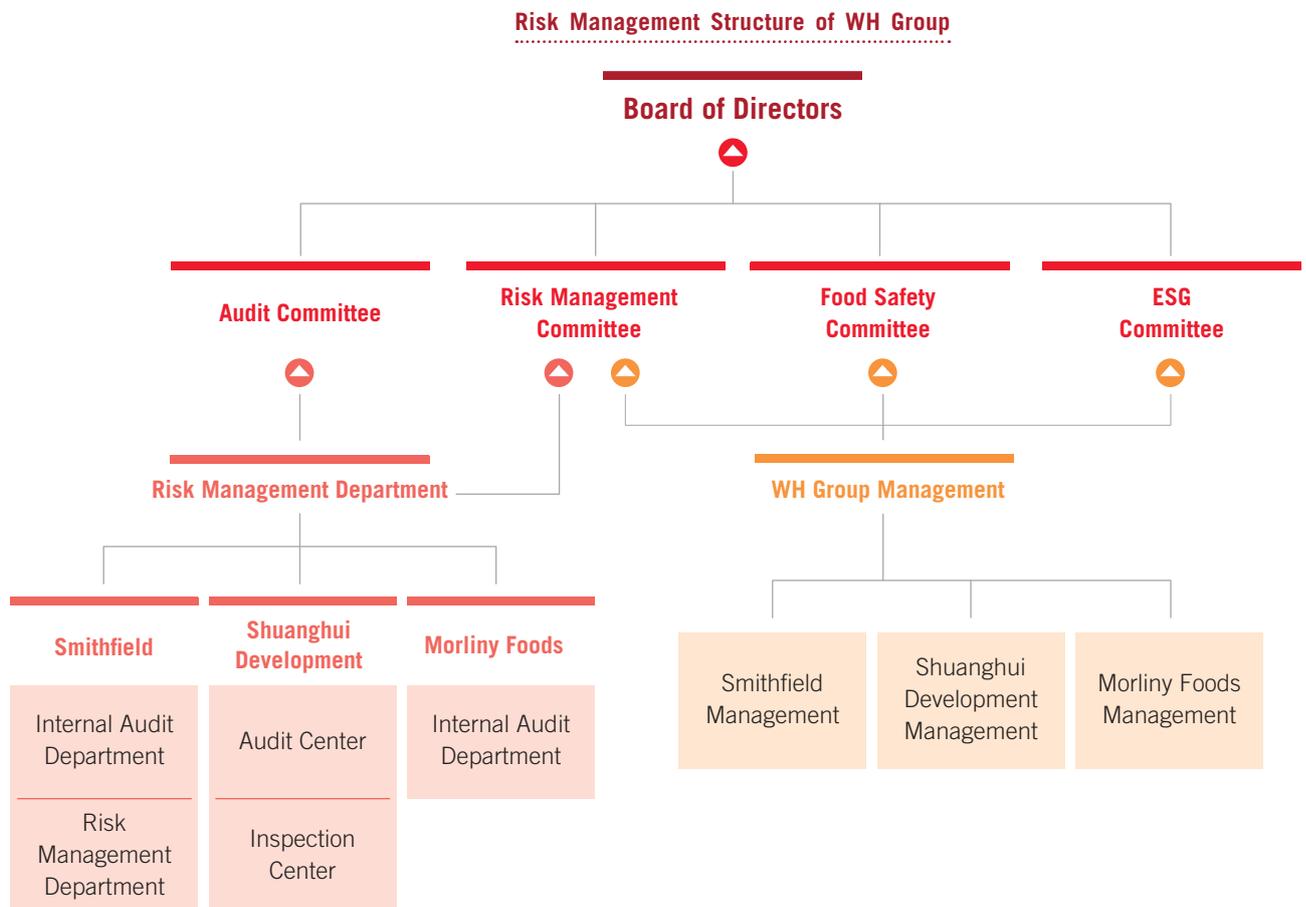
1.2 Risk Management

WH Group is committed to a high standard of risk management system to prevent compliance risks, in the meanwhile, we track regulatory trends, significant technology breakthroughs, biosafety intelligence, consumer behavior, and ecological changes, to understand their potential risks and likely degree of impact. We are grounded by our robust risk management principles, identifying, assessing, managing, and monitoring related risks, including ESG topics, in a comprehensive manner. We continuously update and refine our mitigation measures with the aim of safeguarding the Group’s stable, long-term development through an effective risk management system.

1.2.1 Risk Management Structure and Principles

The Board of WH Group holds the ultimate responsibility for the Group’s risk management and oversight. It is responsible for supervising and guiding management on matters related to the assessment and effective control of risks. The Risk Management Committee under the Board takes the lead in establishing and supervising the Group’s risk management system, supported by other committees as appropriate, in risk identification and monitoring, and sharing related information and assessment conclusions. The management team of the Group and its subsidiaries are responsible for performing concrete tasks across risk identification, assessment and prioritization to ensure the effective operation of the risk management processes and to respond to any inquires made by the Risk Management Committee.

CREATING A CULTURE OF SUSTAINABILITY (continued)



Risk Management Committee

- Establishing and overseeing risk management systems.
- Conducting regular reviews of the Group's risk management system, internal control systems related to risk management and risk management policies and procedures to identify, assess and manage risks, oversee their effective operation, and ensure the effective implementation of appropriate internal risk controls.
- Responding proactively to the Board's assignment to assess significant findings with regard to risk management and internal control matters and management's response to such findings.
- Reporting to the Board on any significant risk management matters and proposing recommendations or solutions for improvements in the Company's compliance and risk management

ESG Committee

- Identifying ESG issues that are relevant and material to the Group's operations and other significant stakeholders.
- Reviewing and making recommendations to the Board on the effectiveness of the Company's policies and performance in relation to material ESG issues.
- Responding to ESG issues of concern to stakeholders through appropriate means.

CREATING A CULTURE OF SUSTAINABILITY (continued)

Food Safety Committee

- Reporting and advising on the Company's policies, operational standards and performance in relation to food quality and safety to ensure compliance with relevant laws and regulations.
- Evaluating, reviewing, overseeing, and reporting to and advising the Board on the Company's food safety internal control standards and product tracking processes.

Audit Committee

- Providing independent opinions on the effectiveness of the Company's financial statement preparation process, internal controls and risk management systems.
- Overseeing the audit process and performing other functions and duties assigned by the Board.
- Evaluating and reviewing risk management policies and assisting the Board in overseeing the implementation of risk management policies.

The Group has clarified our position and commitments to actions fighting against climate change, energy and emission management in the *Corporate Principles*. We have integrated climate-related responsibilities into our ESG governance structure and integrated the management of climate change risks and opportunities into our existing development strategies and risk management framework. This also demonstrates our commitment to corporate social responsibility in fighting global warming.

	Major Responsibilities	Annual Work
WH Group Board of Directors	Supervising and managing ESG and climate change related affairs and information disclosure	Examining and approving ESG and climate change related reports and information disclosure of annual ESG report
ESG Committee	Leading and reviewing strategies to address climate change risks and opportunities, GHG emission reduction targets and action plans, and regularly reporting and advising on performance to the Board of Directors	Reviewing the report of the ESG Working Group on the assessment results of climate change risks and opportunities, and assisting the Board of Directors in overseeing the effectiveness of the climate change risk governance structure
ESG Working Group	WH Group's ESG Working Group works together with the sustainable development teams of our subsidiaries to jointly formulate climate change policies, strategies, and action plans, and monitor our performance in this area	Organizing all subsidiaries to participate in climate change workshops and interviews deliberating on risk, opportunities, and their potential financial implications

CREATING A CULTURE OF SUSTAINABILITY (continued)

1.2.2 Risk Management Process

WH Group implements the Risk Management Policy that specifies the risk management procedure with five main steps in the implementation process, including budgeting and planning, risk assessment, action plan, management and supervision, and reporting. Through a sound risk control procedure, we mitigate potential risks in operations and ensure the stable operation of our business. Throughout this process, WH Group maintains open communication with risk management personnel at its subsidiaries with regard to enterprise risk management plans, monitors execution, and continuously strengthens the culture of risk awareness.

Risk Management Process of WH Group



Enterprise Risk Identification

WH Group conducts two risk assessments annually to identify and prioritize potential risks, develop risk response strategies, and assess the effectiveness of our Enterprise Risk Management system. During the Reporting Period, we carried out corporate risk assessments according to our Risk Management Policy and Risk Assessment Guidelines and classified the risks into 6 major areas with 26 categories in total, including commodity price and market volatility, planning and strategy, food safety and environmental protection.

We assessed the priority of business risks from two dimensions: the likelihood of occurrence and the degree of impact, and determined the tolerance thresholds for each type of risk. Based on these assessments, we developed targeted risk mitigation measures and plans, which were implemented by relevant functional departments and risk management personnel within each subsidiary. As for management, we regularly monitor market trends and volatilities, analyze industry performance on an ongoing basis, and hold regular management meetings to deliberate on trade strategies and food safety solutions. With regard to operations, we strictly control food safety and product quality, and increase investment in innovative quality management models. In addition, we place emphasis on animal welfare and biosecurity, and implement risk controls through various initiatives and biosecurity protocols.

Emerging Risk Identification

In response to the extensive scope of business operations and the complexity of value chain, coupled with the growing application of intelligent technologies and Internet of Things (IoT), as well as resource pressures arising from ecological degradation, we need to maintain comprehensive prevention against inherent risks, while developing competencies to identify novel, complex risks. To this end, we combine multiple factors such as industry trends, policies and regulations, and market feedback, while referencing global risk trends⁴, to identify important emerging risks that may impact future operations. We develop response strategies to strengthen our risk management capabilities to inform better decision-making, in this way we'll seize potential opportunities and maintain our competitiveness in a rapidly changing environment. The key emerging risks identified by the Group and mitigation measures can be found in the appendix.

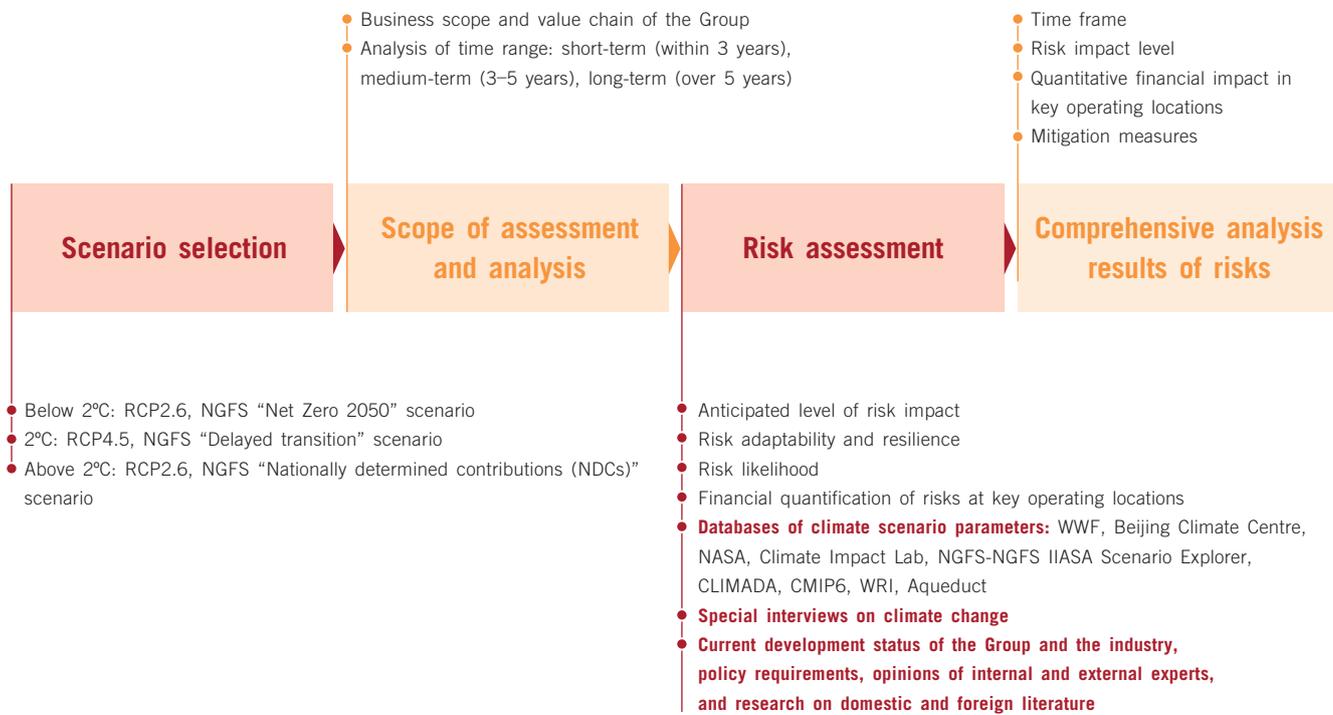
⁴ We refer to the 2024 Global Risks Report published by the World Economic Forum and global risk management trends to identify our potential emerging risks: www3.weforum.org/docs/WEF_The_Global_Risks_Report_2024.pdf

CREATING A CULTURE OF SUSTAINABILITY (continued)

Climate Risk and Response

WH Group is committed to continuously integrating climate-related risks into its current risk management framework to obtain additional insights guarding against operational risks. We select climate change scenarios, define the scope of assessment and analysis, and conduct risk assessments, using qualitative and quantitative methods to obtain comprehensive analysis of climate change risks. Over the past few years, the Group has conducted two phases of climate risk and opportunity analysis, evaluating the impact of various risks on our business operations from dimensions such as severity, likelihood, and resilience. We have also gained insights into the qualitative financial impacts of each risk in the short, medium, and long term. During the Reporting Period, we proceed to conduct a quantitative analysis of the financial impacts on key operational sites with high-risk exposure. This approach enabled a more granular evaluation of the overall impacts of various climate risks under different climate scenarios, providing a foundation for climate risk management and decision-making. The results were subsequently discussed and reviewed by the management and the Board of Directors.

Climate Risks Assessment Process



During the Reporting Period, the executives from WH Group and its subsidiaries organized and participated in 21 dedicated climate change meetings. These discussions covered topics such as enterprise adaptability and resilience to various climate risks, current financial investments, and planned future initiatives, as well as a review of the current status of climate risk and opportunity management. A number of operating sites with relatively high climate risk exposure across China, North America, and Europe were selected, based on previous climate risk analysis results; their respective revenue contribution and production scale were further assessed before reaching a final list of meaningful locations for quantitative financial impact analysis. For physical risks, the Group analyzed and forecasted the financial impact on WH Group’s revenue and other financial metrics by integrating factors such as current revenue and fixed asset data from key operational sites with external physical risk databases. For transition risks, we assessed the anticipated financial impact on profitability by factoring in current production levels, raw material procurement costs, carbon emissions, and external database insights.

CREATING A CULTURE OF SUSTAINABILITY (continued)

Physical risks

- Select scenarios above 2°C (RCP 6.0) to evaluate the impact level of physical risks, and related factors
- Quantify the financial impacts of physical risks on WH Group across revenue, capital expenditures, costs, and selling and administrative expenses over different time horizons

Transition risks

- Select scenarios below 2°C (NGFS Net Zero 2050), and conduct a risk impact assessment and determination based on comprehensive information such as regulatory requirements in the operational locations, global meat product market trends, and demand for low-carbon products
- Quantify the financial impacts of transition risks on WH Group from dimensions such as profitability and capital expenditures over different time horizons

During the Reporting Period, we analyzed the anticipated financial impacts to the Group from physical risks such as floods, droughts, cyclones, and extreme heat, as well as transition risks that are related to policies, regulations, technology, and markets.

Comprehensive Analysis Results of Climate Change Risks of WH Group

Risk Type	Potential Impact	Time Dimension	Financial Impact ⁵		Responses
			Mid-term	Long-term	
Acute Physical Risks	<p>Floods may cause land inundation, traffic disruption, damage to facilities, or production interruption due to lack of raw materials, as well as excessive stock due to retail interruption, thereby affecting the operating costs and assets security.</p> <p>Impact scope: entire value chain</p>	Long-term	Approximately less than 1% impact on total revenue	Approximately less than 1% impact on total revenue	<ul style="list-style-type: none"> • Consider the impact of extreme weather in the process of site selection, planning and design of new facilities • Monitor weather forecast information, develop flood emergency plans, and get equipped with flood prevention materials and facilities • Establish a multi-source procurement network to mitigate supply chain disruptions caused by natural disasters such as floods • Establish a risk-based approach when planning harvest business to minimize the risk of operational disruptions caused by floods
	<p>Drought</p> <p>The increase in frequency and scope of droughts will lead to reduced crop yields, increased feed prices, increased water costs, and intermittent suspension of production, affecting the operating costs (such as the costs for additional backup wells for water use on farms) and the stability of the supply chain.</p> <p>Impact scope: entire value chain</p>	Mid- and long-term	The financial impact is minimal		<ul style="list-style-type: none"> • Select sites with multiple water sources available and water access capacity • Develop emergency plans for water disconnections and get equipped with backup water sources • Establish a multi-source procurement network and develop strategies addressing commodity price risks to mitigate the impact of drought on crop supply shortage

⁵ Conduct a quantitative analysis of the financial impact at major operating locations with high-risk exposure, and estimate the impact of various climate risks on operations based on the company's current annual financial report data.

CREATING A CULTURE OF SUSTAINABILITY (continued)

Risk Type	Potential Impact	Time Dimension	Financial Impact ⁵		Responses
			Mid-term	Long-term	
Cyclone	<p>Cyclone may impact farmlands, block traffic or damage facilities, or it may cause production interruption due to lack of raw materials, as well as accumulation of goods due to retail interruption.</p> <p>Impact scope: entire value chain</p>	Long-term	Approximately less than 1% impact on total revenue	Approximately less than 1% impact on total revenue	<ul style="list-style-type: none"> Consider the cyclone resistance of the building during construction, such as the wind load Adopt flood control strategies and get equipped with appropriate flood control materials for possible heavy rainfall caused by cyclones Install emergency self-powered electricity generation equipment Plan and arrange alternative logistics routes
Extreme heat	<p>The frequent occurrence and prolonged duration of extreme heat may reduce crop yields, increase feed prices, weaken hog fattening capability, decrease employee productivity, and increase energy consumption for maintaining the animal rearing environment (such as temperature and humidity), thereby affecting the operating costs and capital investment.</p> <p>Impact scope: entire value chain</p>	Long-term	Approximately less than 1% impact on total revenue	Approximately 1% impact on total revenue	<ul style="list-style-type: none"> Establish a multi-source procurement network, develop strategies addressing commodity price risks to mitigate the impact of sustained extreme heat and water shortage on crop supply Set up energy supply backup plans and consider the stability of energy suppliers to cope with the impact of extreme heat on energy supply stability Get equipped with cooling facilities and humidification systems to ensure the temperature and humidity of the animal living environment Develop emergency plans for heatstroke and get equipped with heatstroke prevention supplies In the logistics process, regularly inspect the refrigeration units of transport vehicles to ensure the proper functioning of air conditioning systems. Additionally, purchase transportation insurance for meat products
Chronic Physical Risks	<p>Sea level rise</p> <p>The sea level rise may lead to the submergence of some coastal land, as well as impacts such as traffic disruption, flooding of farms and facilities, production interruption due to lack of raw materials, and accumulation of goods due to retail interruption.</p> <p>Impact scope: entire value chain</p>	Long-term	The financial impact is minimal		<ul style="list-style-type: none"> Consider the risk of sea level rise when selecting operation sites Throughout our operations, we will maintain long-term attention to the potential impacts of rising sea levels and enhance action plans to address this risk

CREATING A CULTURE OF SUSTAINABILITY (continued)

Risk Type	Potential Impact	Time Dimension	Financial Impact ⁶		Responses
			Mid-term	Long-term	
Policy and Regulatory Risks	<p>Increased pricing of GHG emissions</p> <p>Relevant control regulations and adjustment mechanisms in relation to carbon emissions quotas and emissions trading will be gradually introduced on a global scale (including carbon taxes and other forms) and carbon pricing/carbon taxes are expected to rise, as such that additional financial costs are likely to occur.</p> <p>Impact scope: entire value chain</p> <p>Overall, meat processing is generally not considered energy-intensive. However, in the medium to long term, the possibility of being included in a carbon emission control regime can't be overlooked due to the fact that its upstream agriculture sector takes a sizable ratio in global GHG emissions. The Group's vertically integrated business model may require new budgets to fulfill compliance obligations and additional operational expenses to implement carbon reduction measures.</p>	Mid- and long-term	Approximately 1% impact on overall gross margin ⁶	Approximately less than 1% impact on overall gross margin	<ul style="list-style-type: none"> • Make proactive planning on response measures, monitor regulatory trends in the market, and carry out a series of carbon reduction initiatives to reduce the carbon footprint of the Group. Please refer to the "Greenhouse Gas Management" section in the chapter "Promoting Green Development" for more details about carbon reduction measures • Set carbon targets for 2030 and 2050, and act towards carbon reduction to alleviate the impact of carbon pricing risks that enterprises may be faced with in the future to some extent
	<p>Mandates on and regulation of existing products and services</p> <p>With the prospect that regulations on GHG emissions are to be gradually tightened, the Group may face requirements to limit its products' GHG emissions, resulting in increased operating costs.</p> <p>Impact scope: farming, logistics and storage, and processing</p>	Long-term			<ul style="list-style-type: none"> • Deploy compliance action plans based on regulatory prospects, establish a dedicated task force, and allocate resources to respond promptly to regulatory requirements • Reduce regulatory costs by implementing a series of carbon reduction initiatives. Please refer to the "Greenhouse Gas Management" section in the chapter "Promoting Green Development" for more details about carbon reduction measures
	<p>Enhanced emissions reporting obligations</p> <p>As stricter requirements on carbon emissions declaration are introduced, the Group needs extra expenses to conduct carbon emission calculations, operate carbon assets, and improve the quality of carbon related information disclosure. These will increase the operating costs of the Group.</p> <p>Impact scope: farming, logistics and storage, and processing</p>	Long-term			<ul style="list-style-type: none"> • Certain operating locations have already carried out GHG emissions inventorying including Scope 3 emissions, with thoroughly synthesized emissions data from owned operations, as well as upstream and downstream activities in the value chain. This exercise helps the Group in its preparation for the forthcoming emissions declaration • Rest of the operating locations will also gradually carry out carbon inventory

⁶ The forecasted impact on overall gross margin is based on the company's current Greenhouse Gas Management practices. In the future, the Group will continue to assess its potential financial impacts in line with its greenhouse gas targets.

CREATING A CULTURE OF SUSTAINABILITY (continued)

Risk Type	Potential Impact	Time Dimension	Financial Impact ⁵		Responses	
			Mid-term	Long-term		
Technological Risks	Substitution of existing products and services with lower emissions alternatives	Considering the low-carbon transformation trend in the future market, if there are significant technological breakthroughs in plant-based meat, their low-carbon properties may affect the existing meat product market. The Group will consider future resource investment and product planning in response to market demand. Impact scope: farming, logistics and storage, and processing	Long-term	Approximately less than 1% impact on non-current assets, including properties, plants, and equipment	Approximately 1% impact on non-current assets, including properties, plants, and equipment	<ul style="list-style-type: none"> For specific measures on achieving a circular economy, please refer to the "Greenhouse Gas Management" section in the chapter "Promoting Green Development" Poultry products have lower carbon emissions compared to pork products. Moderately accelerating poultry farming will contribute to the Group's low-carbon protein initiatives Watch for the market's shift towards low-carbon products and carry out R&D of emerging protein products
	Costs to transition to lower emissions technology	Low-carbon technologies in meat processing mainly refer to energy efficiency improvement, energy electrification and manure-to-energy utilization. However, the timing to develop and adopt technologies and the uncertainty of the outcome affect the economics of technology investment which also increases capital expenditure. Impact scope: entire value chain	Long-term			<ul style="list-style-type: none"> Make continuous efforts to optimize the development and application mechanism of low-carbon technology, to reduce the transformation cost. For specific measures please refer to the "Greenhouse Gas Management" section in the chapter "Promoting Green Development" Actively explore emerging low-carbon technologies with a focus on feasibility and returns, to reduce the failure rate

CREATING A CULTURE OF SUSTAINABILITY (continued)

Risk Type	Potential Impact	Time Dimension	Financial Impact ⁵		Responses
			Mid-term	Long-term	
Market Risks	Increased cost of raw materials	Climate change will affect crop yields and supply-demand dynamics under different warming scenarios, which will be transmitted downstream along the value chain in the form of rising procurement costs, such as feed and hog prices. Crops for China operations are mainly imported, and the yield of crops in the country of origin poses procurement related risks to the Group's business in China.	Long-term	Using internal data and NGFS metrics such as crop and livestock supply-demand changes and price index, we analyze the impact of climate change on raw material costs and production output. Meat products are the Group's core business. We will continue monitoring price fluctuations of raw materials like crops, feed, and hogs, while assessing changes in market demand in a timely manner. We will continue evaluating the potential financial impacts of climate change and shifts in various consumer market environments	<ul style="list-style-type: none"> Adopt the strategy of conducting procurements globally; lay out a multi-source/multi-location procurement network; monitor global changes in crop supply and demand; predict fluctuations in crop prices, and implement strategies with agility to address commodity price risks
	Uncertainty in market signals	Affected by climate change risks, the market may change its preference. For instance, plant-based meat, and vegetarian foods may become more popular. These trends may affect the meat market, which in turn affects the revenue of the Group. The market demand for meat products is on the rise as the living standard improves, hence the risk exerts a relatively small impact overall.	Mid- and long-term		<ul style="list-style-type: none"> Watch for market consumption trends and allocate R&D resources to products born under new consumption trends, helping the Group maintain a certain degree of adaptability and resilience under such risks
	Changes in consumer behavior	The demand for low-carbon products from consumers may increase as concerns over climate change grow. Meanwhile, in the food industry, green packaging will also become one of the focuses of consumers. These trends all may increase the costs of meat processing. The consuming markets have more stringent requirements for the use and recycling of packaging such as plastics, thus may affect our operational cost.	Long-term		<ul style="list-style-type: none"> On the premise of ensuring the safety and reliability of packaging materials, take measures to reduce the use of packaging materials following the principles of consumption reduction, weight reduction, and recycling. For specific measures, please refer to the "Exploring Sustainable Packaging" section in the chapter "Promoting Green Development"

CREATING A CULTURE OF SUSTAINABILITY (continued)

Risk Type	Potential Impact	Time Dimension	Financial Impact ⁵		Responses	
			Mid-term	Long-term		
Reputational Risks	Stakeholder concern or negative stakeholder feedback	Regulators, investors, clients, and consumers have increasingly strong sentiments on the disclosure of climate risks and low-carbon product availability. Noncompliant disclosure and improper climate change response performance may result in damage to the brand image, declined share prices and financing barriers, which may even affect the overall reputation of the Company.	Short- and mid-term	/	/	<ul style="list-style-type: none"> Establish routine reviews on concerns of the stakeholders, who are provided with communication channels such as website, ESG report and rating results, addressing climate-related issues raised, and improve transparency via effective ESG disclosure
	Shifts in consumer preferences	The drive of brand values to consumption is increasingly conspicuous. Consumers may pay more attention to the relationship between brand and carbon emissions in the context of climate change, which in turn may affect the market share and revenue of the Group.	Long-term			<ul style="list-style-type: none"> Set carbon emission targets and pathways, and make progress accordingly with concrete actions, so as to resonate with the consumers and sustain a credible brand image of low-carbon products

WH Group Climate Change Opportunity Identification

Resource efficiency opportunities

More efficient transportation: The Group will further optimize logistic routes with big data platforms or other intelligent management systems to improve comprehensive transportation efficiency and reduce carbon emissions while reducing transportation and maintenance costs

Reducing water consumption: The Group will continue to upgrade its production processes. Such initiatives help lower operating costs while reducing water consumption intensity, addressing water risks and further improving recycling

Optimizing livestock & poultry breeding: The Group keeps exploring the utilization of manure converting waste into resources and energy in its farming business; we will explore the technology of converting manure into liquid fertilizer so as to improve the utilization of manure

Green packaging: The Group reduces the use of plastic packaging and introduces raw materials of higher performance (such as high-performance resin); it prioritizes the use of environmentally friendly materials such as homogeneous material and biodegradable packaging. It takes actions around weight reduction (such as prepress) and consumption reduction (packaging design)

CREATING A CULTURE OF SUSTAINABILITY (continued)

Energy sources opportunities

Renewable energy:

Dependence on external energy may be reduced through measures like technological transformation and PV power generation in plants. The Group conducts feasibility assessments on the installation of clean energy equipment in breeding, harvesting, and processing plants to expand the use of renewable energy such as solar and wind energy, and enlarge the procurement of renewable energy such as green power, and power with Green Electricity Certificate (GEC) or International-Renewable Energy Certificates (I-RECs)

Low-carbon energy sources:

Continuously explore the conversion of manure into resources and energy in livestock farming, and use byproducts to produce electricity, heat, and natural gas through methane fermentation

Product and service opportunities

Lowering our carbon footprint, such as testing and using alternative feed ingredients with lesser environmental footprint, can help the Group cater to the requirements of governments, investors and consumers who are in favor of low-carbon products

The Group uses more green packaging and continuously explores the possibilities of consumption reduction, weight reduction and recycling of packaging materials to bolster a low-carbon and green brand image

Through R&D and innovation, the Group works to solve potential product storage problems brought about by the future global temperature rise

Market opportunities

Plant-based proteins: The Group may undertake more R&D initiatives on alternative meat products, watching for market trends, and anticipating changes in consumer preferences to launch innovative products

Business development of poultry products: Poultry products have lower carbon emissions compared to pork products. The development of the poultry business can enable the Group to achieve low-carbon protein

Low carbon footprint: Lowering the Company's carbon footprint will facilitate access to and retention of markets with more stringent carbon emissions regulations

Adaptation opportunities

Supply chain reliability: The Group may improve the technology of cold chain transportation to enhance its logistic reliability that is business-critical

Supply chain stability: The Group maintains an appropriate procurement network, and strengthens supply chain stability from such dimensions as transportation routes and multi-source reserves

R&D of new products and services: Conducting R&D on low-carbon products and services to accumulate R&D and practical experience, so as to provide strong support for the Group to expand new product lines in the future and enhance its adaptability to new markets

CREATING A CULTURE OF SUSTAINABILITY (continued)

1.3 Corporate Conduct

WH Group adheres to the founding motto of “integrity and honesty” and governance principles that emphasize business ethics, transparency and accountability. We take into consideration the sustainability concerns of our stakeholders and the general public in our decision-making processes. Through robust corporate governance and business conduct guided by high standards, we strive to achieve long-term growth while creating sustainable value for society.

1.3.1 Business Ethics

WH Group attaches great importance to establishing and maintaining fair and impartial business ethics. We strictly comply with the laws and regulations that are applicable to the regions that we operate in, and promote standardized systems for ethical business conduct and management that include addressing conflicts of interest, insider trading, gifts and entertainment, while prohibiting commercial fraud, bribery, money laundering, corruption through political and charitable donations⁷, workplace discrimination, and harassment. We adhere to principles of fair competition, advocating for a healthy business ecosystem and fostering positive industry development.

Code of Business Ethics

The *Corporate Principles* clearly outline the guidelines on business ethics, including anti-unfair competition, insider trading, and anti-money laundering, with the Audit Committee overseeing the management of the Group’s business conduct. In line with our *Corporate Principles*, Shuanghui Development, Smithfield, and Morliny Foods have established their own set of code of conduct based on their operational situation and stage of development to manage their business practices.

Code of Business Ethics of WH Group Subsidiaries

Shuanghui Development	Smithfield	Morliny Foods
Shuanghui Development developed its set of code of business ethics that includes the <i>Shuanghui Integrity Code</i> , the <i>Anti-Bribery Statement</i> and the <i>Anti-Money Laundering Risk Management Policy</i> , with clear provisions on the identification of integrity issues and penalty standards. All employees and partners of the company are required to strictly abide by the principles of business ethics and related regulations, and prohibit any misconduct, such as bribery, extortion, fraud, money laundering and unfair competition.	Based on its <i>Code of Business Conduct and Ethics</i> , Smithfield explicitly regulates its business practices, such as business fraud, gifts, and entertainment, and has created a declaration system to prevent potential conflicts of interest among employees and suppliers. The <i>Code of Business Conduct and Ethics</i> clearly requires employees to promptly report any conflicts of interest with close friends or family members, or any hint of money laundering to their supervisor or through the SPEAK UP! channel.	Morliny Foods sets out clear behavioral standards on topics such as conflicts of interest and anti-money laundering as outlined in its <i>Code of Business Conduct and Ethics</i> . The company also provides dedicated reporting channels to encourage timely reporting of potential violations of business ethics, and communication with supervisors to foster a positive corporate and business environment.

WH Group provides explicit guidelines in its *Corporate Principles* with regard to reporting channels, report content, investigation methods, and the confidentiality and protection of whistleblowers. We have established publicly accessible reporting channels to encourage and enable the stakeholders of the Group and its subsidiaries making relevant report. Any potential misconduct relating to the Group’s financial matters, internal controls, or ethical conduct can be reported using a dedicated email address: compliance@wh-group.com

⁷ During the Reporting Period, Shuanghui Development and Morliny Foods did not make any political donations. Smithfield spent a total of approximately USD 4.1 million on political contributions, of which approximately 63% went to lobbying, approximately 13% went to political activities, and approximately 23% went to industry associations or tax-exempt groups.

CREATING A CULTURE OF SUSTAINABILITY (continued)

Whistleblowing Management

WH Group subsidiaries have established transparent, open, and accessible reporting channels. Shuanghui Development has set up a public reporting channel to encourage its employees and external parties to report any misconduct. Meanwhile, Shuanghui Development takes protective measures for whistleblowers that include maintaining the confidentiality of personal information, and taking a strict stance against retaliatory actions. Smithfield has created a public Speak Up! anonymous reporting channel. Upon receiving a report, Smithfield coordinates with departments such as Human Resources and Legal to investigate and handle the case. Morliny Foods has a dedicated reporting channel to facilitate whistleblowers in reporting or meeting with representatives from authorized departments.

Whistleblowers Protection

WH Group, in its *Corporate Principles*, encourages employees and third parties (such as customers, suppliers, contractors, creditors, and debtors) interacting with the Group and its subsidiaries to report actual or potential misconduct related to financial reporting, internal controls, or ethical conduct through confidential channels. The Group ensures the confidentiality of the matters reported and the identity of whistleblowers.

Shuanghui Development has a “Special Protection List” that ensures strict confidentiality across all stages of report handling, investigation, and reward distribution to maintain the effectiveness of the reporting mechanism. Smithfield’s *Code of Business Conduct and Ethics* specifies that the content of reports submitted through the hotline is treated as confidential and allows for anonymous reporting to alleviate whistleblowers’ concerns. Morliny Foods takes measures to protect whistleblowers from having their identity disclosed, and conducts company-wide training to prohibit any retaliatory actions. Additionally, Morliny Foods has implemented internal reporting procedures at all its European operational sites that clearly define the reporting channels, processes, and whistleblower protection mechanisms.

Anti-Unfair Competition

WH Group actively safeguards fair market order when conducting its business activities, and achieves growth by way of its optimised business structure, management capabilities, and the quality of its products and services. Shuanghui Development has established a risk management mechanism to prevent unfair competition practices. Internal management and enforcement efforts are headed by different departments. For example, the Commercial Bribery Investigation Center focuses on combating bribery, the Marketing Department collaborates with the R&D Centers to combat false advertising, and the R&D Centers look after the protection of trade secrets. Smithfield and Morliny Foods provide training for all new employees on their respective *Code of Business Conduct and Ethics*, which includes content relating to fair competition.

Anti-Money Laundering

WH Group continuously improves its anti-money laundering management system and make enquiries on and monitors the anti-money laundering practices of its subsidiaries. Shuanghui Development’s financial subsidiary has established an emergency leadership team for significant money laundering risk events to enhance awareness of money laundering risk prevention and early warning analysis. Smithfield has incorporated anti-money laundering reporting into its *Code of Business Conduct and Ethics*, allowing employees to report related issues through the “Speak Up” channel. Morliny Foods has developed anti-money laundering and anti-terrorism financing management procedures at its operating sites, with the senior management team directly monitoring these efforts.

Anti-Corruption

WH Group strictly complies with anti-corruption and anti-bribery laws and regulations that are applicable to the areas it operates in. We have implemented policies and measures to prevent direct or indirect offering, promising, receiving, or soliciting of any improper benefits for business development or personal gain, maintaining a zero tolerance for fraud, bribery, and corruption. Given the Group’s extensive geographic spread, the wide range of applicable laws, and differing market standards, each subsidiary has developed its anti-corruption policies that are customized based on local conditions.

CREATING A CULTURE OF SUSTAINABILITY (continued)

We require the management and our employees to adhere to international anti-corruption initiatives as well as those applicable in their operating locations. Similarly, we expect our suppliers, distributors, joint venture partners, and other business associates to establish and follow the same principles. We reserve the right to immediately terminate the business relationship with any partner or individual found to be in violation of anti-corruption and anti-bribery laws or terms. Employees involved in any violation will be dealt with in accordance with our policies.

Shuanghui Development has established the *Shuanghui Code of Integrity*, which provides clear guidelines on the identification, punishment, and handling of corruption-related issues. Additionally, Shuanghui Development requires all external partners to sign the *Anti-Commercial Bribery Commitment* prior to any business cooperation to ensure a clean and ethical business environment. Smithfield has implemented the *Anti-Corruption Policy* and the *Code of Business Conduct and Ethics* to set clear guidelines for the management and employees on principles related to gifts and gratifications. Meanwhile, Smithfield has established the *Supplier Code of Conduct*, requiring all supplier partners to comply with its business ethics, including anti-corruption. Morliny Foods introduced the *Code of Business Conduct and Ethics* to regulate its corporate behavior and enforces a *Supplier Code*, which incorporates anti-corruption requirements and mandates that all supplier partners establish and adhere to the same principles.

Business Ethics Audit

The Group encourages its subsidiaries to gradually improve and refine their strategies and plans for auditing business ethics. Progress on key initiatives is reported semi-annually to the Audit Committee under WH Group's Board of Directors. Shuanghui Development's Inspection Center and an Audit Department conduct ongoing internal control audits. Areas such as anti-monopoly and other business ethics are included in the audit scope to evaluate the effectiveness of the internal management system. Smithfield has an internal audit team that is responsible for conducting annual risk assessments and performing internal audits on specific areas, including anti-fraud, anti-money laundering, anti-monopoly, and conflict of interest. These audits are conducted once a year. Morliny Foods conducts annual external audits focused on business ethics, covering areas such as ethical standards, financial integrity, anti-fraud, and conflict of interest. These audits are conducted once a year.

During the Reporting Period, the Group was not aware of any litigations relating to corruption, conflicts of interest, money laundering, insider trading, business discrimination, or monopolistic practices.

WH Group urges subsidiaries to establish anti-corruption audit plans appropriate to respective scope of business, and regularly submit significant internal audit findings to the Audit Committee under the Board of Directors. The subsidiaries conduct anti-corruption compliance audit or inspection across their operational locations at least once every three years and submit consolidated findings to WH Group. Smithfield conducts annual risk assessments and internal audits, establishing improvement plans for potential risk items and promoting the effective implementation of related work, achieving anti-corruption audit coverage for all operating locations every three years. Morliny Foods conducts annual external audits on anti-corruption and business ethics across various locations in Europe, while continuously advancing internal integrity, compliance, and anti-corruption management. Shuanghui Development, led by its Inspection Center and Audit Center, carries out anti-corruption management and internal control efforts.

Based on audit results, the Group did not encounter any incidents of non-compliance with internal anti-corruption standards during the Reporting Period.

Business Ethics Training

WH Group and its subsidiaries conduct annual business ethics training programs that cover all full-time and part-time employees, contractors, and other related parties. The routine training programs are joined by the Group's Board of Directors, who elaborate on the Group's position on business ethics and emphasis on the importance of self-discipline. During the Reporting Period, all employees and part-time staff successfully completed the training and assessment requirements for business ethics, which included special anti-corruption training. Among them, all Board members participated in a total of nine hours of anti-corruption training, while a total of 30,565 participants completed a total of 99,498 hours of employee anti-corruption training.

CREATING A CULTURE OF SUSTAINABILITY (continued)

During the Reporting Period, Shuanghui Development organized various business ethics training sessions, including on-site training on the *Shuanghui Code of Integrity* for all new hires, and various business ethics trainings conducted across departments based on their respective responsibilities. For instance, the Legal Department regularly alerts staff to the risk of unfair competition caused by confusion over intellectual property rights, while the R&D Department conducts periodic training on preventing trade secret infringements. The Sales Department carries out specialized training on avoiding improper sales incentives and actions that could damage the company's reputation.

Smithfield communicates its *Business Conduct and Ethics Policy* to all existing and new employees, requiring them to familiarize with business ethics and anti-corruption policies, while fostering open communication with regard to ethical business practices. Smithfield also conducts specialized anti-corruption training for its international sales teams. For contract workers, Smithfield holds monthly business ethics training sessions, including live Q&A sessions, to reinforce ethical standards.

Morliny Foods provides business ethics training to the management and all its employees through e-learning platforms and in-person sessions. The training covers topics such as whistleblower protection principles, anti-corruption, and anti-bribery guidelines. Additionally, Morliny Foods conducts orientation sessions on the Business Conduct and Ethics Policy for all new hires.

1.3.2 Information Security Protection and Information Technology Development

Communication technologies and digital applications such as the Internet, the Internet of Things, and artificial intelligence are transforming the way people interact, the speed of communication, and the reach of information. WH Group and its subsidiaries increasingly rely on network and enterprise resource management systems to enhance operational efficiency and relationship across the value chain in the areas of office digitization, process improvements, channel expansion, and product promotion. It is apparent that ensuring the security of networks and systems, along with the standardized management of personal information, has become a critical aspect of capacity building and risk monitoring.

Recognizing the importance of cybersecurity, the Group has established a system for network and system security, information management protocols, and confidentiality policies. Authorization processes are applied to different levels of corporate and personal information, along with cybersecurity assessments and audits tailored to current business needs. WH Group and its subsidiaries continuously optimize their governance framework for network and information security, providing regular training on the importance of cybersecurity and the seriousness of compliance enforcement.

Information Security and Cybersecurity Governance Structure

The *Corporate Principles* clearly outline the framework for managing stakeholder information and the principles for protecting personal privacy. Cybersecurity is considered a key component of risk control, with dedicated functional departments responsible for management, monitoring, and reporting. The Group and its subsidiaries have established respective cybersecurity and information security assurance systems and assessment methods in line with their business circumstances, as well as related procedures for information management, confidentiality, and authorization for use.

Shuanghui Development	Smithfield	Morliny Foods
Shuanghui Development has established an Information Center, overseen by the Chief Financial Officer, that is responsible for coordinating and advancing information security management measures to enhance the company's data and network security protections.	Smithfield has clear provisions on data protection and employee information protection, and has appointed a Chief Information Security Officer (CISO) and four directors who are responsible for information security assurance and capability building.	Morliny Foods has appointed information management and technology directors at each operating site. These roles are dedicated to tasks such as maintaining security policies, assessing the need for security upgrades, and managing IT and cybersecurity.

CREATING A CULTURE OF SUSTAINABILITY (continued)

Digital Transformation and Information and Network Security Management

Recognizing the potential for resource management and information systems, as well as network communications, in enhancing operational efficiency, WH Group and its subsidiaries are embracing new opportunities brought about by the digital transformation. During the Reporting Period, we strengthened the application of information technology in our operations and value chain management, while continuing to invest in and upgrade our cybersecurity management.

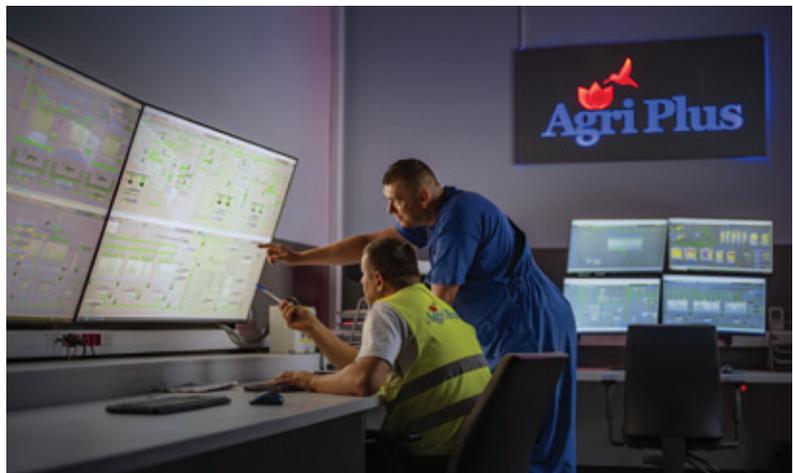
Shuanghui Development founded a Digital Transformation Committee and an Executive Office that leverage external professional resources to enhance its technical capabilities. The Company has implemented IT architectural design, promoted the deployment of digital technologies, built an on-line mobile office platform, and optimized retail payment settlement and service efficiency. Morliny Foods has implemented smart technology, such as intelligent detection systems, automated packaging label inspection, and automated counting systems, to improve automation and production efficiency in sorting, processing, and delivery, while introducing various network system security methods and continuously improving incident response and business continuity plans. Morliny Foods also partnered with third-party emergency response service providers to enhance its capabilities in addressing cyberattacks and ransomware incidents. Smithfield continues to strengthen its cybersecurity infrastructure by improving incident response policies and measures, conducting annual reviews and updates, and integrating information security into employee performance evaluations to fully safeguard business continuity plans. During the Reporting Period, Smithfield conducted multiple desktop incident response exercises, annual third-party vulnerability assessments, and external audits of information and network security to evaluate the effectiveness of its risk mitigation measures and ensure continuous improvement.

During the Reporting Period, WH Group and its subsidiaries did not suffer any major information security breaches or incidents, nor were there any cases of customer or personal data privacy violations.

Training and Education on Information Security and Cybersecurity

To enhance general awareness of information security and information protection capabilities, WH Group and its subsidiaries offered routine information security related training and education to the employees during the Reporting Period.

Shuanghui Development promoted a culture of information security by organizing company-wide training, sharing case studies, and reinforcing awareness and compliance with information security protocols. Smithfield's Cybersecurity Behavior Management Team established an Information and Technology (IT) Service Desk, providing ongoing cybersecurity policy training through the "Smithfield University" online platform, regularly generated articles on security awareness, and conducted phishing simulations to raise employees' awareness of cybersecurity, and encourage team to report suspicious online activities. Morliny Foods continues to conduct annual cybersecurity training with a focus on types of threat, real cases, attack vectors, and scenarios, to enhance its employees' awareness and their ability to handle related incidents.





CORTE NOBLE
Ibéricos de Extremadura
CHORIZO IBÉRICO

CORTE NOBLE
Ibéricos de Extremadura
SALCHICHÓN IBÉRICO

CORTE NOBLE
Ibéricos de Extremadura
LOMO DE CEBO DE CAMA IBÉRICO
50% RAZA IBÉRICA

**PROVIDING
QUALITY
PRODUCTS**

PROVIDING QUALITY PRODUCTS (continued)

WH Group recognizes that consumers are becoming increasingly cognizant of food safety quality, and balanced nutrition when choosing food products. To meet their expectations, we have employed stronger efforts in risk identification and assessment across the critical stages of our value chain and invested resources to ensure continued improvement in product quality and customer service. Additionally, we are strengthening quality accountability in our supplier and distribution channel management, together with partners, we provide our world-wide customers with high-quality and affordable protein choices.

Corporate Principles

UNSDGS

Food Safety and Nutrition

We are fully aware that consumers are sensitive to safety, quality and nutrition when choosing food products. To meet their expectations, we have been strictly managing and continuously investing in all aspects of our operations and productions. Incorporating material safety features and priorities at each stage, effective and high-standard management measures have been formed, focusing on issue identification, prevention and correction measures. We require all our subsidiaries to adhere to our goal of zero incidents and zero recalls.

- Quality Assurance System
- Supplying and Testing Standards
- Nutrition R&D
- Additives Management
- Alternative Protein Choice
- Employee Training



2.1 Product Quality and Safety

Ensuring product quality and safety is the foundation of every company in the food industry and an essential responsibility committed to consumers for their patronage. The Group continues to strengthen its quality management system implementing series of performance targets set to address consumer needs in the respective markets.



PROVIDING QUALITY PRODUCTS (continued)

Our Product Quality and Safety Goals

Shuanghui Development

- Zero quality incidents
- Zero instances of undetected epidemic diseases in harvested hogs
- Zero instances of underqualified product sampling inspection
- Zero instances of prohibited substances found in livestock and poultry feed, and zero instances of failure in external inspection of exported livestock and poultry
- Zero instances of non-compliance with mandatory product labeling and accompany documents
- Zero major food safety incidents

Smithfield

- Zero product recalls
- Show year-over-year improvement in number of food safety training hours
- Maintaining Global Food Safety Initiative (GFSI) certification in all applicable facilities
- Maintaining a robust employee training program on food safety and quality

Morliny Foods

- Maintaining GFSI certification at all applicable facilities
- Foreign material control
- External complaints reduction

2.1.1 Quality Control

We strictly abide by all applicable laws and regulations in the regions where we operate and distribute products. Our product quality is safeguarded with a system encompassing oversight from the Group's Board of Directors and its Food Safety Committee, along with operation controls at all manufacturing sites of our subsidiaries. The Food Safety Committee under the Board of Directors is responsible for establishing principles related to product quality and safety, assessing food safety trends and risks, and overseeing product traceability. The Group's subsidiaries are charged with employing and enforcing effective food safety policies and management processes in line with respective regulatory regime and market circumstances, and timely reporting to the Food Safety Committee on major food safety issues.



PROVIDING QUALITY PRODUCTS (continued)

Quality Management Framework of WH Group and Subsidiaries

WH Group

Board of Directors' Food Safety Committee

Report and advise the Board of Directors on the Company's policies, operational standards and performance in relation to food quality and safety to ensure legal compliance;

Evaluate, review and oversee internal product safety control standards, product-tracing procedures, and report to the WH Group Board of Directors.

	Shuanghui Development	Smithfield	Morliny Foods
Corporate	Food Safety Management Committee led by the President, who is the first person responsible for product quality. The committee is tasked with identifying, assessing, and determining the food safety situation and coordinating food safety management.	The Vice President of Food Safety and Quality Assurance oversees the Food Safety and Quality Assurance team and reports regularly to the Chief Manufacturing Officer (CMO) to maintain the Company's commitment to product quality and safety.	The quality management responsibility is based at country level, where Quality Directors report to the local boards (operational CEOs in each country).
Management	The Food Safety Supervision Group, comprising departments such as quality management, inspection, and auditing, is responsible for advancing and ensuring the implementation of food safety management measures. The Quality Management Centre sets targets and monitors performance.	The Food Safety and Quality Assurance Department spearheads efforts to standardize food safety and quality assurance plans to ensure compliance and continuous quality improvement.	The quality assurance team at the country level supervises the product and coordinates food safety control efforts.
Execution	The General Manager of each project company leads a Food Safety Group, which is supported by the Food Safety Director and food safety personnel. The team is responsible for controlling and ensuring the enforcement of food safety procedures.	Each factory has a Food Safety and Quality team that is responsible for investigating and managing records of non-compliance and product quality issues, and collecting and analyzing related data. The teams also regularly review and refine over a hundred food safety and quality assurance policies and procedures.	Each factory has a product quality team that is responsible for quality control in accordance with product technical specifications to ensure on-site management under optimal hygiene conditions.

Quality System and Standards

The Group's business includes livestock and poultry farming, the production and sales of fresh pork and pork products, with operation sites such as farms, feed mills, harvesting facilities, meat processing plants, and other supporting plants, as well as warehousing and logistic facilities across China, North America, and Europe.

Our subsidiaries are continuously enhancing their assurance system to enforce internal and external quality and safety standards including various initiatives on system and product certification, in line with their respective businesses scope and needs. During the Reporting Period, 100% of the harvest facilities and meat processing plants in WH Group's global operations maintained one or more product quality and/or food safety system certifications. Of which, meat processing plants and seasoning, packaging, refineries, biopharmaceuticals and other production facilities, that are critical links to the quality of final products, have also obtained ISO 9001 Quality Management System or equivalent global standard certification. As the primary source of raw materials, animal health is the focus of the quality management at our farms, to ensure feed safety, feeding process adherence and disease prevention and control. Farms are organized to go through the certification process of ISO 22000 Food Safety Management System and/or GLOBAL G.A.P. (Global Good Agricultural Practices). Smithfield in the US, for example, passed the Common Swine Industry Audit (CSIA) and has been awarded the Pork Quality Assurance® Plus (PQA® Plus) certification from the National Pork Board.

Shuanghui Development follows certified quality management practices in formulating product quality and safety-related management plans, operating procedures, and monitoring processes. The Company's quality management standards cover farming, harvesting, product processing, storage, transportation, and sales. To ensure continuous improvement, it regularly evaluates the systems and processes to ensure they remain science-based, effective, and relevant, referencing related international quality management standards. During the Reporting Period, Shuanghui Development received 160 food safety inspections to 36 plants from the regulators, all of which received good results.

Both Smithfield and Morliny Foods operate robust food safety management systems that are grounded in the Hazard Analysis and Critical Control Point (HACCP) framework. By identifying critical control points and conducting regular training and audits, both subsidiaries manage related risks and ensure all aspects of their operations adhere to the highest safety standards. In 2024, Smithfield conducted a comprehensive internal audit of its food safety and quality-related systems, resulting in updates and enhancements to the standards and requirements for product testing, corrective action plans, team training programs, and food quality certifications. Similarly, Morliny Foods underwent over 1,400 routine inspections by various regulatory agencies across its operational regions, with all indicators meeting or exceeding the requirements. Smithfield's facility in Mexico, operating under Safe Quality Food (SQF) certification standards, achieved a milestone by improving its quality system and successfully obtaining certification renewal for both quality and food safety modules. The latest external audit did not identify any significant non-compliance.



PROVIDING QUALITY PRODUCTS (continued)

As part of our commitment to continuous improvement, we ensure that the design and construction of new facilities adhere to relevant food safety management systems and quality certification standards. Our rigorous approach includes full compliance with all regulatory requirements throughout the entire product lifecycle, ensuring that safety and quality are upheld at every stage of production. Furthermore, we also recognize the importance of maintaining high standards across our supply chain. To this end, we require that all suppliers of meat ingredients, raw materials, product packaging, and logistics service providers uphold appropriate third-party food safety audits and/or quality assurance certifications.

Quality System Certifications for Main Facilities of WH Group Subsidiaries

Quality System Certifications	Certified Harvesting and Meat Processing Facilities	Other Certified Operating Facilities ⁸
ISO 9001 Quality Management Systems	51	73
Hazard Analysis and Critical Control Point	62	10
ISO 22000 Food Safety Management System	37	54
GSFI Certification	35	/
International Featured Standard (IFS) Certification	27	/

Quality System Certifications for Farms of WH Group Subsidiaries

Quality System Certifications	Certified Farms
Common Swine Industry Audit (CSIA)	151
Good Agricultural Practices (GAP) Certification	88

Quality Risk Control

WH Group is committed to upholding the highest standards of food safety and quality across all stages of its operations. In alignment with evolving regulatory requirements and industry best practices, we maintain a proactive approach to risk identification and management. We continuously monitor developments in quality-related regulations, industry trends, and emerging issues, drawing insights from market dynamics, employee feedback, and external inspections. This comprehensive monitoring framework enables the early identification of potential risks and facilitates the timely implementation of effective mitigation strategies.

To ensure a systematic and preventive approach to food safety, our subsidiaries adopt internationally recognized quality management systems, such as the HACCP framework. These systems guide the identification, assessment, and control of biological, chemical, and physical hazards throughout the food production process. Key preventive measures include rigorous sanitation protocols, precise temperature control, allergen management, and monitoring of critical control points. In 2024, we enhanced our food safety governance by further refining our food safety risk control checklist. The updated framework expands its scope to encompass the entire value chain, including procurement, farming practices, feed processing, harvesting and processing, storage, logistics and sales. This initiative strengthens our ability to systematically identify and mitigate potential vulnerabilities, reinforcing our commitment to safeguarding food safety and product quality across all operational domains.

⁸ Includes farms, feed mills, packaging manufacturing, and logistics transportation.

PROVIDING QUALITY PRODUCTS (continued)

Risk Control List on Food Safety at WH Group

Supply	<ul style="list-style-type: none">• Review supplier qualifications• Receive, test, and inspect materials
Farming	<ul style="list-style-type: none">• Implement animal welfare standards, conduct regular health checks, and prevent disease transmission• Routine test feed for microorganisms, chemical residues, and heavy metal content• Implement biosecurity measures to reduce the risk of cross-contamination
Feed Processing	<ul style="list-style-type: none">• Test finished feed for microorganisms, chemical residues, and nutritional content• Control temperature and humidity in feed storage environments
Production	<ul style="list-style-type: none">• Manage personnel hygiene and health and implement quality control and testing during the production process (hygiene control, additive usage, date printing, etc.)• Produce according to process requirements and operational procedures• Conduct risk assessments for each product line and implement control measures
Storage	<ul style="list-style-type: none">• Ensure hygiene and temperature compliance in storage facilities• Separately store raw materials and finished products with proper labeling• Release products following ex-factory inspection/check• Manage non-compliant products (storage, marking, disposal, etc.)
Delivery	<ul style="list-style-type: none">• Ensure hygiene and temperature compliance in transport vehicles
Sales	<ul style="list-style-type: none">• Ensure compliance with delivery temperature and sales environment hygiene standards• Ensure product labeling compliance

Shuanghui Development's Product Safety and Quality Risk Identification and Assessment

Shuanghui Development implements a rigorous and systematic risk management framework grounded in the principles of “daily control, weekly inspections, and monthly scheduling.” This structured approach facilitates the ongoing identification, assessment, and mitigation of risks related to product safety and quality to enhance the effectiveness of its preventive measures and strengthen its capacity to proactively address emerging quality-related challenges. In 2024, Shuanghui Development prioritized the identification and management of critical risks across three key domains: raw material quality, production processes, and product storage and transportation. Through comprehensive risk assessments, the Company evaluated the potential operational impacts, financial implications, and impact scale from each of the three domains to refine its control measures and response strategies. This ensures a robust and responsive risk management system that reaffirms Shuanghui Development's commitment to upholding the highest standards of product quality and safety.

PROVIDING QUALITY PRODUCTS (continued)

Fostering Quality-First Culture

Guided by the principle “Product Quality is Our Top Priority”, WH Group has fostered a culture of quality and safety that is championed at all levels of the organization. Senior executives lead by example, reinforcing a top-down commitment to food safety and product excellence. To embed this commitment across our operations, we continuously strengthen food safety awareness and accountability among all employees. The Group organizes systematic and targeted quality training programs to enhance both quality consciousness and operational standards among employees and partners. These efforts form a strong foundation for delivering consistent product safety and excellence.

At Shuanghui Development, annual internal and external training programs are tailored to various industries and functional roles, focusing on product quality, safety protocols, and professional skill development. In addition to structured training, the company promotes a culture of engagement through initiatives such as food safety speech contests and quality management innovation project selections, encouraging employees to take ownership of quality management. Furthermore, the Quality Center extends training to suppliers, emphasizing critical topics such as quality red lines, common quality issues, and core quality management principles.

In North America and Europe, the subsidiaries conduct comprehensive annual training for employees and suppliers. These programs cover a broad range of content including food safety and quality policies, customer expectations, and internationally recognized certification standards such as HACCP, Safe Quality Food Institute (SQFI), Brand Reputation Compliance Global Standard (BRCGS), and International Featured Standard (IFS). Role-specific orientation sessions and external audit preparation courses are also provided to ensure relevance and depth. To further enhance training effectiveness, we promote an open learning environment that encourages employee feedback and collaborative improvement. This continuous dialogue ensures that our training programs remain practical and adaptive.

“Quality Month” Activity in Shuanghui Development

In September 2024, Shuanghui Development hosted its annual “Quality Month” training event. The Company conducted specialized training on key regulatory standards, including the *National Food Safety Standards on Food Additives* (GB 2760–2024) and the *Hygiene Standards for Cooked Meat Product Production* (GB 19303–2023), along with targeted sessions on microbiological safety. Additionally, through the “Shuanghui e-Learning” platform, online training was provided for the food safety management team. A total of 1,254 participants took the certification exams, achieving an outstanding average score of 98.70.

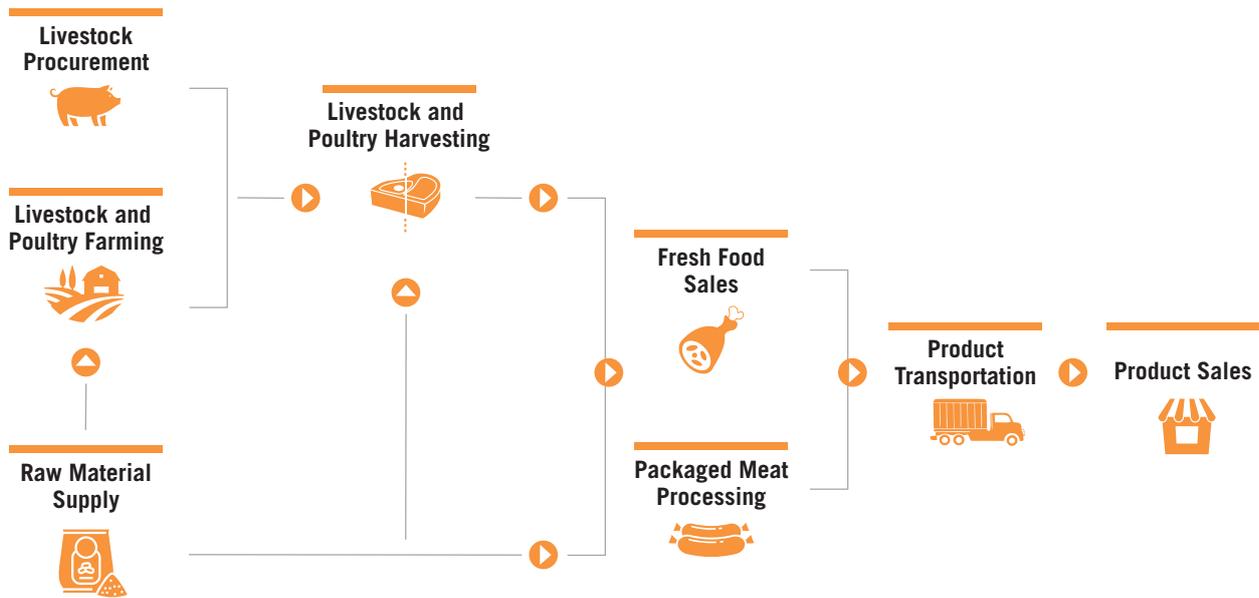
Subsidiary	Food Safety and Quality Training
Shuanghui Development	A total of 380 thousand participants, with a total of 876,076 training hours, covering 100% of employees
Smithfield	In the U.S., a total of 6,420 training hours, covering 100% of production employees In Mexico, a total of 452 participants, with a total of 452 training hours, covering 100% of all production employees
Morliny Foods ⁹	In Poland, a total of 10,700 participants, with a total of 2,679 training hours, covering 85% of employees In Romania, a total of 1,079 training hours, covering 100% of employees In Slovakia, a total of 1,360 participants, with a total of 1,620 training hours, covering 100% of employees

⁹ Argal, a Spanish company acquired during the Reporting Period, has already started conducting regular quality assurance training. However, the relevant training records have yet to be integrated into Morliny Foods’ information management system, so the quantitative information is not available. Argal will continue to conduct training sessions and track the hours spent in the future.

2.1.2 Whole Process Quality Management

WH Group is firmly committed to its “Farm-to-Table” food safety promise, implementing a comprehensive quality management system that spans the entire value chain. From livestock, poultry, and raw material supply to harvesting, processing, distribution and sales, we enforce strict quality control measures at every stage. By adhering to rigorous protocols and industry best practices, we ensure the safety, integrity, and traceability of our products, enabling consumers to enjoy them with confidence and peace of mind.

Key Steps in WH Group's Farm-to-Table Quality Management Process



Raw Material Supply

At WH Group, we recognize that high-quality products begin with the careful selection and rigorous oversight of raw materials. Our commitment to quality starts at the source, where we enforce strict supplier standards and conduct comprehensive inspections to ensure full compliance with regulatory requirements and internal benchmarks. Across our operations, WH Group adheres to stringent supply quality protocols. Through systematic incoming inspections, we verify the safety, stability, and consistency of all materials entering our supply chain.

In China, Shuanghui Development has established unified procurement standards for raw materials, implementing a structured system of classification, screening, and testing. All external products — including seafood and dairy — must comply with relevant national registration, recognition, and regulatory requirements.

Additionally, every raw material, ingredient, and packaging component must meet Shuanghui's internal quality benchmarks. A dedicated technical team conducts comprehensive safety assessments, testing for pesticide residues, drug residues, additives, and other critical indicators. Quality control measures extend to suppliers' facilities, where on-site inspections are carried out to ensure adherence to production and quality systems.



PROVIDING QUALITY PRODUCTS (continued)

In North America and Europe, Smithfield and Morliny Foods implement robust, end-to-end quality controls and assurance — from sourcing through delivery. These processes are aligned with international certification standards and strengthened by internal quality management systems. Raw materials undergo multi testing, including analyses for chemical residues, microbiological hazards, and other safety parameters. Rigorous testing, continuous evaluation, and supplier performance monitoring ensure that materials consistently meet our high standards for safety and quality.

Livestock and Poultry Supply

Globally, approximately 40% of livestock and 55% of poultry supply come from our owned and contract farms. To ensure the quality, safety, and stability of fresh and processed meat products, WH Group maintains stringent inspection and acceptance standards for all livestock, whether sourced from owned farms, contract farms, or external suppliers.

Our Commitment

- We do not use genetically modified swine or poultry as raw materials and ensure that all our own hogs or poultry are selected and cultivated through careful breeding, without manipulating animal genes.
-

Livestock and Poultry Farming

Ensuring the quality and stability of both self-raised and contract-farmed livestock relies on the implementation of standardized, sustainable farming practices. WH Group subsidiaries continuously enhance livestock farming standards through innovations in feed formulation, precision feeding management, and workforce training. We maintain optimal housing conditions, including temperature and humidity control, while tailoring feed formulations and feeding schedules to meet the nutritional needs of animals at different growth stages. We also implement comprehensive biosecurity measures to prevent animal diseases and strengthen our ability to manage potential risks. Further details are provided in the Animal Welfare section.

Livestock Procurement

WH Group subsidiaries adhere to strict procurement standards for externally sourced livestock, ensuring that suppliers comply with all local laws, regulations, and industry standards regarding feed, additives, and medications. Inspections, including disease screening, drug residue testing, and microbiological analysis are carried out in accordance with local requirements. In the event of non-compliance, we follow established procedures, report issues to the relevant authorities and take corrective action following local regulations. To promote sustainable sourcing, we prioritize sourcing from local suppliers, where possible, to reduce transport distances. We have also upgraded our transport vehicles to minimize animal stress and risks during transport, thereby reducing animal mortality. Contingency plans are also in place to manage adverse conditions.

PROVIDING QUALITY PRODUCTS (continued)

Shuanghui Development's Hog Procurement Specifications

Shuanghui Development has established clear and standardized procurement and hog reception requirements for all suppliers, ensuring consistency and compliance across the supply chain. It upholds the “Six Rejections” policy and enforces “Five Lines of Defense” inspection and control measures, implementing rigorous quality management at the source to safeguard livestock quality and food safety.

“Six Rejections”

- Rejecting hogs not certified, not fully certified or without matching certificates
- Rejecting hogs found with toxic and harmful substances such as clenbuterol hydrochloride and ractopamine
- Rejecting hogs infected with or suspected of African swine fever or other epidemic diseases
- Rejecting hog dying from diseases or unknown causes
- Rejecting hogs fed with swill or infused with water or injected with other substances
- Rejecting breeding boars and sows, late surgically castrated hogs and free-range local hogs

Livestock and Poultry Harvesting

WH Group subsidiaries strictly adhere to global regulatory requirements and implement comprehensive harvest protocols to ensure quality control at various stages, including pre-harvest, during harvest, post-harvest and segmentation. These measures ensure the integrity and safety of our meat products.

Before harvesting livestock, we conduct rigorous quarantine and inspection procedures in markets such protocols are required. These include health assessments, disease screening and drug residue testing. In addition, all transport vehicles are thoroughly cleaned and disinfected prior to delivery to prevent contamination. In the U.S., we require all hogs to be transported by vehicles certified under the Transport Quality Assurance (TQA®) program.

During harvesting, we conduct online inspections in compliance with local regulatory requirements. Dedicated specialists perform microbiological and chemical residue testing, as well as internal organ inspections, to mitigate quality risks. We maintain strict cleanliness and hygiene standards for shop floors and equipment, to prevent cross-contamination and ensure compliance with international food safety standards.

After harvesting, we conduct extensive safety and quality assessments of the final products. These include carcass inspection, microbiological testing, chemical residue analysis, and evaluations of cutting, packaging, and cold chain management. These measures ensure that our fresh meat products consistently meet the highest standards for both direct sales and further processing.



PROVIDING QUALITY PRODUCTS (continued)

Packaged Meat Processing

WH Group is committed to the continuous evaluation and enhancement of our quality management standards. By integrating industry best practices into our standard operating procedures (SOPs), we ensure consistency and excellence across all aspects of our operations. These SOPs cover critical quality control areas such as equipment sanitation, personal protective equipment (PPE) usage, and temperature monitoring and validation of products. Through stringent control of production facility hygiene and environmental conditions, we drive ongoing improvements in food safety and product quality.

WH Group subsidiaries embrace automation and intelligent technologies and make investment, based on respective priorities, in state-of-the-art detection systems designed to identify microbial toxins, chemical residues, and foreign materials, alongside real-time monitoring capabilities. These advanced tools enhance our ability to detect and address potential risks in daily operations.

Key Quality Management Measures during Meat Processing at WH Group

Product Testing Capability

- Shuanghui Development has developed a near-infrared analyzer management platform, and introduced facilities such as aluminum foil detectors, online low-temperature picking machines, foreign material X-ray monitoring systems, and microbial toxin detection equipment, to enhance standardized operation in production activities.
- Smithfield has implemented advanced data analytics platforms such as M-IQ and is exploring infrared spectroscopy technology in its food processing facilities. These technologies enable standardization and continuous tracking and recording of chemical and microbiological parameter tests performed by internal and external laboratories, increasing transparency in quality management. This also improves monitoring of key indicators such as consumer and customer complaints, product recalls and shelf life.
- Smithfield and Morliny Foods continue to enhance food safety by integrating X-ray systems into production lines. These systems effectively identify, detect, and eliminate foreign objects, particularly metal contaminants, ensuring product integrity and consumer safety.
- Morliny Foods has upgraded several factories with quality assurance technologies, including FoodScan physicochemical analysis instruments, an RFID-based veterinary inspection system, and carton and container inspection systems. These initiatives help mitigate risks associated with microorganisms, chemicals, and foreign contaminants.

Product Automation Management

- Shuanghui Development introduced automatic sorting machines, boxing machines, palletizing machines, skinning machines, grading machines, and pillow-type packaging machines. These investments not only enhance operational efficiency but also reduce errors and contamination risks associated with manual handling. Additionally, automated systems enable real-time data recording and analysis, further strengthening quality control and minimizing the risk of foreign object contamination.

WH Group subsidiaries implement robust quality control measures at key product release points to ensure that only fully compliant products reach the market. We continuously refine our protocols for the identification, review, testing, and management of non-compliant products, strengthening safeguards throughout the final stages of the production process. In the event of a quality anomaly, we activate targeted control measures, including product segregation, special inspections, and corrective actions, to prevent non-compliant goods from entering the market to ensure consumer safety.

PROVIDING QUALITY PRODUCTS (continued)

Product Transportation

WH Group and subsidiaries use both in-house and partner logistics services for distributors and retailers. Recognizing the different storage and transportation requirements presented by different products, particularly those needing strict temperature and humidity control, we ensure robust cold chain management systems are in place. In addition, we continuously monitor key quality indicators throughout the transport process, with online tracking for critical shipments.

Quality Control Measures Throughout the Transportation Process for WH Group Products



In-transit transportation quality risk investigation



In-transit temperature and humidity control



Refrigeration performance, hygiene standards, qualifications, and compliance checks of cold chain vehicles

Distribution and Retail Sales

WH Group is unwavering in its commitment to achieving the highest standards of food safety and quality, with a clear objective of zero product recalls and zero quality incidents across all operations. Our subsidiaries achieve product-to-market through both direct sales and distribution to maximize market coverage and customer accessibility. Through the direct sales model, we supply premium pork products to business clients, including restaurants and retail chains, as well as directly to end consumers via our proprietary online platforms and physical retail stores in selected markets. Complementing this approach, our distribution model leverages a broad network of regional distributors, enabling us to efficiently serve diverse markets and customer segments.

Product Recall Process for WH Group Subsidiaries



Shuanghui Development conducts regular market quality inspections to verify product labeling, packaging, and shelf-life compliance while preventing counterfeiting. A withdrawal process is in place for products that are about to expire or have already expired. To improve recall preparedness, the Company has in place a product tracing process that includes executive oversight, severity assessments, mock recall exercises and real-time tracking of recall progress. Annual mock drills further strengthen our ability to respond to emergencies effectively.

In the U.S., Smithfield employs SKU and code date tracking to manage product sales with full traceability from farm to end-user. This system enables real-time product monitoring and facilitates swift voluntary recalls when necessary, ensuring that affected products are quickly removed from shelves and traced back to their source. Additionally, Smithfield continuously updates its emergency response plans and implements corrective actions to prevent recurrence of issues.

PROVIDING QUALITY PRODUCTS (continued)

Morliny Foods follows stringent quality management protocols, regularly inspecting product display to ensure hygiene and labeling compliance. Non-compliant or expired products are systematically removed, and recall procedures strictly follow established guidelines. The Company also provides ongoing quality and biosafety training to employees at affected production bases.

During the Reporting Period, Shuanghui Development and Smithfield reported zero product recalls. Morliny Foods experienced nine recall incidents — one due to African Swine Fever and eight related to Salmonella or Steriella listeri. All recalled products were managed in accordance with established protocols, and no associated food safety or public health incidents occurred¹⁰.

2.2 Food Nutrition and Health

WH Group is dedicated to delivering high-quality protein products that align with consumers' evolving nutritional and health needs. With a strong focus on product innovation, we leverage technological advancements in meat processing to stay ahead of market trends, developing safe, affordable, and nutritious products to help enhance consumer well-being.

Our Commitment

- **Shuanghui Development:** Proactively catering to consumers' evolving needs for healthy, natural, and convenient diets, as we rigorously manage food additives and continuously innovate in the field of nutritional products.
- **Smithfield:** Providing safe and nutritious protein products that deliver essential nutrients, suit a variety of dietary needs and contain easy-to-understand, transparent labeling.
- **Morliny Foods:** Delivering safe, affordable, and high-quality protein while continuously improving the nutritional value of products to support the increasing consumer demand for healthier options worldwide.

2.2.1 Nutritional and Healthy Product R&D

R&D innovation plays a crucial role in fueling the growth of WH Group. We advocate and support the concept of a healthy diet, a resonating pursuit of the consumers and also a guiding principle in our product innovation, through which we deliver nutritionally important and delicious protein products for our consumers' continued patronage.



¹⁰ The losses incurred due to product recalls were approximately 0.14 million dollars, accounting to less than one hundred thousandth of the Company's operating revenue.

PROVIDING QUALITY PRODUCTS (continued)

WH Group's product portfolio includes packaged meat products across multiple global brands, as well as fresh and frozen pork. Nutritional ingredient enhancements are primarily incorporated into our packaged meat products, such as ham sausages, hams, sausages, and bacon, which collectively account for approximately 53% of the total revenue.

R&D Innovation

We are actively engaging in product enhancement solutions, beginning with the refinement of product formulations, then the incorporation of natural ingredients, and the enrichment of nutritional components, aiming for better consumer experience. During the Reporting Period, we invested USD 173 million in R&D, a percentage to revenue consistent with the previous year.

R&D System & Cooperation

WH Group is committed to investing in research, innovation, and talent development while actively contributing to industry standards setting. Our subsidiaries establish localized R&D systems tailored to their respective markets, setting quantitative targets for new product development, resource efficiency, and healthier recipe enhancements.

We have also established innovation centers that integrate R&D, training, and customer engagement, fostering a dynamic environment for product development. Furthermore, we collaborate with world-renowned universities and industry experts, leveraging both internal and external resources to enhance R&D efficiency and accelerate innovation.

Nutritional and Health-Focused R&D Exploration

Consumer preferences for meat products vary by region, influenced by factors such as lifestyle, cultural background, and dietary habits. To address these differences, WH Group subsidiaries adapt product formulations and ingredient compositions to meet local health and nutrition trends, with a focus on reducing fat, sodium, sugar, and additives, while increasing the amount of natural ingredients and nutritional content.

WH Group subsidiaries actively analyze consumer preferences, focusing on food quality, authenticity, taste, and convenience. By preserving traditional flavors while integrating modern nutritional concepts, we continuously innovate to develop products that are low in fat, sodium, and sugar, contain fewer additives and more nutritional elements, and incorporate natural ingredients for a balanced diet. Our goal is to provide consumers with a diverse and nutritious range of meal choices to promote a healthier lifestyle. We have also introduced smaller portion products to meet the growing demand for convenient on-the-go snacking.

PROVIDING QUALITY PRODUCTS (continued)

WH Group's Product Improvement Programs in 2024

Continuously optimize product formula

- Shuanghui Development focuses on simplifying and optimizing meat product formulations, enhancing ingredients such as powdered materials, seasonings, restructured meat proteins, rehydrated textured proteins, and minced meat
 - Morliny Foods simplifies its product formulations, lowering added sodium and sugar while reducing allergenic ingredients such as wheat, sesame derivatives, oats, rye, and rice flour in its own-brand products
-

Add natural ingredients

- Shuanghui Development has further reduced the use of food additives in 2024, introducing products with simple, safe, and healthy ingredients, including zero-added sodium nitrite, zero-added starch, and zero synthetic colorants. Additionally, we are exploring natural alternatives, such as white bean extract, while maintaining product taste and quality
 - Smithfield continues its commitment to natural ingredient innovation, replacing sodium nitrate and sodium isosorbide with cultured celery juice and cherry powder in all its natural products. It has also incorporated natural honey as a sweetener, reducing reliance on corn-based sweeteners
 - Morliny Foods has further lowered the nitrite and nitrate content in its products throughout 2024, supporting its commitment to cleaner-label, healthier meat options.
-

Increase nutritious elements

- Shuanghui Development promotes dietary balance by fortifying its meat products with calcium, including the Shuanghui Sausage Plus Calcium Formula series, smoked sausage, and grilled meat sausages. Additionally, DHA has been incorporated into products such as cod sausage and “Run Kou Xiang Tian Wang” corn-flavored sausage
 - Morliny Foods continues to enhance protein content in processed meats in 2024, ensuring improved nutritional value while maintaining quality and taste
-

Reduce portion sizes

- Shuanghui Development has introduced portion reduction measures in 2024, including products like “Hui Xiao Pu” braised chicken wing drumette, to offer consumers more convenient and appropriately sized meal options
 - Morliny Foods continues to adopt smaller portion sizes, reducing the product portion sizes to 0.5–1.0 kg to better align with consumer preferences for portion-controlled options
-

PROVIDING QUALITY PRODUCTS (continued)

Shuanghui Development's Commitment to Nutrition and Health

Shuanghui Development actively supports China's "Healthy China 2030" initiative, driving nutritional and health advancements within the food industry. To achieve this, a dedicated team of nutritionists was formed to conduct in-depth research on food nutrition and consumer dietary needs. By integrating modern nutritional science with evolving consumer preferences, the Company is continuously developing health-focused products that align with national health standards.



We care about the physical and mental well-being of school-aged children and are committed to ensuring that:

- 100% of Shuanghui's student meals supplied in China comply with the *Nutritional Guidelines for Student Meals* issued by the National Health and Family Planning Commission



We focus on meeting customers' balanced dietary needs and are committed to ensuring that:

- 100% of Shuanghui's group meals supplied in China comply with the *Dietary Guidelines for Chinese Residents (2022)* issued by the Chinese Nutrition Society



We prioritize the improvement of nutritional health and are committed to:

- Using 2020 as a baseline, reduce salt in products such as ham and sausages by 12,000+ tons by 2030
- Using 2020 as a baseline, reduce fat in products such as ham and sausages by 3,000+ tons by 2030
- Using 2020 as a baseline, reduce sugar in products such as ham and sausages by 5,000+ tons by 2030

Intellectual Property Protection

WH Group is committed to the principles of integrity, diligence, and responsible innovation, underpinned by a comprehensive intellectual property (IP) management system. In addition to trademarks, our IP portfolio also includes patents and copyrights, covering primarily food formulations and production processes.

To safeguard our intellectual property and ensure its responsible use, WH Group subsidiaries have developed a robust IP governance framework. This framework includes the systematic management of research outcomes and the strategic application of patents, along with measures to prevent infringement risks and maintain technical confidentiality prior to application. Trademark registration is closely monitored, and structured response mechanisms are in place to address potential infringements promptly and effectively. Our IP policies are regularly reviewed and updated to reflect evolving legal and industry standards. We also emphasize continuous employee training and awareness to ensure standardized practices in the creation, protection, and use of intellectual property across all business units. IP protection is integrated into our internal *Code of Conduct*, further reinforcing our commitment to ethical business practices and corporate responsibility. To strengthen enforcement, we partner with third-party brand monitoring services, conduct regular IP audits and compliance reviews supported by legal advisors, to maintain the effectiveness and integrity of our IP protection measures. Through this comprehensive and proactive approach, WH Group ensures that its innovations are protected while upholding respect for the rights of other patent holders.

PROVIDING QUALITY PRODUCTS (continued)

During the Reporting Period, WH Group was not involved in any significant intellectual property-related lawsuits.

As of the end of the Reporting Period	Numbers	As of the end of the Reporting Period	Numbers
Cumulative holdings of active patents	786	New granted patents	342
Cumulative trademarks	3,462	New licensed trademarks	150

2.2.2 Customer Service

WH Group is deeply committed to delivering high-quality products and exceptional service experiences to our extensive global network, which includes over ten thousand distributors, corporate customers, and billions of consumers. By continuously enhancing our customer service system, optimizing communication channels, and improving response efficiency, we gain valuable insights into consumer expectations, allowing us to more effectively meet the diverse needs of the global marketplace.

Our subsidiaries serve a broad spectrum of customers, ranging from chain supermarkets and food-service businesses to channel distributors and company-owned stores, while also expanding our online presence. We engage with consumers across a variety of touchpoints, including e-commerce platforms, social media interactions, in-store experiences, and customized promotions. These efforts ensure that product information is easily accessible and that service support is both responsive and tailored to the needs of our customers.



PROVIDING QUALITY PRODUCTS (continued)

Responsible Marketing

At WH Group, we recognize that responsible marketing is both an ethical cornerstone and a critical factor in promoting consumer health and the sustainable development of the food industry. We are committed to upholding the highest standards of integrity by strictly adhering to local laws and international guidelines, while embracing the principles of legality, honesty, transparency, and social responsibility across all marketing activities. This includes product packaging, labeling, advertising, marketing materials, social media, and websites. We are dedicated to promoting clear and accurate nutrition labeling and providing science-based dietary advice, empowering consumers to make informed and balanced choices. WH Group strictly complies with global guidelines that prohibit the proactive marketing of high-salt and high-fat products to children under 13. We ensure that all product information is age-appropriate, transparent, and accessible to help guide responsible consumer decisions. Additionally, we maintain rigorous information verification processes to prevent any form of unfair or misleading marketing practices.

Shuanghui Development enforces rigorous advertising and marketing regulations, implementing a strict approval and supervision process across all marketing activities. It conducts annual compliance reviews and strengthens oversight of franchisee and distributor-led marketing efforts to ensure accurate labeling and packaging compliance. In 2024, Shuanghui Development further enhanced online product information management, refining the creation and approval process for digital marketing materials and implementing quarterly content audits to ensure accuracy and timeliness.

Smithfield rigorously reviews product descriptions for compliance, ensuring all packaging, marketing materials, advertising, social media content, and website information accurately reflect product attributes with data-backed claims. All nutritional information on packaging is subject to regulatory approval and is updated when recipes or illustrations change. The *Smithfield Ingredient Glossary* which provides product ingredients information was refreshed and updated in 2024.

Smithfield's Responsible Marketing Practices

Smithfield Foods places consumer rights at the core of its business operations, strengthening corporate credibility through transparent product information disclosure and standardized marketing practices. We are committed to ensuring that all product labels provide clear, accurate, and comprehensive details, including ingredients, nutritional content, and safety warnings. Smithfield implements a three-tier review system for advertisements and promotional materials, ensuring the elimination of any misleading or deceptive content. Consumers are further empowered through the provision of comparable product information, such as unit pricing and detailed nutritional information, to help them make informed purchasing decisions. Smithfield has established a robust marketing management system that includes pre-approval processes, real-time monitoring during campaign execution and thorough post-campaign evaluation. The Company strictly adheres to responsible marketing principles and takes a firm stance against discriminatory or exploitative practices. By actively promoting ethical advertising and adhering to industry-leading standards, Smithfield continues to set the example as a responsible, consumer-focused brand committed to transparency and integrity.

**Accurate and
easy-to-understand
product information**

Clear product labeling

**Advertising content
that aligns with reality**

**Comparable
nutritional data**

Morliny Foods is dedicated to providing clear, accurate, and non-misleading product information across all labels, advertisements, and marketing materials. All promotional activities include explicit terms and conditions to ensure clarity for consumers. In order to maintain compliance with EU regulations on product labelling and description, the Company regularly evaluates and reviews the effectiveness of its marketing strategies and materials. In addition, sales and marketing teams receive ongoing training on responsible marketing to ensure that all activities are consistent with regulatory standards and ethical business practices.

PROVIDING QUALITY PRODUCTS (continued)

Consumer and Customer Service

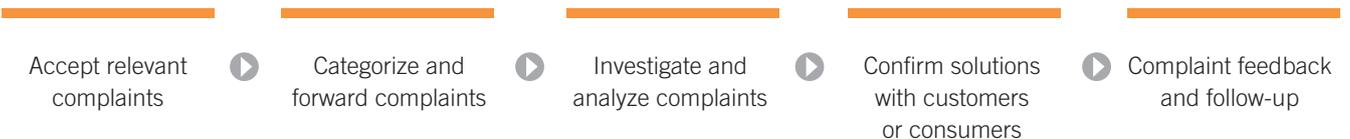
WH Group and its subsidiaries primarily serve corporate clients while also directly catering to consumers in select markets. We are dedicated to enhancing customer service systems across all regions, ensuring open and transparent communication channels, and upholding consumer privacy protection. Our goal is to continuously improve the service experience, meeting the evolving expectations of the market while maintaining the highest standards of product quality and safety. Each subsidiary operates localized customer service channels and proactively responds to product and service inquiries. Additionally, recurring concerns and emerging trends are integrated into our continuous quality improvement system, allowing us to address potential issues and prevent future challenges.

Shuanghui Development serves a broad spectrum of clients, including franchise stores, distributors, chain supermarkets, food processing factories, schools, and direct consumers through both offline retail stores and online platforms. We continuously expand and optimize after-sales service channels, including a 400 hotline for direct consumer support, the government's 12315 platform for regulatory oversight, online and social media platforms for real-time consumer interaction, and offline sales terminals for in-person customer engagement. We actively monitor, collect, and analyze customer feedback, ensuring prompt resolution of product and service issues. All complaints, particularly high-impact or systemic issues, are escalated to relevant departments, where corrective measures are implemented, tracked, and verified. During the Reporting Period, Shuanghui Development achieved an 11.5% year-over-year reduction in quality-related complaints, with zero health or risk incidents resulting from unresolved complaints or defective products.

Smithfield's FSQA team manages consumer concerns through multiple channels, including phone, email, social media, and postal correspondence, proactive follow-up to ensure customer satisfaction, and comprehensive complaint tracking and resolution systems. During the Reporting Period, the FSQA team focused on enhancing foreign object detection and equipment cleaning protocols based on customer complaint analytics. As a result, the number of complaints per million pounds produced (CPMP) in the US market decreased by 8.55%, while the total number of complaints decreased by 13.71% compared to 2023 — demonstrating progress in quality control and consumer satisfaction.

Morliny Foods prioritizes swift and effective customer service, committing to respond to all enquiries within 72 hours and resolve 90% of consumer concerns on the first interaction. We ensure transparent communication across multiple platforms, including phone, email, social media and website contact forms. Complaints are monitored and analyzed, with valid cases subject to thorough root cause investigation and corrective action. We also identify recurring complaint patterns, allowing us to proactively implement quality improvements and prevent future issues.

Procedures for Complaints Processing of WH Group Subsidiaries



During the Reporting Period, WH Group received a total of 8.1 complaints per thousand tons of products sold globally, representing a 9% drop compared to the previous year. The majority of complaints were related to damaged packaging, product deterioration, and foreign impurities. WH Group achieved a 100% complaint resolution rate, with no health or safety incidents arising from product complaints or mishandled resolutions.

PROVIDING QUALITY PRODUCTS (continued)

Privacy Protection

WH Group is fully committed to strict compliance with privacy protection laws and regulations across all regions of operation. We uphold the principle of minimizing data collection and ensure that all personal data is securely stored and transmitted through robust protocols. In line with our business development, we continuously refine and optimize our privacy practices to safeguard consumer information and maintain the highest standards of data security.

In response to the growing demand for online sales, Shuanghui Development has prioritized consumer privacy protection and data security management. During the Reporting Period, the Company revised its *Information System Management Regulation and Network & Information Security Emergency Plan*, detailing specific requirements for data classification, storage, and transmission. In addition, it implemented data protection procedures, including dual verification and authorization protocols for operational data. We implemented unique account assignments for customers in our enterprise resource planning system to ensure secure information management and conducted regular reviews of system user accounts to minimize the risk of information misuse or unauthorized access.

Smithfield has established comprehensive privacy policies, including the *Privacy Policy* and the *California Privacy Statement*, to ensure the responsible collection, use, retention, and processing of consumer data in compliance with relevant laws and best practices. The Company's consumer data privacy program is overseen by in-house intellectual property and legal advisors, who report to the Chief Legal Officer. Technical safeguards are managed by the Director of Application and Data Security, who reports to the Chief Information Security Officer. To facilitate transparency and consumer trust, Smithfield has a dedicated email address for handling privacy inquiries and requests. Employees who misuse or improperly disclose confidential consumer data face strict disciplinary action, including termination for severe violations. To further strengthen privacy protection, Smithfield conducts annual training on consumer data handling and security protocols. In Mexico, Smithfield has implemented localized data protection and privacy policies, with each department responsible for ensuring compliance within their respective areas, aligning with the Company's broader privacy framework.

Morliny Foods strictly adheres to consumer data protection laws and regulations, maintaining robust privacy and data protection policies that govern every stage of data management, from collection and storage to usage, sharing, and eventual destruction. These policies apply to all business activities and ensure that the data of customers, suppliers, and business partners is handled with the highest level of security and integrity. In full compliance with the *EU General Data Protection Regulation* (GDPR), the Company has developed a data protection framework based on seven key principles: data minimization, legality, transparency, purpose limitation, storage limitation, integrity, and confidentiality. These principles are embedded in daily operations to ensure GDPR compliance while fully respecting consumer rights, including the right to information, access, rectification and erasure. To prevent data breaches or unauthorized access, Morliny Foods implements strict internal management controls and technical security measures.

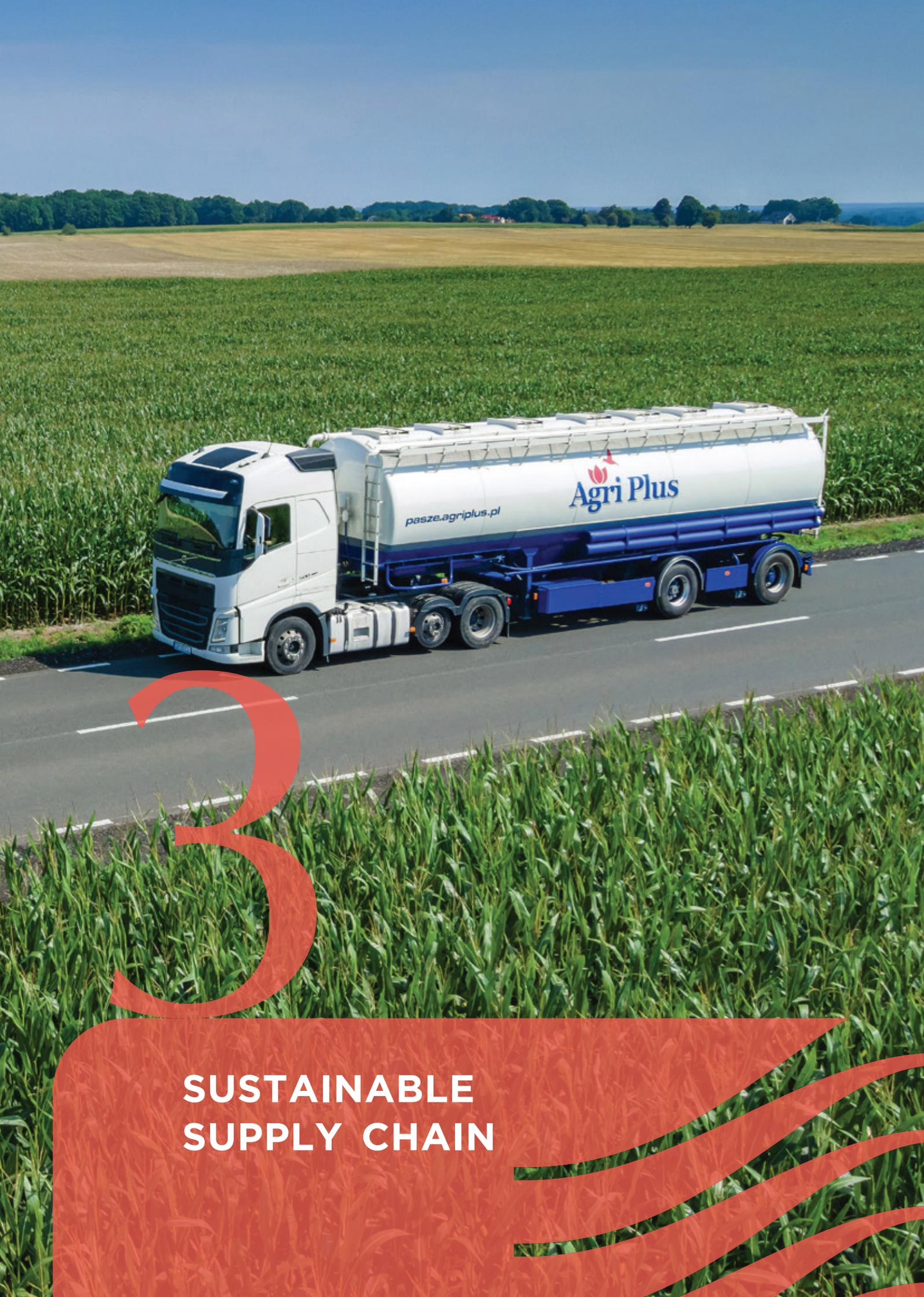
During the Reporting Period, WH Group and its subsidiaries maintained a strong commitment to data security, with no incidents of information breaches or privacy violations involving customers or consumers.

Satisfaction Survey

WH Group places great importance on customer and consumer feedback, regularly conducting satisfaction surveys across various channels to gather valuable insights and assess the overall experience. We thoroughly analyze survey results and actively consider improvement suggestions, making necessary adjustments to enhance customer satisfaction and better meet evolving expectations.

Shuanghui Development conducts nationwide satisfaction surveys on a regular basis, evaluating key areas such as product quality, pricing, packaging, distribution, policy support, market services, brand recognition, product flavor suitability, and after-sales service. During the Reporting Period, customer satisfaction for offline sales channels remained steady at 90.0%, while the consumer approval rate was 83.8%, both consistent with the previous year. Online consumer satisfaction reached 95.7%, reflecting an 11.7% increase from the previous year, demonstrating the Company's ongoing efforts to improve digital engagement and service quality.

Smithfield conducts annual customer satisfaction surveys via telephone and email, focusing on corporate customers in the foodservice, industrial and retail sectors across the U.S. During the Reporting Period, Smithfield achieved a customer rating of 94 points via phone surveys and 89 points through email evaluations, demonstrating its commitment to maintaining high service standards and fostering strong customer relationships.



3

**SUSTAINABLE
SUPPLY CHAIN**

SUSTAINABLE SUPPLY CHAIN (continued)

Corporate Principles

UNSDGs

Animal Welfare and Care

WH Group takes pride in building a best practice and leads by example to make animal welfare a standard practice in the industry. We seek ways to make positive impact and collaborate with stakeholders to support and promote the development of animal welfare standards.

- Animal welfare principles
- Responsible use of antibiotics
- Implementation and review

Sustainable Supply Chain

We are committed to building a sustainable supply chain and delivering a positive impact, from sourcing livestock and raw materials to working downstream with distributors and retailers to provide consumers with high-quality, nutritious protein choices.

Our suppliers have joined us in ensuring the safety and quality of our end products by meeting the procurement standards of WH Group and its subsidiaries. They are further encouraged to take initiatives in environmental conservation, labour standards, employee safety and animal welfare outlined in our Supplier Code of Conduct.

- Sustaining traceability
- Suppliers' quality assurance
- Sustainable supply chain



WH Group acknowledges the critical role of sustainable agriculture in its own livestock and poultry farming operations, hog procurement, and the stable supply of raw materials. We assess the environmental risks associated with the origin of agricultural products in our sourcing practice and take a phased approach in the enforcement of certification for these materials. We apply rigorous animal welfare and biosecurity management standards to our livestock and poultry farming operations, and use the same criteria to assess the stability and reliability of our major livestock suppliers. Given the breadth and geographical reach of our value chain, we closely monitor the business continuity of suppliers across various stages. Beyond ensuring that supplied materials meet our quality standards, WH Group and its subsidiaries actively encourage suppliers to adopt sustainable development principles, with the aim of promoting positive industry-wide change and fulfilling our collective responsibility.

SUSTAINABLE SUPPLY CHAIN (continued)



3.1 Animal Welfare

WH Group considers animal welfare a core strength in its farming operations and consistently follows industry best practice. We closely monitor our suppliers' standards, commitments, and implementation of animal welfare measures throughout livestock and poultry procurement activities.

WH Group subsidiaries hog production from owned and contract farms meet approximately 40% of its own demand for harvesting, with over 70% of our farming operations located in the U.S. In recent years, our China business has accelerated its farming footprint, with faster growth in poultry building a scale that fully satisfies the poultry harvesting capacity. In light of this structure, we provide animal welfare guidelines for hog farming production partners and contracted farmers, and offer needed guidance, inspection and training to ensure that animal welfare is maintained throughout our production value chain.

3.1.1 Animal Care

We implement resource planning and investment based on established animal welfare principles and measures, providing comfortable housing, balanced nutrition, and detailed care for livestock and poultry to ensure their healthy growth.



Animal Welfare Principles and Management

In the *Corporate Principles*, we have clearly outlined our stance on animal welfare and its implementation. Our subsidiaries operate with well-established animal welfare standards, with reference to those of the World Organization for Animal Health (OIE), as well as other animal welfare laws, regulations, and administrative requirements that are applicable for the countries and regions they operate in.

Animal Welfare Principles and Policies

Animal Welfare Principles of Shuanghui Development	Animal Care Policy of Smithfield	Animal Care Policy of Morliny Foods
<ul style="list-style-type: none"> Maintain the nutritional needs, health, and vitality of animals by making readily available water and food as well as other conditions that meet natural physiological needs Provide a safe and comfortable shelter where animals display healthy and comfortable behaviors (including activity, rest, and social behavior) and are protected from harsh weather Provide required treatment to alleviate pain from diseases and implement appropriate pain management techniques if necessary Avoid unnecessary long-distance transportation Implement humane handling and harvesting 	<ul style="list-style-type: none"> Design, maintain, and operate the barns to provide a physical environment that meets the animals needs Ensure access to adequate clean water and high-quality feed to meet animal nutrition requirements Implement humane treatment of animals that ensures their well-being and complies with all applicable legal and regulatory requirements Identify and appropriately treat animals in need of care Timely use of humane methods to euthanize sick or injured animals not responding to care and treatment 	<ul style="list-style-type: none"> Design, maintain, and operate the barns to provide a physical environment that meets the animals needs Ensure access to adequate clean water and high-quality feed to meet animal nutrition requirements Implement humane treatment of animals that ensures their well-being and complies with all applicable legal and regulatory requirements Identify and appropriately treat animals in need of care Timely use of humane methods to euthanize sick or injured animals not responding to care and treatment Administer antibiotics and antibiotic management methods approved by licensed veterinarians Ensure ready access to water and food Provide a comfortable living environment Prevent, diagnose and provide timely treatment for pain, injuries, and diseases Provide ample space, suitable facilities, and proper companionship with other animals Ensure the conditions and care provided — including during transport — inflict minimal mental distress

SUSTAINABLE SUPPLY CHAIN (continued)

WH Group subsidiaries continuously enhance animal welfare systems, implementing practices tailored to local business needs, with an aim to strengthen enhance animal welfare standards for their optimal well-being.

As one of the industry's earliest advocates and practitioners of animal welfare, Smithfield adheres to globally recognized animal care standards. We regularly update its *Animal Welfare Policy* and operational manuals, with comprehensive oversight from the Animal Care Committee and Animal Welfare Management Team. This includes monitoring the implementation of practices across all owned and contracted farms, as well as processing operations. In 2024, Smithfield completed an internal audit based on Cloverleaf certification standards and was successfully certified, reaching one year earlier its goal of securing at least one external certification from a globally recognized animal care organization for its farms by 2025. In China, Shuanghui Development has developed its *Animal Welfare Manual* and other related policies and procedures, and implements animal welfare practices facilitated by advanced technology and equipment.

WH Group subsidiaries continuously enhance animal welfare and biosecurity practices through internal audits and third-party reviews. Smithfield conducts regular internal and external audits of its farms and processing facilities. Morliny Foods conducts internal audits and external inspections of its farms, contract farms, harvest facilities and animal transport processes. Shuanghui Development undergoes on-site audits conducted by customers, promptly addressing and resolving any issues identified during these reviews.

To ensure practical and effective animal care, we focus on strengthening the awareness and operational skills of our animal care teams through specialized training. Smithfield requires all employees and contract farmers involved in breeding operations to complete comprehensive animal welfare training to ensure they have the necessary skills and knowledge to provide optimal care. Morliny Foods provides regular training for farm staff, drivers and other relevant personnel, covering both theory and practical application. Shuanghui Development provides specialized animal welfare training for employees in relevant positions to raise awareness and improve operational standards.



SUSTAINABLE SUPPLY CHAIN (continued)

Animal Safety and Biosecurity

As part of our overall animal welfare strategy, we are committed to the safety of our animals, and that means implementing and following strict biosecurity protocols on our farms. This includes isolating feed and raw material transport fleets and visitors, conducting routine diagnostic testing as part of breeding management, and providing adequate space and proper feeding to maintain a safe and healthy farming environment.

Animal Housing

WH Group subsidiaries design livestock facilities following science-based principles that consider animal behavior and welfare needs, ensuring sufficient space for movement and a comfortable environment for the animals.

We treat our animals humanely, providing personalized care for sows before, during, and after pregnancy, ensuring their safety. Animal housing, safety and biosecurity are key components of Smithfield's hog production programs. Please refer to Smithfield's 2024 Sustainability Impact Report for more information on animal housing management. In Romania, at 100% of our own finishing farms and 80% of our own breeding sow farms, Morliny Foods has optimized space allocation, reducing stock densities to increase the available space per hog by 15%. Shuanghui Development has introduced a balanced ratio of individual stalls and group pens in gestation crates, providing better protection for pregnant sows.

We are committed to continuously improving livestock facilities and equipment. This includes monitoring microclimate parameters at farms and ensuring well-designed, maintained, and operated hog barns that offer comfortable environmental conditions and appropriate feeding practices. In 2024, Smithfield upgraded its U.S. farms with advanced technologies, such as automated sprayers, new piglet heating pads, handheld weighing devices, and hog counting systems. Morliny Foods implemented various enhancements at its European farms, including additional drinking bowls, new feeders, thermal insulation for floors and walls, and upgraded feeding and drinking systems to improve feed accessibility and environmental comfort. Shuanghui Development utilizes automated water and feed supply systems at its farms in China, optimizes feed formulas and feeding frequencies, and employs automated farming technologies to monitor indicators like lighting, temperature, humidity, and air quality in real time, effectively reducing disease occurrence.

Feed Management

Our Company owned breeding operations use feed produced in our own feed mills supported by a comprehensive feed safety and nutrition management system. By optimizing feed formulations and improving feeding models, we continuously enhance breeding efficiency, reduce feed waste, and provide balanced nutritional support tailored to the various growth stages of livestock and poultry.

WH Group subsidiaries balance soybean protein and grain energy in feed formulations based on local feed resource availability and the growth stages of hogs. This ensures that the feed contains adequate and balanced protein and energy levels, coupled with appropriate feeding procedures, to achieve optimal outcome. We also focus on improving hog intestinal health through integrated approaches, including in vitro pre-digestion technology, innovative enzyme preparations, and alternative raw material combinations, which help reduce intestinal stress.

Shuanghui Development's Precision Poultry Feeding

Shuanghui Development enhances feed utilization efficiency and reduces waste through science-based approach. It refines nutritional formulas for breeder chickens according to their physiological needs at various stages. This includes the introduction of pre-laying feed and the segmentation of laying feed into peak and post-peak phases, as such that an industry-leading practice of six-stage feeding model, has been adopted company-wide.

SUSTAINABLE SUPPLY CHAIN (continued)

Transport and Harvest Management

We fully comply with international animal welfare standards throughout the entire transportation and harvest process, implementing comprehensive care measures to ensure compliance.

	Shuanghui Development	Smithfield	Morliny Foods
Transportation	<p>To ensure the transport space for hogs is appropriate to accommodate the number and size of the animals being transported.</p> <p>To prevent stress reactions, protective measures of temperature control, including cooling or heating are followed, in response to temperature fluctuations.</p> <p>During the loading and unloading process, noise levels are minimized to reduce animal stress, and a steady driving speed is required throughout journey to help alleviate animal fear.</p> <p>Furthermore, our suppliers and partner hog farms are required to regularly conduct trainings for their sales personnel and logistics carriers, ensuring they are well-equipped to handle animals responsibly and with care at every stage of the process.</p>	<p>In the U.S., all livestock transporters are required to be trained and certified under the National Pork Board's Transport Quality Assurance (TQA) program, ensuring that they understand the potential impacts of transportation on animal health and meat quality.</p> <p>In the Missouri region, Walinga Animal Welfare Trailers (AWT) has been introduced to enhance biosecurity during transportation. These state-of-the-art trailers are equipped with temperature sensors, onboard compartment fans, and advanced watering systems to ensure optimal climate control. Additionally, they feature ventilation panels, retractable roofs, and lifts to improve airflow, animal comfort, and ease of handling, ensuring the highest standards of animal welfare throughout the transportation process.</p> <p>In Mexico, to ensure hog safety, the use of pallet trucks during the loading process was phased out to avoid incidents such as pallet truck tipping that could lead to hog fatalities.</p>	<p>In Poland, training for drivers of animal transport vehicles, are provided, and drivers and accompanying personnel involved in long-distance transportation (over 8 hours) are required to hold certification. All requirements of Regulation 1/2005 are fully met.</p> <p>In Romania, live animals and poultry transportation duration are less than 8 hours, complying with the EU regulation no 1/2005.</p>
Harvest	<p>We implement rigorous hygiene measures, including showering protocols, and assign dedicated staff to take care of resting hogs. Additionally, we use humane methods of stunning, such as carbon dioxide or electrical stunning.</p> <p>For chickens, the hanging process is conducted under soft blue lighting, with designated shelters, ventilation systems, and spray cooling systems to maintain a calm and comfortable environment. Our staff handling the chickens are trained to operate efficiently and with care, ensuring smooth and gentle procedures.</p>	<p>In the U.S., Smithfield uses CO₂ stunning which is recommended by the Meat Institute as an effective method to comply with federal humane slaughter regulations.</p> <p>In Mexico, we use CO₂ to anesthetize hogs before they are slaughtered.</p>	<p>In Poland and Romania, our harvest facilities are equipped with video surveillance systems (CCTV) to closely monitor the entire process, ensuring compliance with animal welfare standards. Employees are thoroughly trained in proper handling, euthanasia procedures, and we use humane methods, such as gas or electrical stunning, to ensure a stress-free experience for the animals. Additionally, we have implemented an internal audit program, to verify compliance with standards.</p>



3.1.2 Drug Use and Biosecurity

Biosecurity in farming activities is essential for ensuring our stable production, and also the security of global food supply. To this end, we enforce strict regulations on the use of veterinary drugs, particularly antibiotics, and continuously strengthen our monitoring and prevention measures to guard against animal epidemics.

Our Commitment

- Antibiotics and other drugs are used solely for the purpose of treating animal diseases, which follow strict veterinary approval procedures as required by laws and regulations.

Veterinary Drug Safety Management

Science-based approach in use of veterinary drugs is fundamental to ensuring animal welfare and is a key component of robust biosecurity systems. WH Group subsidiaries strictly comply with all relevant local laws and regulations regarding the use of veterinary pharmaceuticals in farming operations. Procurement, storage, and administration of veterinary drugs are managed in accordance with stringent internal policies and standards of respective subsidiaries.

Veterinary drugs encompass a range of categories, including antibiotics, antiparasitics, vaccines, and other treatments. However, inappropriate use can lead to antimicrobial resistance and residue concerns, potentially affecting animal health and consumer safety. To address this, the Group is committed to the responsible and regulated use of antibiotics, ensuring that they are administered strictly for the treatment of animal diseases only during the breeding process, following the principles of compliance and safety, and adhering to veterinary approval protocols. Recognizing the emergence of antimicrobial resistance as a global concern, we have identified biosecurity as an emerging enterprise risk and further strengthened controls across relevant operations. Subsidiaries are required to maintain the same standards throughout their supply chains and to promote responsible antibiotic use among livestock and poultry suppliers.

SUSTAINABLE SUPPLY CHAIN (continued)

Smithfield has implemented a comprehensive *Antibiotic Use Policy*, mandating that all antibiotic applications must be approved by a licensed veterinarian, accompanied by written authorization or prescription. Morliny Foods works closely with livestock suppliers and veterinarians to develop and implement policies that emphasize reduced and responsible use of antibiotics, with strict medication management protocols.

Smithfield's Responsible Antibiotic Use

Smithfield follows a policy of responsible antibiotic use that emphasizes prevention, veterinary oversight, minimal intervention, and full legal compliance. These practices align with the guidelines of the U.S. Food and Drug Administration (FDA). Smithfield adheres to a principle of administering antibiotics only when necessary to maintain animal health and food safety. Additionally, Smithfield does not use hormones or other growth-promoting substances in animal production.

To further strengthen oversight, Smithfield has established a cross-functional Antibiotics Task Force, including representatives from hog production, corporate affairs, food safety and quality, and sales. This team ensures that all antibiotic use is monitored and approved by licensed veterinarians. In 2013, Smithfield became the first company in the industry to publicly disclose antibiotic use and had been making such reporting across all relevant stages of its value chain.

Shuanghui Development strictly prohibits the use of clenbuterol¹¹ and maintains strict control over the use of antibiotics. In response to national veterinary drug residue monitoring programs for livestock and poultry and the monitoring program for bacterial resistance of animal origin, internal standards such as the *Veterinary Drug Safety Management Code* and *Veterinary Drug Management Regulations* are introduced to ensure strict control in operations.

WH Group subsidiaries employ rigorous drug monitoring protocols to assess the effectiveness and safety of all administered treatments. Smithfield adheres to all regulatory withdrawal periods to ensure complete metabolization of veterinary drugs, safeguarding both animal and human health. Morliny Foods tracks antibiotic use from prescription to administration, maintaining detailed records and monitoring usage on farms. Shuanghui Development conducts resistance evaluations of bacterial pathogens, deploys innovative vaccines, and uses combination immunization strategies to improve herd health and extend withdrawal timelines. For poultry, it has introduced medication lists and set up testing laboratories, standardized sampling protocols, and routinely evaluates drug sensitivity to support precision treatment and prevention.

Meanwhile, WH Group subsidiaries are proactively exploring alternatives to antibiotics to further reduce pharmaceutical use in livestock production. Smithfield has implemented a comprehensive animal health management plan that emphasizes responsible animal husbandry, routine preventive health checks, targeted vaccination programs, and early identification of potential health risks — all aimed at minimizing the need for antibiotics. Shuanghui Development has been consistently observing relevant veterinary drug regulations, and staying compliant in use of antibiotics, including enrofloxacin, erythromycin thiocyanate, and ceftiofur. It is pro-actively advancing antibiotic-free poultry production and certification, with pilot programs introducing alternative treatment solutions. These efforts include the integration of traditional Chinese and Western veterinary practices to reduce dependence on chemical drugs and promote sustainable animal health management.

WH Group remains committed to transparency and continues to disclose the use of antibiotics¹² in its hog breeding operations. During the Reporting Period, the antibiotic usage per kilogram of hog production in North America was 225 mg/kg, 317 mg/kg in China, and 240 mg/kg in Europe¹³.

¹¹ Including first-generation clenbuterol, second-generation salbutamol, cimaterol, third-generation ractopamine, etc.

¹² Due to a number of factors, including weather conditions, inventory management decisions, choice of antibiotic type for swine, disease prevalence in hogs, and concentration of active ingredients, antibiotic usage in our hog breeding business shows dynamic changes from year to year.

¹³ Morliny Foods operates breeding businesses in Poland and Romania.

SUSTAINABLE SUPPLY CHAIN (continued)

Disease Monitoring and Prevention

The health of animals is closely linked to human health. Effective disease prevention and control during the breeding process not only protects the integrity of biological assets but also plays a vital role in reducing the risk of zoonotic disease transmission and protecting public health. WH Group is committed to promoting a robust and efficient system of animal disease prevention and control, underpinned by standardized, science-based and professionally managed biosecurity practices.

Across its global operations, WH Group subsidiaries have implemented comprehensive disease prevention policies and operational protocols to maintain high standards of animal health and biosecurity. Smithfield has in place internal policies and plans such as the *Manual on Foreign Animal Disease (FAD)* and a *FAD Crisis Plan*, and has established a dedicated Biosecurity Management System (BMS) to formalize and streamline biosecurity practices across all farms. From a risk management standpoint, Morliny Foods has standardized prevention and emergency response procedures for potential outbreaks, including foreign animal diseases, thereby strengthening the coverage and effectiveness of its biosecurity framework. Shuanghui Development has adopted a “three-tier” biosecurity control system based on risk levels. This approach focuses on disrupting virus transmission pathways through stringent controls on personnel movement, logistics, and vehicle flow. It has also formed a dedicated health management department consisting of clinical veterinarians, biosecurity specialists, and health monitoring teams. External experts are regularly engaged to conduct targeted training programs, improving diagnostic accuracy and enhancing the biosecurity expertise of frontline teams.

The Group continuously works to reduce biosecurity risks through regular management processes and special enhancement initiatives. Smithfield further strengthens its BMS by identifying high-priority biosecurity risks and updating farm protocols accordingly, especially in densely populated or high-risk production zones. Morliny Foods conducts epidemiological monitoring to quickly identify and address emerging threats, ensuring its biosecurity measures remain adaptive and effective. Shuanghui Development has upgraded its facilities and equipment, implemented daily inspection and maintenance routines, and enhanced disinfection and other preventive protocols to ensure rigorous and consistent biosecurity enforcement.

In addition, all subsidiaries have developed robust animal health emergency response systems and continue to build team capacity through practical training. Smithfield has participated in simulation exercises led by the U.S. Department of Agriculture (USDA) in partnership with state animal health agencies to improve readiness and response to potential outbreaks such as African Swine Fever (ASF). Morliny Foods has implemented comprehensive training programs to equip employees with the knowledge and skills needed to implement contingency plans and maintain biosecurity controls. Shuanghui Development continues to work with external experts to enhance staff skills in disease diagnosis, prevention and response, further strengthening its biosecurity infrastructure.

Epidemic Response Measures of WH Group Subsidiaries

Response Measures	Shuanghui Development	Smithfield	Morliny Foods
Regular Epidemic Monitoring	Continue to follow-up on the latest laws, regulations, and administrative measures related to epidemic prevention and control, by cutting off pathogen transmission routes, while assessing African swine fever and avian influenza situations in different regions. Track and monitor the effectiveness of epidemic prevention and control by testing antibodies and pathogens.	Conduct regular health monitoring of animals through routine temperature checks and clinical observations to ensure early detection of potential health issues. In parallel, maintains close collaboration with veterinarians across operational areas to track disease trends and proactively respond to emerging animal health risks.	Apply internal blockade of the movement of animals, feeds and people, conduct health monitoring of animals through routine temperature checks and clinical observations to ensure early detection of potential health issues. In the zones ASF, continuous monitoring is carried out in accordance with the current regulation.

SUSTAINABLE SUPPLY CHAIN (continued)

Response Measures	Shuanghui Development	Smithfield	Morliny Foods
Biosecurity Facility Optimization	Strengthen sampling disinfection and perimeter inspection, sets up rodent repellent devices, bird deterrents, and implements closed management to control the sources of virus transmission.	Reduce the risk of animal disease transmission by implementing stringent biosecurity protocols, providing proactive veterinary care and isolating feed and supply deliveries, transportation fleets and farms based on health conditions.	Adopt facilities such as dry shower systems, truck and trailer cleaning systems, as well as ventilation and filtration systems to prevent cross-contamination. Additionally, establish separate shower facilities, loading ramps, entry points, and equipment to effectively reduce the risk of disease transmission among animals.
Preventive Vaccination	Based on the outcomes of disease detection and monitoring, promptly apply new veterinary vaccines and combination vaccines, implementing integrated immunization strategies to strengthen disease prevention and enhance overall herd immunity.	Implement a comprehensive vaccination program supported by advanced diagnostic technologies to enable early detection of diseases, aiming to safeguard animal health and minimize the risk of epidemic outbreaks to the greatest extent possible.	Carry out preventive vaccination based on the health status of farm animals.

Smithfield's Key Epidemic Prevention and Control Efforts

Smithfield's veterinary team works closely with R&D to identify, evaluate and implement medical solutions that strengthen herd health, increase productivity and reduce the risk of serious animal diseases. In 2024, its research efforts are focused on developing effective vaccine solutions for Porcine Reproductive and Respiratory Syndrome (PRRS). In parallel, Smithfield is advancing strategies to prevent outbreaks of porcine epidemic diarrhea (PED) — a virus that primarily affects piglets and leads to acute diarrhea, dehydration and significant losses in sow herds.

3.2 Responsible Supply Chain

WH Group continuously operates a supplier management system tailored to our business needs, actively exploring methods and models to mitigate supply chain risks while integrating sustainability requirements into supplier management processes. We establish open communication channels and provide training and support to suppliers, encouraging proactive measures in environmental conservation, labor standards, employee health, and animal welfare. Through these efforts, we work collaboratively with our partners to build a responsible and resilient supply chain.

3.2.1 Supply Chain Management

WH Group subsidiaries implement localized supplier management policies and operational processes. Shuanghui Development has issued the *Supplier Management System*, the *Supplier Code of Conduct*, and the *Shuanghui Procurement Supply Chain “Whistleblower” Management Policy* to regulate supplier management. Smithfield has implemented a *Supplier Code of Conduct*, *Procurement System*, and a *Supplier Compliance Verification* system to ensure supplier’s alignment with requirements. Morliny Foods has adopted a *Supplier Code of Conduct* outlining the ethical and operational standards suppliers are required to uphold.

The Group has a geographically diverse supplier network and procures a wide range of materials including raw materials, auxiliary materials, packaging materials, as well as hogs and poultry. To ensure product quality and supply stability, we have established rigorous supplier onboarding and evaluation processes, adopted a tiered management system, and taken decisive action to eliminate high-risk suppliers based on regular performance assessments.



Supplier Approval, Evaluation, and Removal Mechanism of WH Group Subsidiaries

	Shuanghui Development	Smithfield	Morliny Foods
Approval	<ul style="list-style-type: none"> Conduct multi-tiered reviews of suppliers’ production capabilities, financial status, certifications, and ESG performance Implement information-based supplier management and perform pre-qualification assessments for Class I¹⁴ material suppliers 	<ul style="list-style-type: none"> Select suppliers aligned with business and operational requirements 	<ul style="list-style-type: none"> Select suppliers based on the <i>Supplier Code of Conduct</i> and business requirements to ensure their suitability

¹⁴ Class I materials: According to the material expenditure specified in Procedures for New Material Introduction and Application of Shuanghui Development, Class I materials refer to new varieties that have never been used in product development and actual production, or need to be introduced as new varieties or that of new manufacturers for the purpose of improving product quality, and materials that need to be tested and verified, mainly including food additives, essence and spices for food, flavoring products, proteins and other food materials, and chemical materials such as ink and glue.

SUSTAINABLE SUPPLY CHAIN (continued)

	Shuanghui Development	Smithfield	Morliny Foods
Evaluation	<ul style="list-style-type: none"> Define evaluation criteria and weighting to standardize performance assessments, with documented risk memoranda Conduct regular unannounced audits, reviews via video-conferencing, on-site assessments, and re-audits Enforce corrective actions for non-compliant practices 	<ul style="list-style-type: none"> Apply tiered supplier management with routine audits, quality checks, and on-site verifications 	<ul style="list-style-type: none"> Perform annual evaluations, prioritizing product/service quality and risk profiling
Removal	<ul style="list-style-type: none"> Systematically phase out high-risk or non-compliant suppliers based on performance ratings, compliance management outcomes, or quality inspection results 		

Shuanghui Development has implemented the *Material Procurement Center Supplier Performance Evaluation Framework*, establishing tailored assessment criteria and weighting for suppliers across different material categories. Suppliers are evaluated and classified based on their performance results. During the Reporting Period, Shuanghui Development introduced hog supplier rating standards, grading and managing suppliers by delivery frequency, volume, and quality.



SUSTAINABLE SUPPLY CHAIN (continued)

Smithfield categorizes suppliers by contract size, applying tailored management approach and audit plans. Suppliers are required to follow HACCP, as appropriate, and meet various performance metrics including quality planning, foreign material control and shelf-life performance among others. A structured scoring system is in place to monitor supplier performance and ensure product quality and supply chain stability.

Morliny Foods assesses suppliers on the quality of raw materials and livestock, supply chain risks, and operational efficiency. The Company is progressively developing a tiered supplier management framework to define grading standards, control measures, and audit frequencies.

As of the end of the Reporting Period, the total number of active global suppliers of the Group stood at 38,721. The regional distribution details are provided in the *Appendix*. Additionally, a considerable number of our suppliers have obtained GMP¹⁵ certification, TUV quality assurance system certification, ISO 9001 certification, HACCP certification, and BRC certification.

3.2.2 Sustainable Supply Chain

Promoting sustainable development among its suppliers is crucial for WH Group to bolster a stable, safe and eco-friendly supply chain. To achieve this, we have integrated ESG management into our requirements for suppliers to motivate them to take steps forward in their ESG performance, and collectively promote the sustainable development of the supply chain.

ESG Management Requirements for suppliers

WH Group subsidiaries continuously enhance supplier ESG management policies, specifying mandatory requirements in a number of areas including environmental protection, social responsibility, and ethical integrity. Shuanghui Development implements policies such as the *Procurement Supplier Management System* and the *Procurement Center Anti-Corruption Management System*, requiring all suppliers to adhere to the *Supplier Code of Conduct* and take actions in environmental sustainability, labor protection, and business ethics. Smithfield integrates ESG standards into its *Supplier Code of Conduct*, addressing labor rights, occupational health and safety, and ethical practices. Morliny Foods mandates contractual adherence to the *Code of Business Conduct and Ethics*, strengthening the foundation for responsible and sustainable supply chain management.

ESG Requirements	Shuanghui Development	Smithfield	Morliny Foods
Environmental Protection	<ul style="list-style-type: none"> Encourage suppliers to adopt carbon reduction practices, optimize resource utilization, and protect ecosystems Require suppliers to sign the <i>Shuanghui Environmental Protection Initiative</i> Guide suppliers in obtaining certifications such as the <i>ISO 14001 Environmental Management System</i> 	<ul style="list-style-type: none"> Collaborate with major packaging suppliers to explore eco-friendly packaging solutions and promote energy/resource efficiency 	<ul style="list-style-type: none"> Collaborate with packaging suppliers to optimize design for reducing packaging weight Implement circular logistics solutions to minimize the use of single-use pallets Share best practices in green energy with suppliers and offer advice and support

¹⁵ GMP is short for Good Manufacturing Practice.

SUSTAINABLE SUPPLY CHAIN (continued)

ESG Requirements	Shuanghui Development	Smithfield	Morliny Foods
Labor Rights	<ul style="list-style-type: none"> Incorporate clauses in contracts for occupational health and safety standards and workforce protection 	<ul style="list-style-type: none"> Mandate ethical employment practices, prohibiting child labor, forced labor, harassment, and abuse Respect employees' rights to freedom of association and collective bargaining 	<ul style="list-style-type: none"> Require suppliers to strictly comply with laws and regulations related to labor rights Explicitly prohibit child labor and forced labor Respect employees' rights to freedom of association
Business Ethics	<ul style="list-style-type: none"> Require suppliers to sign the <i>Supplier Code of Conduct</i> and the <i>Shuanghui Procurement "Whistleblower" Management Policy</i> and participate in business ethics training Conduct pre-engagement briefings on whistleblower policies for procurement staff and prospective suppliers Sign integrity agreements with import suppliers, prohibiting bribery, corruption, and unethical gains, with accessible reporting channels 	<ul style="list-style-type: none"> Require suppliers to comply with the <i>Supplier Code of Conduct</i>, which clarifies requirements for business ethics Conduct due diligence on all potential suppliers, including their performance in business ethics Include anti-corruption clauses in supplier contracts, specifying consequences and penalties for violations 	<ul style="list-style-type: none"> Require suppliers to operate in compliance with regulations and provide business ethics training for their employees Require suppliers to designate senior management personnel responsible for business ethics management

In terms of product quality, Shuanghui Development mandates that suppliers sign a *Food Safety and Quality Commitment Statement*, to ensure adherence to its stringent quality standards. Morliny Foods, on the other hand, emphasizes supplier compliance with detailed technical specifications. It places strong focus on product quality, safety, and consistency, with a goal to continuously elevate overall supplier performance. Smithfield requires all suppliers to obtain certification through the PQA Plus¹⁶, undergo annual certification under the GFSI¹⁷ or an equivalent certification, and conduct third-party animal handling and transportation audits. In the U.S., Smithfield requires all suppliers to be certified under the U.S. Department of Agriculture Process Verified Program (PVP)¹⁸.

In farming management, Shuanghui Development requires suppliers to sign both the *Hog Purchase and Sale Agreement* and the *Statement on Live Hogs Supplied*, ensuring full compliance with national laws and regulations. These agreements mandate that all feed, additives, and veterinary medications used during the farming process are lawful and safe, explicitly prohibiting the use of banned substances such as clenbuterol, thereby safeguarding animal welfare and food safety. Additionally, Shuanghui Development requires suppliers to maintain good housing conditions during poultry and hog breeding, ensuring a balanced nutritional feed supply. Smithfield requires all its hog transporters obtain Transport Quality Assurance (TQA)¹⁹ certification.

¹⁶ PQA Plus is short for Pork Quality Assurance® Plus, which aims to assist hog farmers and their employees in improving production practices.

¹⁷ GFSI is short for Global Food Safety Initiative, which is committed to providing a benchmark and bringing harmonisation to global food safety standards.

¹⁸ The USDA Process Verified Program (PVP) is an initiative that follows a "Farm-to-table" approach.

¹⁹ TQA is short for Transport Quality Assurance, is a certification program for the transport of hogs.

SUSTAINABLE SUPPLY CHAIN (continued)

Supplier ESG Risk Management

WH Group subsidiaries continuously monitor suppliers' sustainability risks, striving to balance short-term performance and long-term resilience, as well as economic and social benefits for suppliers, and jointly driving the sustainable development of the supply chain.

Shuanghui Development Supplier ESG Management

Shuanghui Development integrates suppliers' external certifications into its performance evaluation system, actively encouraging partners to obtain recognized standards such as ISO 9001, ISO 45001, ISO 14001, and HACCP. Suppliers demonstrating strong ESG performance receive additional evaluation points and are prioritized for future collaboration, reinforcing a culture of excellence and driving the sustainable advancement of the supply chain.

Smithfield (Mexico) Supplier ESG Management System

In Mexico, Smithfield has established a comprehensive Supplier ESG Management System aimed at identifying and addressing significant risks and impacts associated with suppliers. The system includes: (1) Risk Analysis: Conducting comprehensive risk assessments of suppliers to identify potential ESG risks in the supply chain; (2) Supplier Engagement: Collaborating closely with suppliers to ensure they understand and comply with our ESG standards; (3) Monitoring and Evaluation: Regularly monitoring supplier performance and assessing their adherence to ESG standards; (4) Implementing emergency management plans that incorporate ESG considerations to promptly and effectively respond to various risks that may arise in the supply chain.

Additionally, WH Group subsidiaries continuously optimize procurement strategies to bolster supply chain resilience and adaptability. Shuanghui Development prioritizes local procurement strategies and maintains safety stock to mitigate supply chain risks. Smithfield prioritizes local procurement and is gradually refining its procurement channel plan to strengthen supply chain security and risk prevention capabilities. Morliny Foods is gradually adopting localized and diversified procurement plans to improve supply chain risk management.

WH Group Subsidiaries' Diversified Procurement Plans and Practices

WH Group subsidiaries guard against potential quality risks by developing procurement mitigation plans and contingency plans. These measures allow for rapid adjustments to procurement strategies in the event of disruptions or quality issues, ensuring the stability and continuity of supply.

Shuanghui Development prioritizes procuring live hogs from nearby suppliers and requires transportation vehicles to be upgraded and modified to reduce stress and in-transit risks, thereby lowering the mortality rate of live hogs during transportation. When raw materials and ingredients fail to meet local safety stock levels, Shuanghui Development initiates cross-regional emergency program, collaborating with Shuanghui Logistics and transportation service providers using road vehicles and railway lines, thereby reducing the risk of supply fluctuations.

Smithfield and Morliny Foods prioritize local procurement of grains for feed to reduce losses associated with long-distance transportation and have deployed raw material procurement channel diversification plans to strengthen supply chain security and risk prevention capabilities.

SUSTAINABLE SUPPLY CHAIN (continued)

Supplier Collaboration and Empowerment

To strengthen supply chain management and promote sustainable development, the Group is keen to deepen engagement and collaboration, as well as enable suppliers with training and capability-building programs.

Shuanghui Development engages suppliers through various means such as on-site guidance, telephone communication, written correspondence, and video conferences, offering training and improvement assistance on multiple topics including quality and safety. Moreover, Shuanghui Development adheres to a local procurement policy, prioritizing high-quality suppliers nearby operating sites to support local community development.

Shuanghui Development Supplier Engagement and Empowerment

In China, Shuanghui Development continues to strengthen communication and collaboration with its suppliers, enhancing their sustainability capabilities through various support initiatives. In 2024, the Company delivered 13 on-site support programs producing error rectification plans for 43 sizeable suppliers that had experienced multiple quality incidents.

Smithfield engages in regular communication with suppliers through monthly meetings and combines online communication platforms with supplier questionnaires to gather feedback.

Smithfield (Mexico) Supply Chain Management ESG Training

In Mexico, Smithfield provides specialized ESG training for procurement teams and internal stakeholders to strengthen their understanding of ESG responsibilities and enhance their capabilities in sustainable procurement and supplier management. To further extend ESG practice across the supply chain, Smithfield also offers targeted training programs for suppliers, aligned with internationally recognized standards such as ISO 9001 Quality Management System and ISO 14001 Environmental Management System. These programs cover critical areas including workplace safety, environmental protection, and pollution control, while also providing technical guidance and support to help suppliers obtain ESG and corporate social responsibility certifications.

Morliny Foods maintains regular communication with suppliers through telephone, email, online and offline meetings, and procurement platform systems. By promptly sharing updates on regulatory changes and industry standards, Morliny Foods collaborates with suppliers to jointly explore ESG management goals and best practices, thereby advancing sustainability across the supply chain.

Sustainable Procurement

The *State of the World's Forests*²⁰ released by the Food and Agriculture Organization of the United Nations (FAO) underscores the strong correlation between global deforestation and unregulated agricultural expansion. In particular, the sustainable sourcing of key commodities such as palm oil, soybeans, and beef continues to face notable challenges. Meanwhile, tracing the origin and production process of seafood is a crucial approach to protecting endangered marine species and preventing overfishing. Additionally, tracing the source of soybean raw materials for soybean meal suppliers will help minimize deforestation risks caused by agricultural expansion. To effectively manage ESG-related risks in the procurement process, WH Group and its subsidiaries are gradually enhancing the assessment and traceability capabilities, working collaboratively with suppliers to prevent commercial practices that are detrimental to ecological health, such as deforestation or overfishing.

We are firmly committed to sustainable procurement by adhering to internationally recognized raw material certification standards. By embedding sustainability principles from supply source, WH Group and its subsidiaries strive to deliver responsibly sourced products, reinforce transparency across the supply chain, and contribute to long-term ecological preservation. We have only minimal demand for seafood, engage in a small amount of dairy product procurement solely in China and Poland, and do not involve any high-risk agricultural commodity procurement in the U.S.

²⁰ The State of the World's Forests 2024: <https://openknowledge.fao.org/handle/20.500.14283/cd1212en>.

SUSTAINABLE SUPPLY CHAIN (continued)

Raw Material Type ²¹	Subsidiaries Involved in Procurement			Sustainable Management
	Shuanghui Development	Smithfield	Morliny Foods	
Palm Oil	√	×	×	<ul style="list-style-type: none"> • Shuanghui Development has incorporated sustainable agriculture certification into new supplier development admission standards, prioritizing suppliers with RSPO²² certification, and continually increasing the procurement proportion of RSPO-certified palm oil • During the Reporting Period, the procurement volume of traceable RSPO-certified palm oil accounted for 63% of Shuanghui Development's total usage
Beef	√	√	√	<ul style="list-style-type: none"> • Shuanghui Development promotes environmental risk identification, analysis, and assessment of existing beef raw material procurement, guiding suppliers to obtain relevant sustainable certifications and undergo sustainable risk reviews to reduce deforestation risks • Smithfield requires suppliers to comply with the <i>Supplier Code of Conduct</i> • Morliny Foods engages in only a small volume of beef procurement whereby supplier management has been stepped up
Seafood	√	×	√	<ul style="list-style-type: none"> • Shuanghui Development has limited involvement in seafood procurement. It encourages suppliers to demonstrate the legality of their seafood fishing areas and procure seafood products in accordance with Marine Stewardship Council (MSC) and Aquaculture Stewardship Council (ASC) requirements • Morliny Foods engages in minimal seafood procurement and conducts audits of high-risk suppliers • During the Reporting Period, the procurement volume of seafood with MSC or ASC certification accounted for approximately 95% of the Group's total usage

²¹ The procurement volumes and uses for various raw materials are as follows: approximately 4,500 tons of palm oil, primarily sourced from Indonesia and Malaysia, and mainly used as ingredients in product; approximately 110,000 tons of beef, with primary origins in Brazil, Canada, the United States and other countries, and used for both direct sales and processed meat products; approximately 1,700 tons of seafood, primarily imported surimi from wild-caught fish in certain European countries and Vietnam, is added to only a few finished products; about 570 tons of dairy products, including whole milk powder, cheese, and whey, is added to only some products; and over 1,000,000 tons of soybean meal (using soybeans as raw materials), mainly sourced from Brazil, the U.S., and other countries, is used for feed production.

²² RSPO is short for Round-table on sustainable palm oil, which is responsible for implementing and promoting global sustainable palm oil standards.

SUSTAINABLE SUPPLY CHAIN (continued)

Raw Material Type ²¹	Subsidiaries Involved in Procurement			Sustainable Management
	Shuanghui Development	Smithfield	Morliny Foods	
Dairy Products	√	×	√	<ul style="list-style-type: none"> Shuanghui Development and Morliny Foods only add dairy products to a very small portion of their products, with a total procurement volume not exceeding 600 tons. We conduct rigorous supplier qualification reviews and plan to gradually strengthen sustainable dairy procurement management
Soybeans and Soybean Meal (derived from soybeans)	√	√	√	<ul style="list-style-type: none"> Shuanghui Development puts resources in obtaining better traceability of its soybean supply chain and advocates for sustainable soybean cultivation to minimize deforestation risks caused by agricultural expansion Smithfield sources raw materials from US suppliers which are not in high-risk areas Morliny Foods collaborates with suppliers who are members of the Round Table on Responsible Soy (RTRS) and encourages them to comply with RTRS standards for sustainable production, processing, and trade

SUSTAINABLE SUPPLY CHAIN (continued)

Shuanghui Development's Procurement of MSC or ASC-Certified Surimi Products

Shuanghui Development procures limited seafood for the production of certain processed meat products. It prioritizes product quality and traceability, and procures 100% seafood products with MSC certification, ensuring sustainable procurement management and risk control through qualification reviews. In 2024, Shuanghui Development cumulatively procured approximately 1,600 tons of MSC-certified surimi made from wild-caught fish.

While avoiding overfishing in marine ecosystems, Shuanghui Development also promotes the sustainable development of inland aquaculture by procuring ASC-certified freshwater surimi. In 2024, the Company procured about 500 tons of ASC-certified freshwater surimi.



Sustainable Procurement Certification for Shuanghui Development's Surimi

SUSTAINABLE SUPPLY CHAIN (continued)

Smithfield (Mexico)'s Soybean Suppliers Obtain Soybean Sustainability Assurance Protocol (SSAP) Certification

In Mexico, Smithfield's soybean suppliers have obtained SSAP certification, verifying that their soybeans comply with internationally recognized sustainable agriculture standards throughout their lifecycle, from cultivation and processing to export. SSAP process covers sustainable development requirements in aspects of environmental protection, rational resource utilization, and labor rights protection, thereby promoting global agricultural sustainability and reducing the environmental impact of soybean production.



Sustainable Procurement Certification for Smithfield (Mexico)'s Soybean Suppliers

Morliny Foods' Sustainable Soybean Procurement

The EU Deforestation-Free Regulation is a mandatory regulation introduced by the European Union to address global forest degradation. It requires companies to trace their supply chains and verify that no forest destruction or degradation occurs from raw material procurement to production and processing. Morliny Foods actively responded to the Deforestation-free Regulation by raising its supply chain management standards for commodities such as soybean meal and giving priority to collaborating with soybean meal suppliers committed to opposing deforestation.

Additionally, Morliny Foods actively collaborates with suppliers who are members of RTRS, encouraging more suppliers to adhere to RTRS sustainable production, processing, and trade standards. As of the end of the Reporting Period, 100% of soybean procurement in Spain originated from suppliers that have joined RTRS, and approximately 7% of soybean and soybean meal procurement in Poland obtained RTRS certification.



4

**PROMOTING
GREEN
DEVELOPMENT**

PROMOTING GREEN DEVELOPMENT (continued)

WH Group prioritizes resource efficiency improvement and employs a systematic approach to pollutants management, in an effort to actively respond to climate change and practice circular economy. The Group explicitly outlines its stance and commitment to addressing climate and environmental challenges in the *Corporate Principles*, and continues to take actions optimizing resource and energy use to minimize pollutant discharge and greenhouse gas (GHG) emissions, with the aim of reducing impact of its business activities on the environment.

Corporate Principles

UNSDGs

Climate Change and Environment

A robust ecosystem of land, water and air is the very basis of the existence and sustainability of our industry. WH Group fully supports the *Paris Agreement's* initiatives to combat global climate change. We are committed to the Group's target of zero emissions by 2050 along the whole value chain, reducing GHG emissions across all subsidiaries through a combination of technology enhancements, process transformation and energy mix optimization.

WH Group continues to monitor and incorporate industry best practices and explore relevant innovative technologies, while allowing subsidiaries to steer priorities suitable to their local circumstances in terms of capital investment in equipment upgrades and process improvements.

We prioritize water efficiency by way of recycling and alternative water withdrawals through technological innovation and process modification, at the same time, lifting our capacity in automated monitoring over water discharge, in order to protect the natural recovery and regeneration capacity of water sources and their watershed ecosystems where our operations are located.

We are committed to reducing both volume and/or intensity in wastewater, air emissions and solid waste through process innovation.

We manage product packaging by way of reducing excessive wrap, replacing with lightweight materials and adopting recycling methods.

- Environmental management system
- Climate change
- Biodiversity and resources management
- Energy and emission management



PROMOTING GREEN DEVELOPMENT (continued)

4.1 Greenhouse Gas Management

Compared with the pre-industrial era, human activities have had a profound impact on the climate system, accelerating adverse environmental trends in today's world. At WH Group, we actively seek synergistic pathways that align emissions reduction with business growth. By taking into account each operating country's Nationally Determined Contributions (NDCs), policy developments, and evolving energy structures, we aim to embed climate responsiveness into our strategic planning. We also ensure that our environmental goals are scientifically grounded and aligned with our industrial structure and supply chain characteristics.



In 2021, we established a Group-wide greenhouse gas emissions reduction pathway and set clear targets. In the short term, we are committed to reducing the carbon footprint per unit of product, aiming for a 30% abatement in Scope 1 and Scope 2 GHG emissions intensity by 2030, compared with a 2017 baseline. Looking ahead, we intend to work closely with our value chain partners to achieve net-zero operations across our entire industry chain by 2050. As part of our commitment to transparency, we disclosed for the first time in our previous ESG report a comprehensive GHG emissions inventory covering our operations in China and the U.S., markets that collectively contribute approximately 80% of our total revenue. In 2024, we further enhanced our disclosure efforts by participating in the CDP Climate Change Questionnaire.

During the Reporting Period, the Group optimized its business and industrial structure to support long-term viable growth. This included the proposed spin off and public listing of Smithfield's operations in the U.S. and Mexico, as well as the formation of Morliny Foods, a wholly owned subsidiary of WH Group, that is tasked to operate all European business and assets carved-out from Smithfield. Following these organizational changes, both Smithfield and Morliny Foods carried out review work on their respective environmental targets.

PROMOTING GREEN DEVELOPMENT (continued)

Review and Adjustment of Environmental Targets by Subsidiaries

Smithfield conducted a comprehensive reassessment of its business boundaries and value chain scope²³, taking into account evolving policy landscapes and changes in carbon trading regulations across its operating regions. As part of this process, Smithfield also evaluated its internal capabilities in carbon emissions accounting and management. Based on these insights, the company restructured its emissions accounting system in accordance with the latest standards set by the *Greenhouse Gas Protocol*. Consequently, and updated its greenhouse gas reduction objectives for the U.S. operations.

Meanwhile, Morliny Foods worked towards a schedule to complete its emissions inventory. In line with the European Union's *Corporate Sustainability Reporting Directive (CSRD)* and its associated disclosure requirements, Morliny Foods also plans to make necessary updates to its GHG reduction targets to include all European operations.

During the Reporting Period, Shuanghui Development reviewed the robustness of its existing emissions reduction plans in accordance with the updated *Self-Regulatory Guidance No. 3 for Companies Listed on the Shenzhen Stock Exchange — Preparation of Sustainability Report*. Based on the results of this evaluation, Shuanghui Development plans to further assess the need to revise its carbon reduction targets and transition pathways.

In light of these reviewing initiatives, WH Group stayed in dialogue with its subsidiaries to closely monitor their respective progress while evaluating the impact on the Group's overall objectives. As we follow a localized management approach, the Group-wide target revision will be carried out only after the subsidiaries complete their respective target revisit. Throughout this process, we will carefully incorporate stakeholder expectations, reference industry best practices, adhere to prevailing disclosure and accounting standards, and consult expert insights. These measures will guide us in updating our carbon reduction targets and pathways with scientific rigor and methodology.

WH Group 2030/2050 Carbon Reduction Goals

To reduce GHG emissions per unit of product by 30% by 2030 compared with a 2017 baseline and to achieve zero emissions by 2050 inclusive of supply chain²⁴



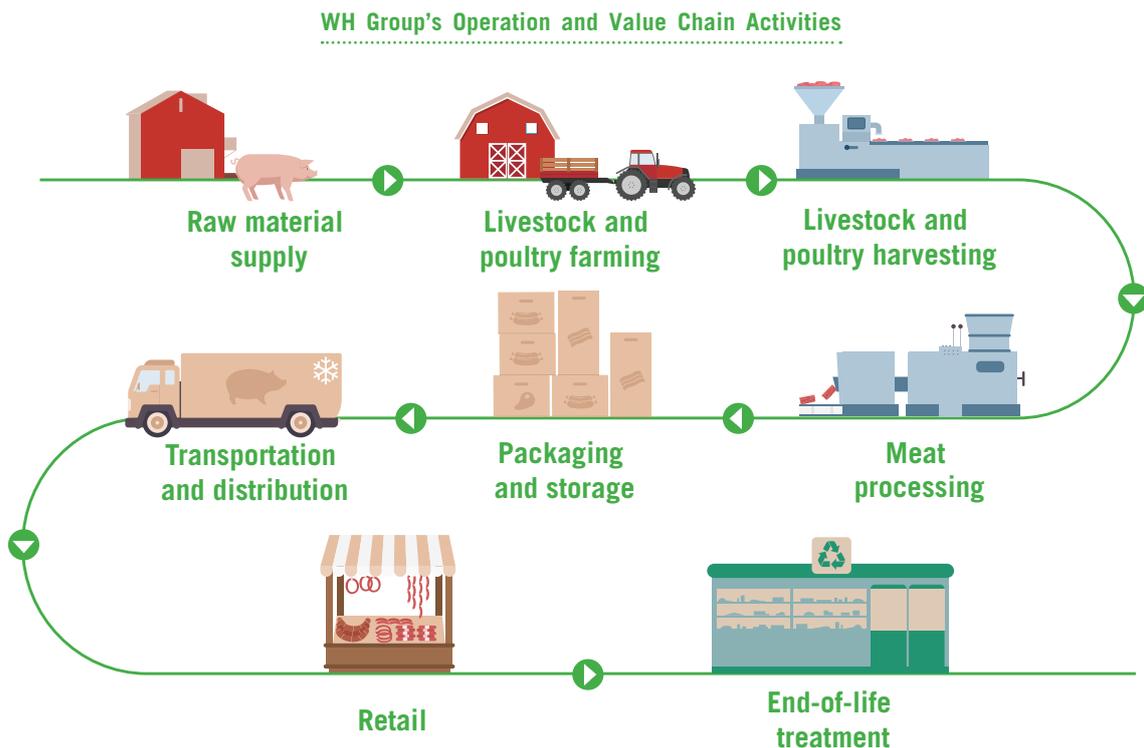
²³ In 2024, Smithfield completed structural adjustments, including the spin off of its European operations, changes to processing plant capacities, and a reduction in hog farming scale.

²⁴ Zero carbon emissions, or carbon neutrality, refers to measures taken by companies to remove carbon from the atmosphere and permanently sequester it to offset the impact of residual emissions.

In the U.S., Smithfield has set the following goals: 1) Obtain 50% of our U.S. electricity needs from renewable resources by 2030; 2) Capture 24 Million MTCO₂e on farms through Smithfield biogas joint ventures or other third-party ventures by 2035; 3) Combined GHG emission intensity target of 0.22 MT-CO₂e/cwt by 2035. For more details, please refer to: <https://www.smithfieldfoods.com/press-room/smithfield-foods-establishes-new-ghg-reporting-framework>

4.1.1 Calculating GHG Emissions

As a foundational step in the Group’s commitment to achieving net-zero emissions across the entire value chain, WH Group continues to conduct comprehensive carbon inventories within the operational boundaries of its businesses in China and the U.S., including Scope 3 emissions. The Group has further refined its GHG inventory by identifying emission sources and their relative contributions across key stages of its value chain, including material procurement, livestock and poultry farming, harvesting and processing, warehousing and logistics, and distribution and retail. These efforts are designed to help enhance data accuracy continuously. Morliny Foods has formed a dedicated team responsible for coordinating data collection, calculation, and management of Scope 1 and Scope 2 emissions inventory of all sites.



During the Reporting Period, the total GHG emissions directly generated by the Group’s global operations amounted to approximately 460 in ten thousand of tCO₂e, with Scope 1 and Scope 2 emissions accounting for about 317 and 143 in ten thousand of tCO₂e, respectively.

In the Reporting Period, the Group’s operations in the U.S. and China recorded approximately 3,851 in ten thousand of tCO₂e of Scope 3 emissions. Meanwhile, Morliny Foods has conducted product carbon footprint studies for certain products. The Group will steadily advance carbon inventory for its operations in Europe and Mexico and disclose accordingly as appropriate.

PROMOTING GREEN DEVELOPMENT (continued)

WH Group GHG Emissions in 2024

GHG Scopes	Unit	2024	2023 (Restated Information) ²⁵	2023 (Pre-Adjustment)
Scope 1 & 2	Metric tons of carbon dioxide equivalents (tCO ₂ e)	4,599,981	4,433,843	4,845,515
Scope 1	Metric tons of carbon dioxide equivalents (tCO ₂ e)	3,167,092	2,835,906	2,925,037
Scope 2	Metric tons of carbon dioxide equivalents (tCO ₂ e)	1,432,890	1,597,937	1,920,478
Scope 1 & 2 emission intensity ²⁶	Metric tons of carbon dioxide equivalents (tCO ₂ e)/metric ton of products produced	0.47	0.43	0.51
Scope 3 value chain (U.S. and China regions)	Metric tons of carbon dioxide equivalents (tCO ₂ e)	38,510,113	41,157,253	46,299,600

4.1.2 Carbon Reduction Progress

We have developed and are steadily advancing four Group-wide carbon reduction pathways: 1) promoting circular economy to realize carbon reduction from farming, 2) forming a diversified energy structure by increasing the proportion of renewable energy, 3) promoting energy efficiency improvements to meet the growth of energy demand, and 4) broadening the scope of carbon reduction actions to lead the low-carbon development of our value chain. We continue to focus on the aforementioned carbon reduction pathways, driving the Group forward steadily on a journey of green development.



²⁵ Smithfield conducted a comprehensive greenhouse gas emissions inventory and developed new calculation tools to more accurately identify, describe, and report Scope 1, Scope 2, and Scope 3 emissions from all its operations, including livestock operations. The emissions data presented here is based on currently established baselines and methodologies. As advancements in greenhouse gas reporting science and methodologies continue, and as new disclosure compliance requirements emerge, future revisions or adjustments to emissions reports and targets may be necessary. In 2024, Smithfield completed significant baseline adjustments and recalculations for emissions inventory data from previous years. The recalculations included resetting the baseline year to 2020 and updating historical activity data, global warming potential (GWP) values, and other relevant metrics.

²⁶ Per metric ton of produced product = meat products + pork + poultry (excluding production of hogs and production of poultry). The adjusted emissions intensity for 2023 also reflects restatements and adjustments to the denominator, i.e., production volume data.

PROMOTING GREEN DEVELOPMENT (continued)

Circular Economy and Livestock Farming

Methane is a potent greenhouse gas and a significant contributor to climate change. In livestock farming, methane emissions primarily arise from enteric fermentation in animals and the anaerobic decomposition of manure in storage systems such as septic tanks.

- In the U.S., Smithfield has the goal of increasing renewable energy utilization across various dimensions, including manure management, grain farms and feed milling, processing, transportation, retail and food waste. Smithfield continues to increase investment in the utilization of manure resources during the farming stage. On some company and contract farms, natural emissions from manure are collected through anaerobic digesters and converted into low-carbon, pipeline-transportable renewable natural gas (RNG). As of 2024, Smithfield operates 133 covered lagoons and digesters, covering over one million hog spaces and producing nearly one million dekatherms of RNG annually. Since 2019, Smithfield and its joint venture partners have captured more than 3.5 million dekatherms of RNG on farms and aim to capture an additional 20 million dekatherms by 2035. In 2024, Smithfield expanded RNG production capacity by integrating new facilities in Virginia, Arizona, North Carolina, Oklahoma, and Texas, resulting in an approximately 50% increase in RNG capacity compared to the previous year. Additionally, in Mexico, Smithfield's biogas systems replaced 8% of grid electricity consumption in 2024.
- Shuanghui Development continues to advance manure treatment initiatives in its farming operations, producing biomass-based natural gas and further reducing dependence on fossil fuels. At the Xihua facility, a third-party biomass project processes chicken manure from poultry farming — combined with straw — through anaerobic digestion. The resulting biogas is purified, with a portion used internally and the remainder fed into the municipal natural gas grid. The project currently processes 600 tons of chicken manure per day, generating approximately 23 thousand cubic meters of natural gas daily.

Utilization of Renewable Energy

Shuanghui Development

- **25%** of total electricity use from renewable sources by 2030

Smithfield

- In the U.S., **50%** of total electricity demand covered by renewable energy by 2030

WH Group is actively expanding its access to renewable energy through strategic investments in clean energy projects, photovoltaic (PV) power generation, and green energy procurement agreements. These initiatives are designed to replace fossil fuels, optimize energy consumption structures, and support the achievement of renewable energy usage targets at its operational sites. In 2024, WH Group adopted 405 million kWh of renewable energy²⁷.

²⁷ The data does not include the portion of purchased electricity with green attributes in North America.

PROMOTING GREEN DEVELOPMENT (continued)

Shuanghui Development continues to advance distributed rooftop photovoltaic (PV) power generation projects, enabling on-site electricity consumption and feeding surplus power into the grid. These initiatives have significantly expanded PV coverage across its production facilities. During the Reporting Period, distributed PV systems were implemented at 16 production bases, including the High Temperature Workshop, Halal Workshop, and the poultry harvest plant in Luohe, as well as facilities in Huai'an and Nanning. As of 2024, the total installed capacity reached 83 megawatts. Approximately 90% of the electricity generated within the year — around 60 million kilowatt-hours — was used to power in-house productions, the rest were exported to the grid. These efforts also contribute to the overall country-wide low-carbon transformation.

Morliny Foods continues to advance clean energy transitions across its production facilities. During the Reporting Period, Morliny Foods focused on advancing the following initiatives:



Out of **13** factories in Poland, **five** have launched photovoltaic systems to supply clean electricity for internal use, with an annual power generation capacity of approximately **400** MWh.

In Slovakia and Hungary, Mecom factories are utilizing distributed photovoltaic power stations, generating **31.8** MWh in 2024.

In Romania, photovoltaic systems have been deployed at hog farming sites and processing facilities, with a total installed capacity of **2.3** MW. By 2024, Romania's hog farming sites and processing facilities achieved a total power generation of **3,395.7** MWh.

In Spain, photovoltaic systems are in place in two facilities which generated we produce **5.08** million Kwh in 2024: **3.20** million KWH in Miralcamp and **1.88** Million Kwh in Fregenal de la Sierra.

Smithfield made an investment in ALLETE Clean Energy's Diamond Spring project, which has a 112-turbine wind site in south-central Oklahoma, catering to approximately 15% of Smithfield's energy needs in the U.S. Smithfield has also initiated a wind turbine pilot project with Eocycle Technologies in Colorado, aiming to provide clean electricity to farms by establishing small, independent wind turbines. Going forward, both initiatives will make substantial contribution to the Group's renewable energy adoption ambition.

PROMOTING GREEN DEVELOPMENT (continued)

Continuous Energy Efficiency Promotion

Improving energy efficiency stands as a critical avenue for enterprises seeking to continuously optimize production processes, aligning closely with the goal of reducing energy consumption within the context of energy transition. At WH Group, enhancing energy efficiency across various industries remains one of our key initiatives to lower GHG emissions. We consistently identify energy-saving opportunities for our breeding, harvesting, processing, storage, transportation activities and etc., selecting and adopting new energy-saving equipment to reduce energy consumption. We also optimize the consumption of natural gas, electricity, steam and diesel in various processes and transportation stages.

Shuanghui Development continues to promote high-performance equipment and optimize production processes, with a focus on reducing unit consumption of electricity and steam. In 2024, Shuanghui Development replaced 38 conventional air blowers with eco-friendly, high-efficiency air suspension blowers, resulting in electricity savings of approximately 4.22 million kWh. Additionally, 18 harvest facilities continued to apply heat pump technology to recover and reuse thermal energy, achieving cumulative steam savings of 105 thousand tons.

In our logistics operations in China, we are targeting emissions from fossil fuel consumption by gradually upgrading and replacing transportation vehicles. In 2024, we retired 17 vehicles meeting the China IV diesel emission standard and introduced 55 new energy vehicles, including 25 fully electric and 30 diesel-electric hybrid vehicles. These vehicles are primarily used for group meal deliveries and urban transport. Compared to traditional diesel vehicles, the hybrid models are expected to reduce diesel consumption by around 15%, supporting our goal of energy conservation and greater fuel efficiency.

At Morliny Foods' facilities in Spain, two factories are utilizing heat pump technology to recover residual heat from cleaning and cooking processes, contributing to total energy savings of 9,326 MWh.

Low-carbon Development along the Value Chain

Across the full lifecycle of our products — from farm and factory to the consumer's table — there remain untapped opportunities for reducing carbon emissions, particularly in the stages of storage, transportation, retail, and consumption. Leveraging the strength of our vertically integrated business model, we continuously explore ways to reduce emissions and create value through targeted investments and strategic partnerships. This proactive approach not only strengthens our carbon reduction strategy but also enhances the resilience of our value chain, enabling us to turn environmental challenges into opportunities.

Based on an analysis of our operational boundaries in China and the U.S., current value chain GHG emissions are distributed as follows: upstream activities (including raw material procurement) account for approximately 77% of Scope 3 emissions, while downstream activities (including product transportation, retail, and consumption) contribute around 23%.

Going forward, we will continue to improve our ability to identify and measure Scope 3 emissions across 15 categories, focusing on and meeting, as appropriate, various standards and guidelines including the Intergovernmental Panel on Climate Change (IPCC) GHG inventory guidelines, applicable laws and regulations, and relevant requirements in various operating locations. We will consistently disclose Scope 3 GHG emissions and enhance the transparency and accuracy of climate-related data across our value chain.

PROMOTING GREEN DEVELOPMENT (continued)

WH Group's Scope 3 GHG Emissions (China, U.S.) in 2024

Scope 3 Emissions	2024 Percentage	2023 Percentage (Restated Information) ²⁵	2023 Percentage (Pre-Adjustment)
Purchased products or services ²⁸	73%	75%	74%
Use of sold products	17%	17%	15%
Processing of sold products	3%	3%	6%
Upstream transportation and distribution	2%	2%	1%
Waste generated during operations	1%	1%	1%
Other categories ²⁹	4%	2%	3%
Total	100%	100%	100%

Reduce agricultural carbon footprint in supply chain

In the U.S., Smithfield actively supports upstream regenerative agriculture initiatives, assisting grain growers in adopting precision farming techniques that help reduce greenhouse gas emissions. In parallel, through Smithfield Grain, Smithfield sourced grain as locally as possible by building direct relationships with farmers in all its operating regions.

Optimize product transportation and distribution

Smithfield works closely with logistics service providers to optimize transportation scheduling, with a focus on reducing empty mileage to lower the number of trucks on the road and shorten overall driving distances. In 2024, Smithfield introduced the Truck Utilization Index (TUI) to improve trailer loading efficiency and reduce the frequency of highway transportation. This initiative resulted in a 2.1% reduction in total annual transportation volume. In parallel, Smithfield has worked with its customers on order patterns and frequency to increase truck weights, reducing customer shipment truck volume by 4.4%, effectively lowering carbon emissions in the transportation process.

Meanwhile, Shuanghui Logistics adopted third-party maritime shipping for long-distance, high-tonnage transport needs. By leveraging this more energy-efficient and environmentally friendly mode of transportation, Shuanghui Logistics significantly reduced overall energy consumption and associated carbon emissions.

GHG emissions from employee commuting and business travel

Shuanghui Development encourages employees to choose high-speed rail over air travel for long-distance trips, due to its lower carbon emissions for the same distance. In addition, employees are encouraged to flexibly use online meetings to reduce non-essential business travel. In Poland and Romania, Morliny Foods introduced shuttle bus services for employee commuting to reduce the carbon emissions that would be otherwise generated by private cars.

Reduce carbon footprint from product usage

WH Group's packaged meat products do not necessitate additional water for washing and do not require consumers to perform complex cooking that would consume extra energy. This thereby avoids Scope 3 emissions to some extent in the downstream consumption processes.

²⁸ Our primary procurement categories are detailed in the Responsible Supply Chain section of Sustainable Value Chain.

²⁹ Other categories include capital goods, fuel- and energy-related activities, business travel, employee commuting, upstream leased assets, downstream transportation and distribution, end-of-life treatment of sold products, franchises, and investments.

4.2 Environmental Compliance Management

WH Group and its subsidiaries have established environmental management and accountability systems cascaded to each operating site as appropriate. Such systems effectively cover the entire chain of operations, encompassing feed production, livestock and poultry farming, meat processing, storage and transportation, in terms of policy and process. This ensures that all business activities fully comply with the relevant environmental laws and regulations in respective countries and regions.

4.2.1 Environmental Management System

We prioritize the effective and systematic management of environmental issues, ensuring preparedness for emergencies through comprehensive employee training. Each subsidiary has established a robust accountability mechanism to maintain environmental compliance across all operations. Furthermore, the progress of relevant key performance indicators is integrated into the management evaluation and appraisal process.

Effective Accountability

Environmental Accountability Framework

Shuanghui Development

- **Managed by:** Shuanghui Development Safety and Environmental Protection Management Committee
- **Executed by:** Safety and Environmental Protection Leading Team on operation site

Smithfield

- **Managed by:** Smithfield's Regional Directors of Environmental Affairs
- **Executed by:** Environmental Managers at each site or region

Morliny Foods

- **Managed by:** Morliny Foods' Climate Change and Environment Committee
- **Executed by:** Environmental officers of operation site

A senior executive at Vice President level in Shuanghui Development is charged with the oversight of the Company's environmental performance and supervises the implementation effectiveness of environmental management policies related to discharges and water resource management among others. Shuanghui Development has integrated environmental performance indicators such as wastewater treatment and solid waste disposal into the performance evaluations of relevant managerial personnel. This linkage of environmental performance with management's remuneration serves as a tool in reinforcing project execution and the effectiveness of our environmental management system.

Smithfield has established a management approach tailored to its specific business status and has incorporated ESG factors, including environmental and GHG management, into relevant performance evaluations in routine operations. The CEO holds the responsibility of reviewing sustainability targets, environmental performance, and progress toward achieving established targets.

Morliny Foods links management remuneration with annual environmental performance, fostering consistent oversight of operations and driving continuous improvement in key environmental metrics such as energy consumption, water resource management, and emissions management.

PROMOTING GREEN DEVELOPMENT (continued)

System Optimization

WH Group promotes initiatives of its subsidiaries in obtaining certification of the environmental management system (EMS) and conducting regular internal audits, to ensure that relevant practices are consistently applied. This approach enables us to monitor the effectiveness of our environmental management efforts. By the end of the Reporting Period, a total of 84.6% of WH Group’s meat processing facilities obtained ISO 14001 certification.

Environmental Management System Certifications

45 of Shuanghui Development’s harvest facilities and meat processing plants were ISO 14001 certified.	All Smithfield-owned farms and manufacturing facilities, apart from acquisitions or those where certification is not applicable, maintained ISO 14001 certification.	All Morliny Foods’ own farms and manufacturing facilities in Poland and Romania, apart from acquisitions or those where certification is not applicable, were ISO 14001 certified.
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Shuanghui Development and Smithfield spearheaded ongoing measures to achieve respective waste reduction and water resource management targets. Morliny Foods is evaluating its environmental targets and safeguarding measures across its European business activities, referencing the requirements of the *Corporate Sustainability Reporting Directive*.

4.2.2 Wastewater Management

WH Group adheres to local regulations in managing wastewater treatment and discharge, striving to reduce both the volume and intensity of wastewater discharge to minimize its impact on the environment.

Each of Smithfield’s farming, harvesting, and processing facilities holds a wastewater discharge permit issued by federal or state environmental agencies and operates in accordance with regulatory requirements. Additionally, Smithfield continues to invest in wastewater treatment infrastructure, prioritizing improvements in discharge quality. Notably, our wastewater facility in Virginia was awarded a Hampton Roads Sanitation District (HRSD) Platinum Award for Pretreatment Excellence and Pollution Prevention, which commends local businesses for exceptional permit compliance and pollution prevention efforts to protect waterways and natural resources.

Denitrification Treatment of Wastewater

The wastewater treatment facility at Smithfield’s plant in Sioux Falls, South Dakota utilizes a denitrification process to effectively remove nitrogen from wastewater. This method converts ammonia-nitrogen into nitrate-nitrogen, which is subsequently extracted to minimize discharge and enhance regional water quality. Compared to 2022, the average nitrate concentration in treated wastewater in 2024 decreased by approximately 83%, reflecting significant progress in water treatment efficiency.

PROMOTING GREEN DEVELOPMENT (continued)

All Morliny Foods factories operate with environmental permits specific to their locations, ensuring compliance with regulatory standards. Morliny Foods has invested in wastewater treatment infrastructure, integrating real-time monitoring and stringent chemical dosage controls to optimize efficiency and maintain compliance throughout the treatment process.

Shuanghui Development maintains strict adherence to national laws, local administrative requirements, and internal policies, such as the *Standardization of Wastewater Discharge Stations Safe Operations*, to ensure responsible wastewater management across its facilities in China. It treats wastewater by type and monitors the concentration of chemical oxygen demand (COD), phosphorus, and nitrogen and other pollutants in wastewater in all sites, to support stable operations and permit compliance. Additionally, treated wastewater from farms is primarily repurposed for land irrigation, reinforcing sustainable resource utilization.

4.2.3 Air Emissions Management

Our subsidiaries strictly adhere to the applicable air discharge rules in respective operating locations. All operating facilities routinely monitor air emissions, collecting and analyzing relevant data. This exercise enables prompt identification of any abnormal activities and helps ensure controls for discharge compliance.

Shuanghui Development's air emissions primarily stem from meat processing activities, generating pollutants such as sulfur dioxide (SO₂), nitrogen oxides (NO_x), and volatile organic compounds (VOCs). Shuanghui Development undergoes both routine and unannounced inspections by local ecological and environmental authorities, with no significant issues identified. In addition to oversight from authorities, in-house monitoring and qualified third-party monitoring are implemented measuring constantly against the pollution permits, ensuring all discharges are compliant. The relevant data is routinely reviewed and reported to regulators. Since 2023, Shuanghui Development has 100% adopted natural gas and biomass to replace the use of coal, an effort of reducing air emissions at the source. The company also applied vacuum hot water boilers with higher vacuum thermal efficiency to reduce natural gas consumption and air emissions.

In the U.S. and Europe, Smithfield and Morliny Foods have implemented air pollutant treatment systems, refined production processes for packaged meat, and adjusted energy consumption structure to mitigate air emissions. For air emission pollutants such as NO_x and SO₂, both companies conduct regular monitoring and report the relevant data to regulators for environmental protection in alignment with local environmental protection regulations.

PROMOTING GREEN DEVELOPMENT (continued)

4.2.4 Solid Waste Management

Our solid waste includes hazardous waste and non-hazardous waste, the latter includes general waste, recyclable waste and organic waste. General waste is mainly domestic garbage, while recyclable waste includes waste metals and plastics, and organic waste³⁰ includes sludge, hog manure, kitchen waste and food waste.

Each subsidiary has established its own internal policies and manuals related to solid waste management, while both Shuanghui Development and Smithfield have set related targets. The Group strives to minimize solid waste generation while systematically maximize recycle and use of waste.



Shuanghui Development: Continuously strengthen the management of waste such as farm manure and processed food waste, and improve the comprehensive utilization rate of waste.³¹

Smithfield: Achieve a **75%** reduction in solid waste compared with a 2010 baseline and zero-waste-to-landfill (ZWTL) certification at **75%** of our U.S. facilities by 2025.

Shuanghui Development has implemented procedures for the classification, collection and storage of solid waste, including designated storage areas equipped with a log system to ensure consistency and traceability. All solid waste is collected by qualified third-party service providers for treatment in accordance with regulatory requirements.

Smithfield continues to advance its solid waste reduction target through strategic initiatives such as minimizing food waste. Several Smithfield hog farms have obtained general licenses for hog waste management systems, and each approved farm operates under a Certified Animal Waste Management Plan (CAWMP), which strictly regulates the application of fecal waste on the farm. Additionally, Smithfield has strengthened its waste management efforts both internally and through external collaboration, transitioning from a regional waste management model to a centralized performance tracking system that enhances waste management capabilities across the supply chain.

In Mexico, Smithfield has enhanced waste management practices by implementing classified waste collection and storage while optimizing disposal, transportation, and treatment processes. In 2024, the Altosano pork processing plant achieved ZWTL by implementing a process known as residue valorization, which converts waste into valuable products or resources.

³⁰ For differentiated management of organic waste, please refer to “Reducing Food Loss and Waste” and “Manure as Resource” under “Promoting Green Development”.

³¹ In China, domestic waste disposal facilities are municipal infrastructure, and enterprises cannot choose the method of domestic waste disposal on their own, so the waste mentioned in Shuanghui Development’s target only refers to the waste generated during production and operation, excluding domestic waste. Also, livestock and poultry waste is not in the scope of Shuanghui Development’s waste target.

PROMOTING GREEN DEVELOPMENT (continued)

Morliny Foods ensures compliance with EU and national regulations through a comprehensive waste management plan that establishes clear classification standards and includes employee training programs. Morliny Foods conducts annual waste management audits and follows up and rectifies identified issues through the Waste Reduction and Prevention program. In 2024, the program prioritized plastic waste reduction and recycling, effectively minimizing waste generation across operations.

4.3 Ecological Protection

A healthy ecosystem based on land, water and air is the foundation for the existence and sustainable development of our industry. WH Group keeps the nature of land use and proactively evaluates the utilization and soil conservation of planting land, while making effort to protect biodiversity, and exploring methods for sustainable agriculture. To safeguard and protect the natural restoration and regeneration capacity of water sources and watershed ecology at operation sites, we have strengthened our water diversification and recycling capabilities through technological innovation and process optimization, continuously improving water resource efficiency. Additionally, the Group collaborates with supply chain partners to implement biodiversity conservation measures and promote responsible planting practices.



4.3.1 Water Resource Management

Water efficiency management is an important initiative for the Group to limit its impact on the ecological system while carrying out its production activities. We use water in livestock farming primarily for animal hydration and house cleaning, and in harvesting and processing for sterilization and cleansing. To ensure responsible water management, we assess water resource risks at operating sites as appropriate and adopt innovative water-saving and recycling measures so as to elevate our water strategy to be efficient, science-based and sustainable.

In Smithfield, the Chief Manufacturing Officer and President of Hog Production are responsible for water resource strategy and related performance, continuously monitoring and promoting the effective implementation and continuous improvement of water resource management. In Shuanghui Development, the Strategy and Sustainability Committee under the Board of Directors oversees the formulation and execution of the annual water resource strategy. In Morliny Foods, the Environmental Coordinator and Engineering Department are responsible for water resource strategy and related performance.

All WH Group subsidiaries have established water resource management policies coupled with defined performance indicators to guide usage efficiency. Both Shuanghui Development and Smithfield have set specific targets aimed at optimizing water utilization and reducing overall consumption.

PROMOTING GREEN DEVELOPMENT (continued)

Shuanghui Development:

- By 2030, reduce Shuanghui Development's intensity of water consumption by **10%** compared to a 2019 baseline.

Smithfield:

- Assess water supply across our U.S. footprint to ensure sustainable use while increasing water-use efficiency.
- Adopt internationally recognized water stewardship standards.

Water Risk Management

We understand the significance of a stable water supply for ensuring continuous business operations. Subsidiaries of WH Group continue to refresh risk assessments and exercise control on water usage aiming to systematically identify potential impacts on production operations and strengthen water risk response and adaptation capabilities.

In China, Shuanghui Development primarily uses water from the municipal water supply system, wells, rivers, and reclaimed water. Shuanghui Development maintains vigilant on water-related risks by continuously monitoring dynamic changes and conducting risk assessments³² leveraging external database. Based on the assessment conclusions and actual consumption patterns, Shuanghui Development implements targeted actions to mitigate operational water risks. Water resource management is further strengthened through regional water balance analyses and routine pipeline leakage inspections. For well water used in livestock operations, Shuanghui Development follows the principle of conservation and rational allocation and engages third-party professional agencies to prepare *Water Resource Evaluation Reports* at livestock operations and facility construction phases, evaluating the feasibility and sustainability of water usage, identifying potential impacts on regional water resources and other users, and recommending water-saving measures to enhance overall water efficiency. In 2024, in response to climate variability and evolving water usage policies, Shuanghui Development proactively implemented measures to address water shortages, ensuring the continued stability of its water supply.

In the U.S., Smithfield has been utilizing the World Resources Institute's (WRI) Global Water Tool and the GEMI Local Water Tool developed by the Global Environmental Management Initiative (GEMI), to assess the risks associated with water supply in the operation sites, and closely monitor the availability and potential changes of water sources. In 2022, Smithfield conducted a comprehensive watershed analysis across its vertically integrated supply chain, laying the foundation for future optimization of sustainable water resource management practices in the U.S.

In Mexico, Smithfield's Altosano pork processing plant has been participating in discussion forums organized by the National Water Commission and has submitted a proposal to reform the *National Water Law* in 2024. Furthermore, Smithfield collaborated with the newly-established Ministry of Water, discussing water usage situations, identifying water-related risks, and jointly developing strategies to strengthen local water governance and reduce environmental impacts. Smithfield avoids cooperation with suppliers located in water-scarce areas at the stage of introducing significant tier 1 suppliers to reduce water risks from the supply chain. Meanwhile, Smithfield regularly commissions third-party audits and inspections to promptly identify and respond to water resource risks during operations.

Morliny Foods primarily uses water from municipal supplies or wells, depending on local resource availability. Percentage of water use varies by location depending on operations. To support effective water resource planning and risk mitigation, Morliny Foods has implemented water usage test and assessment schedules across its facilities to evaluate water consumption patterns, quality parameters, and potential risk impacts.

³² Since 2022, WH Group and its subsidiaries have been conducting risk identification and analysis related to climate change. In the drought scenario analysis, we utilized the database of World Resources Institute (WRI) to quantitatively assess water scarcity risks at Shuanghui Development's key operation sites, gaining an initial understanding of current and future water resource risk levels. Based on these findings, Shuanghui Development has implemented internal water risk management and water usage management at its operation sites.

PROMOTING GREEN DEVELOPMENT (continued)

Improving Water Utilization Efficiency

We focus on optimizing water usage in both livestock farming and production processes to enhance unit water efficiency across business operations. During the Reporting Period, the subsidiaries of WH Group carried out multiple measures to promote the recycling of water resources and reduce water consumption.

Water usage in livestock farming accounts for approximately a quarter of the Group's total water consumption. Around 90% of livestock farming water is used for animal drinking, with the remainder allocated to cleaning activities. Drinking water needs vary based on farming scale and weather conditions. To improve water use efficiency, the Group's subsidiaries engaged in livestock farming have implemented specialized animal drinkers and water pressure regulators. In parallel, they continue to explore innovative, water-saving technologies in animal feeding practices. For cleaning operations, we have adopted high-pressure, low-flow systems and regulated rinse water usage, thereby enhancing overall cleaning water efficiency. Furthermore, we recycle water on some farms by collecting and reusing rainwater and water from wastewater treatment facilities.

Water used in processing operations accounts for approximately 3/4 of our total water consumption. To enhance water use efficiency, our subsidiaries have implemented strengthened water management protocols across processing facilities and carried out measures including process optimization and equipment upgrades. Shuanghui Development has introduced targeted measures to reduce water consumption in sanitation and cleaning processes, such as mandating the removal of product residues from equipment prior to rinsing. Additionally, Shuanghui Development also promotes wastewater recycling and reuse across its operations. At 21 factories, wastewater sources such as steam condensate, vacuum pump drainage, and scalding pool drainage are recycled, resulting in annual water savings of approximately 260 thousand tons. Furthermore, 18 factories utilize electrified water treatment technology to sterilize warm water, significantly lowering chemical oxygen demand (COD) and reducing tap water usage by an additional 420 thousand tons annually. In the U.S., Smithfield has implemented a reclaimed water reuse system at its North Carolina meat processing plant. This system recycles approximately 3,700 cubic meters of water per day for use in cooling systems and outdoor hose cleaning, further supporting water conservation and resource efficiency. In Mexico, Smithfield's production and meat processing facilities have established water performance indicators, continuously monitoring and tracking water usage, and effectively controlling water efficiency in the facilities. Smithfield also promotes the reuse of reclaimed water from wastewater treatment facilities, aiming to achieve effective recycling of production water. Morliny Foods has advanced the deployment and expansion of water usage monitoring systems by installing water meters at key consumption points. This enables real-time tracking of water usage, supports optimized water allocation, and helps identify opportunities for water-saving retrofits as part of broader conservation initiatives.

During the Reporting Period, WH Group's total freshwater usage reached 68.80 million cubic meters, while the amount of reused water was 5.44 million cubic meters, representing a reused water ratio of approximately 7.33%.³³

Beyond internal efficiency improvements, WH Group is also committed to promoting responsible water management across its value chain and within regions where key operations are located. Led by subsidiary Smithfield, we have undertaken comprehensive evaluations and forged external partnerships in the U.S. to set a benchmark for supply chain water use efficiency. Smithfield conducted a detailed watershed analysis of its vertically integrated supply chain, encompassing all production facilities, contracted hog farms, and grain suppliers in the U.S. To ensure ongoing progress, Smithfield regularly reviews its water supply footprint. Water resource data is analyzed at least quarterly to assess performance against conservation goals, identify improvement opportunities, and explore innovative solutions to further reduce water consumption across operations and the broader supply chain. Meanwhile, Smithfield collaborates with farm related organizations, providing guidance to feed suppliers to improve water efficiency during feed cultivation. In Mexico, Smithfield engaged in the watershed integrated management initiative where its critical business operates, providing support for water management at their operation sites.

³³ Reused water ratio = amount of reused water/(amount of freshwater use + reused water).

PROMOTING GREEN DEVELOPMENT (continued)

4.3.2 Biodiversity Conservation

We have made commitments to biodiversity conservation in our *Corporate Principles* and strive to minimize the impact of our business activities on flora, fauna, and surrounding ecosystems, while supporting the preservation of healthy land, water, and air³⁴.

Shuanghui Development strictly complies with all applicable laws, regulations, and environmental policies to prevent direct or indirect harm to biodiversity and forested areas. During the new project site selection phase, Shuanghui Development avoids the construction of plants in ecologically sensitive zones such as water sources and protected wetlands. Throughout construction and operational phases, Shuanghui Development conducts regular monitoring to assess and mitigate environmental impacts, including the potential spread of diseases from livestock and poultry operations to local wildlife. Currently, all operational and production sites are located outside areas of fragile biodiversity, and Shuanghui Development does not engage in activities that change the nature of land use.

Smithfield operates its facilities and farms on land historically designated for food production and agriculture. In the U.S., we implement rigorous nutrient management plans, ensuring manure application does not exceed agronomic thresholds. Byproducts from biogas production are repurposed as organic fertilizers, contributing to soil enrichment and the enhancement of local biodiversity. In Mexico, Smithfield supports local biodiversity through reforestation efforts and the promotion of native crop cultivation, including corn and leguminous plants, which help restore local ecosystems and soil health.

Smithfield also maintains strict sourcing practices. It does not typically procure raw materials from ecologically sensitive areas. Suppliers potentially operating in such zones must adhere to its Sustainability Policies and *Supplier Code of Conduct*, which include zero-deforestation requirements to ensure responsible sourcing throughout the value chain.

Morliny Foods contributes to biodiversity preservation by maintaining natural habitats such as ponds and tree areas on farmland, providing shelter and resources for local wildlife. To protect the local soil, water sources and vegetation growth environment, it applies plant protectants only when the impact of pests and weeds exceeds the harm threshold. Meanwhile, the Company has marked a buffer zone around waterways where the use of insecticides is strictly prohibited and insecticide spraying on flowering plants is performed at night, after pollinators are no longer active. Morliny Foods follows fertilization plans approved by agricultural authorities and conduct qualitative and quantitative analyses of manure, groundwater, and soil, utilizing independent third-party evaluations. It only applies organic fertilizers to farms after external institutions analyze the soil and manure, and continuously expands the vegetable curtains and green belts around the farms to get healthier and more fertile soil, effectively protecting the biodiversity of the local ecosystem.

Smithfield: Long-term Biodiversity and Ecological Restoration Program in North Carolina

In 2024, Smithfield has continued its sponsorship of the North Carolina Department of Justice's Environmental Enhancement Grant (EEG) program for 24 years, contributing USD 2 million annually to support habitat restoration, the establishment of natural buffers, and the promotion of best practices in sustainable land management and conservation. Through this initiative, thousands of acres of land across North Carolina have been protected.

To date, the EEG program has awarded over 46 million US dollars in grants to nonprofit organizations engaged in improving air, water, and land quality throughout the state. These projects span land acquisition and development, site remediation, ecosystem restoration, planning, education, and research, collectively enhancing biodiversity and environmental resilience in local communities.

³⁴ For details on soil and organic fertilizers, please refer to Section *Responsible Planting* under the *Promoting Green Development*. For resource recycling practices related to farming (covering hog and poultry farming in China and Europe, and hog farming in the U.S. and Mexico), please refer to Section *Manure as Resource* under the *Promoting Green Development*.

PROMOTING GREEN DEVELOPMENT (continued)

Smithfield: Reforestation Project in Mexico

Since 2011, Smithfield has established 142 hectares of induced forests in Mexico's Perote Valley, featuring diverse pine species that contribute to the region's ecological health. These reforested areas deliver vital environmental benefits, including carbon capture and rainwater capture and infiltration, while also providing critical habitats for local wildlife.

Additionally, Smithfield fostered community engagement in Mexico by donating 10,000 trees and plants, produced in a nursery, and hosted tree planting campaigns on community lands with volunteer participants from the GCM Foundation, further supporting ecological restoration and promoting sustainable development throughout the region.

4.3.3 Responsible Planting

Since 2017, Smithfield has been committed to advancing responsible agricultural practices throughout its supply chain, with a strong focus on innovative and sustainable farm management models. Smithfield provides farmers with comprehensive guidance to ensure the responsible application of fertilizers and crop protection products, safeguarding local water resources, preserving soil health, and promoting long-term agricultural sustainability.

Smithfield's agricultural operations are grounded in eight core best practices: crop rotation, reduced tillage, no-till farming, cover crop application, water management, nutrient management, forage and biomass cultivation, and data-driven record keeping. These practices are designed to enhance year-round crop stability and sustainability. To further optimize nutrient use, Smithfield employs nitrogen management tools that improve fertilizer efficiency and reduce environmental impact. Additionally, the use of alternative crops and carefully selected seed mixes supports soil health and biodiversity. Smithfield Grain partners with independent agricultural consultants to help farmers develop site-specific sustainable development strategies, tailored to local environmental conditions and operational needs.

Morliny Foods minimizes ecological impacts by implementing fertilizer management plans that emphasize proper crop rotation and minimal tillage, measures that maintain soil fertility and promote regenerative agriculture.

Shuanghui Development engages in outsourced farming exclusively on agricultural nutrient absorption lands, while also advancing the resource-efficient utilization of livestock waste.



PROMOTING GREEN DEVELOPMENT (continued)

4.4 Circular Practices

WH Group is committed to maximizing resource efficiency and minimizing waste across its operations. By aligning circular economy principles with industry-specific characteristics and the Group's capacity, we promote the responsible and repeated use of resources such as packaging materials where possible, actively reduce food loss and waste, and support the conversion of livestock waste into valuable outputs like fertilizer and energy. These efforts collectively contribute to the development of a circular economy.



4.4.1 Exploring Sustainable Packaging

The management and utilization of packaging materials, which are significant resources consumed in our operations, have been a key focus at WH Group. Our approach to packaging has three folds, namely consumption reduction, weight reduction and recycling, as such that we continue to explore new ways to reduce usage as well as adopt recyclable alternative materials as appropriate.

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WH Group places food safety at the core of its operations, recognizing that packaging plays a critical role in ensuring safety and quality of our products. We evaluate packaging material holistically including barrier properties, malleability, protective and display performance. We continue monitoring the advancement of biodegradable plastic and alternative technologies, and introduce high-performance materials, biodegradable packaging and low-carbon manufacturing processes when any of these becomes viable.

In our business activities, we primarily use packaging for meat products, fresh meat products and internal transfer of harvested meat. In the packaging process of meat products, we are dedicated to reducing unnecessary and excessive packaging from the product design stage. Fresh meat products are supplied to supermarkets and other retail terminals, for which we offer retailers shopping bags made of homogeneous materials. In the harvesting process, we use packaging for internal meat transfer, a good proportion of which is recycled or reused. Additionally, our subsidiaries also follow the evolution of recycling industry in various markets, working with suppliers and qualified recycling companies in collective efforts to reduce packaging and other waste.



PROMOTING GREEN DEVELOPMENT (continued)

Shuanghui Development

- Leveraging its advantages in industrial chain layout, Shuanghui Development continuously explores the utilization of homogeneous material, material reduction, continuous improvement of packaging structure, and carbon reduction of packaging materials. It introduces more high-performance, biodegradable, and low-carbon packaging.

Smithfield

- Achieve 90% recycle-ready, reusable or industrially compostable packaging by 2030.
- Halve virgin petroleum-based plastic use compared with a 2019 baseline by 2030.

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Shuanghui Development Commercial Company Offers Biodegradable Plastic Shopping Bags

Since January 2024, Shuanghui Development Commercial Company has provided approximately 160 thousand biodegradable plastic shopping bags across all its stores in compliance with local laws and regulations. It also plans to gradually replace traditional non-degradable plastic shopping bags.

Smithfield Promotes the Development of Sustainable Packaging Materials

Smithfield has established a cross-functional team to review and update internal standard requirements, taking into account the definition of recyclability, reuse and industrial composting in international standards. Smithfield has identified key strategies such as reducing the use of virgin petroleum-based plastics, reasonably reducing packaging size, considering the use of plant-based alternative materials and proactively seeking suitable packaging suppliers.

In addition, Smithfield plays an active role in industry-wide collaborations to advance sustainable packaging solutions. Since 2020, Smithfield has been a member of the Sustainable Packaging Coalition (SPC). Smithfield has also worked with producer responsibility organizations (PROs), to explore sustainable packaging materials design, application, and management, including better understanding the challenges of recycling multi-layer flexible packaging and resin plastics in their extended producer responsibility (EPR) efforts and also driving continuous improvements in packaging design and material efficiency.

In 2024, Smithfield reduced petroleum-based plastic use in packaging by 52% and increased the recycle-ready, reusable or industrially compostable packaging by 60% compared to 2019 baselines.

³⁵ From the early stages of product design, Morliny Foods has considered the potential for sustainable packaging and plastic reduction initiatives. Morliny Foods has initially identified two key directions: reducing the proportion of plastic in packaging materials and increasing the share of recyclable packaging. Morliny Foods, in compliance with local EU laws and regulations, is carefully evaluating its target percentages and plans to announce its commitments in the future.

PROMOTING GREEN DEVELOPMENT (continued)

Key Initiatives for Consumption Reduction, Weight Reduction and Recycling by Subsidiaries of WH Group

Consumption reduction



- In China, since 2023, higher-performance materials such as polyethylene and polypropylene films have been introduced for supermarket packaging, with trials promoting the use of homogeneous material packaging. During manufacturing, we continue to optimize carton and product layout designs and select appropriate paper specifications to improve paper utilization rates, saving approximately 28 tons of raw paper annually.
- In the U.S., efforts were made to eliminate plastic trays from Smithfield® Prime Fresh Delicatessen packaging by replacing complex packaging with surface printing packaging and adopting vacuum packaging technology, reducing related packaging consumption.

Weight reduction



- In China, based on actual product requirements, research and analysis were conducted on carton quality. Adjustments were made to optimize the weight of corrugated paper layers, reducing paper usage while ensuring carton quality. In 2024, 392 tons of raw paper were saved compared to the previous year.
- In China, pre-printing technology has been promoted for packaging in high and low-temperature products since 2019. This approach optimizes the surface and corrugated paper while maintaining carton appearance quality and compression strength, resulting in an annual reduction of approximately 233 tons of raw paper.
- In Spain, the thickness of plastic films and interlayers used in packaging has been reduced, saving approximately 42.31 tons of packaging materials in 2024.
- In Poland, the thickness of plastic films used in individual packaging has been optimized while ensuring product quality. For certain products, the film thickness has been reduced from 250 microns to 220 or 210 microns.

Recycling



- In China, Shuanghui Development prioritized the use of homogeneous materials and biodegradable materials for product packaging. Meanwhile, it has introduced high-performance resin since 2023 to reduce the thickness of PE (polyethylene) by 8% and improve the recyclability of plastic composite film without compromising package performance.
- In China, Shuanghui Development has established a renewable resource company to manage the recycling of raw material waste and non-recyclable packaging material waste, such as cartons, through qualified third-party companies via a bidding process.
- In the U.S., expandable polystyrene (EPS) case-ready trays are being gradually replaced with recyclable foam polyethylene terephthalate (PET). Additionally, reusable plastic combo (RPC) bins have replaced 1.7 million cardboard boxes, enabling more efficient reuse of packaging materials for intercompany product movement.
- In Europe, all product cardboard packaging boxes and wooden pallets leaving the factory are at least FSC MIX certified and made from sustainable and recyclable materials.

PROMOTING GREEN DEVELOPMENT (continued)

4.4.2 Reducing Food Loss and Waste

WH Group implements control measures in the production process to ensure product quality while maximizing resource utilization and minimizing waste generation to avoid food waste during processing. Our harvesting and processing plants work closely to convert animal by-products generated into high-value resources, such as fats or high-protein meat and bone meal. Additionally, the Group actively explores the recycling and utilization of by-products in the food industry through collaboration with multiple partners and promotes actions to reduce food loss and waste on a larger scale in society.

Smithfield has set a target to reduce food loss and waste in manufacturing facilities by 50% compared to a 2021 baseline by 2030.

To support this goal, Smithfield has optimized hog feed formulations by incorporating nutrient-rich by-products, thereby diverting waste from landfills and enhancing resource efficiency. In addition, Smithfield has conducted Food Loss and Waste (FLW) prevention evaluations to develop targeted reduction strategies. By improving inventory management and product handling, Smithfield has achieved a 30% reduction in food waste at our distribution centers since 2021. Besides, Smithfield also actively promotes post-consumer food waste reduction through measures such as supporting food waste reduction initiatives in households and communities and providing ready-to-eat products.

Partnership with Food Banks to donate food

Smithfield and Morliny Foods continue to strengthen their partnerships with local Food Banks to support communities in need. In 2024, Morliny Foods donated 242 tons of food in Poland, Spain, and Romania, which was distributed by food banks in individual packaging to those in need or collective dining facilities.

Shuanghui Development has established control indicators and evaluation plans to reduce food loss, minimizing waste of by-products and raw materials. Additionally, production processes are optimized, such as adding protective plates to equipment and using new drying machine belts, to further reduce waste. During product transportation, Shuanghui Logistics has achieved “temperature tracking during the entire process” with the system and implements the measure of “handling within 1 hour after the alarm” of the temperature controller, to reduce temperature control risks during transportation. It also utilizes digital means to integrate and manage warehouse data to improve distribution efficiency.

Smithfield plays an active role in reducing food loss and waste in the U.S. Smithfield has joined a variety of organizations and initiatives to relieve the burden caused by food production and consumption on the natural environment together with partners sharing the same ambition.

Key Initiatives that Smithfield Joined

The 10x 20x 30 Initiative

- The organization advocates halving food loss and waste by 2030.

Farm Powered Strategic Alliance (FPSA)

- This organization aims to reduce and recycle food waste by converting organic waste to renewable energy.

U.S. Food Loss and Waste 2030 Champion

- By 2030, the member companies aim to reduce food loss and food waste caused by corporate business operations by 50% in the U.S.

PROMOTING GREEN DEVELOPMENT (continued)

4.4.3 Manure as Resource

As we continue to implement our vertically integrated business strategy, it has become apparent that livestock manure in our farming operations represents a major waste stream. We recognize that the proper management and utilization of animal manure not only helps reduce the carbon footprint of our operations and generate economic value but also contributes to broader societal efforts toward low-carbon transformation. To this end, we actively collaborate with fertilizer producers and other partners to convert manure into valuable products and resources, such as organic fertilizers and renewable energy, supporting the development of a circular economy.

WH Group promotes manure resource utilization from two perspectives: manure to fertilizer and manure to energy³⁶. During the Reporting Period, solid manure generated from livestock farming activities was 100% recycled through various methods, including self-use, local distribution to farmers, and partnerships with resource and energy companies.

Manure to fertilizer

- Shuanghui Development has adopted heat pump drying technology for chicken manure, using a closed, low-temperature dehumidification process that inhibits ammonia emissions and bacterial growth. The resulting dried manure is repurposed as fertilizer, contributing to sustainable resource utilization.
- In the U.S., Smithfield Foods has constructed greenhouses at its hog farms to dry manure, which is then incorporated into its fertilizer sales program. At the Altosano pork processing plant in Mexico, Smithfield provides manure free of charge to local farmers for use as organic fertilizer, supporting local agriculture and circular economy practices.
- Morliny Foods processes manure into nutrient-rich fermented fertilizer.

Manure to energy

- In China, Shuanghui Development collaborates with third-party energy companies who produce biomass natural gas with chicken manure. The Company uses the biomass natural gas produced in preference to others and offer favorable prices. In this way, Shuanghui Development has utilized manure as an effective energy source.
- In the U.S., Smithfield collaborates with carbon recycle energy companies to produce RNG through anaerobic digestion, which not only reduces the expense of waste disposal but also gradually reduces its reliance on fossil fuels.
- Morliny Foods prioritizes the use of biogas systems on large-scale livestock farms to generate renewable energy from manure and corn silage.

³⁶ For more measures on manure to energy, please refer to the information on the circular economy and livestock farming in the carbon reduction pathway containing four primary actions in section *Greenhouse Gas Management* under the *Promoting Green Development*.



5

**EMPOWERING
EMPLOYEES**

EMPOWERING EMPLOYEES (continued)

WH Group is committed to maintaining an efficient human resources system and employee development platform in alignment with *United Nations Sustainable Development Goals* (UNSDGs) and the *United Nations Global Compact* (UNGC). While providing our employees with a safe workplace and attractive welfare, we aim to foster a mutually respectful and enterprising corporate atmosphere that enables us to build a bridge for employee growth on the path to sustainable business success.

Corporate Principles

UN Sustainable Development Goals

Labor Standards and Employee Rights

We value respectful relationships and encourage enterprising work ethics; we nurture an inclusive culture and provide a safe work place. Guided by the principles of the United Nations Sustainable Development Goals (UNSDGs) and the United Nations Global Compact (UNGC), we respect and protect individual rights within our operations and across our value chain, supported by a fair and efficient human resources system.

- Employee rights and development
- A culture of mutual respect
- Labour Standards

Working Environment and Safety

Most of our employees work on the production line, where they frequently come into contact with livestock and poultry, and some operate machines. Consequently, the management team places paramount importance on employee occupational health and safety. We are dedicated to enhancing preventive measures to minimize accidents, aiming to maintain a safer and more comfortable work environment in alignment with the goal of “Good Health and Well-being”, among other United Nations Sustainable Development Goals.

- Management system and targets
- Workplace safety and occupational health
- Emergency response and drills



5.1 Value-Based Employment

The industries we are in and the scale of operations we have require a significant production workforce that includes frontline factory workers, livestock handlers, sales personnel, and related support staff. Our team also comprises a substantial number of management, technical, and administrative professionals. The diversity of our workforce in terms of background and competencies, as well as the cultural differences between Asia, North America, and Europe, require our close attention to details in human resource management practices. We need to be resourceful enough to appreciate empathetically the contributions from each and every employee, and to empower them, executives and shop floor operators, to perform dutifully and diligently in a collaborative manner.

WH Group strictly adheres to any applicable labor laws and regulations where its business operates, and has established location-based employment system and management approach that are in alignment with the Group's corporate principles. We have employees' interests at heart and offer remuneration and benefit packages that are competitive in the industry, and provide a safe working environment. We believe that a strong sense of belonging underpinned by mutual trust is essential in conducting our business.

5.1.1 Management System Development

WH Group's success depends to a great extent on its ability to attract and retain a dynamic workforce. We are constantly on the lookout for staff to fill our needs and strive to create an enterprising corporate culture of mutual trust. This includes ensuring that our compensation and incentives remain rewarding, performance assessments are fair and transparent, career progression pathways are accessible, and the rights and interest of our employees are duly protected.

Recruitment

Our employment is built on the foundation of free will and merit-based mutual selection. Our employment and promotion decisions are made without regard to ethnicity, race, gender, sexual orientation, religion or cultural background. We give priority to candidates with the qualifications and skills that match our development needs. As of the end of 2024, WH Group employs a workforce of 103 thousand, a year-on-year increase of 1.3% compared to 2023.

In the U.S., Smithfield utilizes a workforce analytics system for strategic labor planning, and leverages social media platforms, external recruitment websites, internal recruitment portals, and other channels to attract candidates who are well-suited for the roles we need. In 2024, as part of the ongoing digitalization effort, Smithfield started using Workday, a human resource management platform, to optimize recruitment, compensation, benefits, attendance tracking, and other processes. The platform provides data-driven insights that enable recruitment for operations and succession planning.

EMPOWERING EMPLOYEES (continued)

Shuanghui Development addresses its hiring needs through various channels, which include online job postings, recruitment agencies, job fairs, headhunters, and specialized recruitment programs for military veterans. On top of that, Shuanghui Development continues to attract competent, professional management trainees through campus recruitment programs, such as “Lingyinghui” and “Qunyinghui”. These initiatives identify and train individuals to expand the talent pool for the Company’s management and future development needs.

Morliny Foods recruits through multiple channels that include posting on the corporate website, television and radio advertisements. In addition, the Company also has an employee referral program that offers cash rewards to referrers, and works with government and other external agencies to identify qualified candidates. In Romania, Morliny Foods has partnered local recruitment agencies and national unemployment support groups to provide employment opportunities for the people. Additionally, Morliny Foods has collaborated with several universities to offer internship programs for fresh graduates with the aim of identifying and recruiting individuals with high development potential.

Compensation and Incentives

WH Group upholds the principle of equal pay for equal work and regularly conducts market research on compensation, to ensure that male and female employees in the same position, with similar job performance and experience, are provided with equal and competitive compensation packages. We have developed various incentive programs for all salaried employees and offer additional performance-based bonuses in accordance with job responsibilities and contributions.

In the U.S., Smithfield offers comprehensive compensation packages that include base salary, performance-based bonuses, equity incentives, retirement benefits and employee assistance programs. The Company designs its annual incentive plans based on job level and responsibilities. In Mexico, Smithfield duly adjusted the salaries of its employees based on a judgement balancing industry standards and local inflation pressure so as to stabilize and retain the workforce.

Morliny Foods is compliant with the local laws and regulations, and any applicable rules on collective bargaining agreements at each of its business locations. The Company regularly reviews its compensation policies and systems to provide its employees with comprehensive remuneration and incentive packages that include base salaries, variable bonuses, benefits, and performance-related incentives.



EMPOWERING EMPLOYEES (continued)

Shuanghui Development provides its employees with compensation packages that includes fixed salaries, performance bonuses, equity incentives, and retirement benefits. In addition, the Company also offers incentives based on the performance of teams in frontline production and sales, and the appraisal results of relevant management roles, to reward high performing individuals.

Performance Assessment and Promotion

WH Group and its subsidiaries regularly assess the performance of employees in carrying out their job responsibilities, which is also a key consideration for promotion proposals. Every subsidiary has their own performance management system that is customized based on their respective business objectives, workforce demographics, and regulatory regime. All of them have been operating an equal and transparent appraisal system covering all employees, including a fair promotional process which safeguards opportunities for personal growth.

Shuanghui Development tailors the career advancement pathways for its employees based on their roles and responsibilities by offering dual promotion channels (management executive and specialist). The Company offers a wide range of internal training programs to its employees as a springboard, so that they are supported to advance their careers and develop the skills they need. Employees in management roles are subject to open nomination and competition for promotion with annual performance reviews that focus on achievement of objectives, project strategies, areas for improvement, optimization strategies and plans for the year ahead. Potential candidates are evaluated by a review committee based on their overall performance and competencies for the available positions.

Smithfield conducts mid-year performance reviews and annual performance evaluations for both exempt³⁷ and non-exempt employees through a four-step process: goal setting, mid-year review, year-end review, and rating calibration. Using real-time performance data found on Workday, the Company assesses the overall performance of its employees, creates customized development plans and facilitates smooth transitions for those taking on a new role. In 2024, internal promotion³⁸ to a senior management position accounted for 14.5% in the U.S.

Morliny Foods monitors the key performance indicators and progresses against the targets on daily basis on top of regular professional skill and competency assessments. In Poland, Morliny Foods conducts regular performance tracking and continuously optimizes its succession planning mechanisms, while evaluating and documenting the skills and leadership competencies of all management employees. During the reporting period in Poland, based on the company's actual operational conditions and the 360-degree performance appraisal results covering all management staff, Morliny Foods implemented and completed the "Future Leaders Program" career development initiative. In Romania, Spain, Slovakia, and Hungary, Morliny Foods employs a quantitative performance evaluation system with a four-step management process of goal setting, mid-year review, year-end review, and rating calibration, that is gradually expanded to cover all employees.



³⁷ Exempt employee: Exempt employee refer to employees who are paid a fixed weekly, biweekly, monthly, or annual salary, regardless of the number of hours they work for a fixed period of time or within a week or a month

³⁸ Promotion rate = promotions across all management levels/total number of managers

EMPOWERING EMPLOYEES (continued)

5.1.2 Equality and Inclusion

Workforce diversity can provide fresh perspectives to a Company to identify potential risks and achieve steady growth. WH Group is a firm believer in mutual respect in a workplace and is committed to protecting employee interests, and ensuring fair treatment to all employees regardless of their cultural background, gender, race, religion, nationality, or physical disability.

Shuanghui Development enforces the principles of fairness, diversity and inclusiveness in its hiring practices, and offers support to any potential candidates, including military veterans, individuals with disabilities, and female applicants. The Company offers positions to individuals with disabilities but having the capacity to work. Additionally, the Company also offers qualified military veterans with a fast-track hiring process. In line with the *Special Collective Contract for Female Employees*, Shuanghui Development ensures that the rights of all female employees are respected at the workplace. The Company also nurture and promote outstanding female employees to management roles across all levels, and provide special benefits such as maternity leave and childbirth allowances.

Smithfield considers diversity, culture, and engagement (DCE) an integral part of its business strategy and has set related goals³⁹, for which the progress are tracked. During the Reporting Period, Smithfield closely monitored the activities of its Employee Business Resource Groups (EBRGs)⁴⁰, including the newly established Asian Solidarity and Inclusion Alliance (ASIA). The Company has systematically implemented its Unity and Action initiative to strengthen connections and communication among employees from diverse cultural backgrounds. Smithfield celebrates Hispanic heritage cultural months and other events for Hispanic and other minority employees, while offering leadership development opportunities for women and minority employees through operational leadership programs. In 2024, various Employee Business Resource Groups (EBRGs) organized over 60 professional development and cultural awareness themed events. The Company remains committed to its mission of hiring 4,000 veterans in the U.S. by 2025. Last year, an additional 377 military veterans were hired, bringing the total exceeded 4,035, achieving the target one year ahead of schedule.

Morliny Foods adheres to legal regulations such as *Directive 2000/78/EC* on employment equality by implementing policies on employment and employee rights. The Company supports the employment and development of women and individuals with disabilities, while strictly prohibiting any form of direct or indirect discrimination in all business activities.

5.1.3 Employee Interests Protection

WH Group complies with the conventions of the International Labour Organization (ILO), the *Universal Declaration of Human Rights* (UDHR), and applicable laws in all the regions where we operate. We have established internal mechanisms and systems to protect employee rights and prevent any form of child and forced labor. We respect employees' rights to freedom of association and equal development, and continue to look after their well-being through various care initiatives. We also address employee rights-related issues at a board level to deliberate on the effectiveness of the protection measures.

³⁹ For Smithfield's diversity goals, please refer to the Smithfield Sustainability Impact Report

⁴⁰ Including the BPN (Black Professional Network), Women's Connect, Smithfield Next, Smithfield Salutes, PRISM (for the LGBTQ A+ and straight ally colleagues), LCS (Latinx Community of Smithfield/Comunidad de Latinx de Smithfield), and ASIA (Asian Solidarity and Inclusion Alliance)

EMPOWERING EMPLOYEES (continued)

In the U.S., Smithfield's Chief Ethics and Compliance Officer ensures compliance with labor management regulations. Each year, third-party audits are conducted at majority of Smithfield facilities based on the four pillars of the Sedex⁴¹ Members Ethical Trade Audit (SMETA): labor standards, health and safety, environment, and business ethics, to evaluate the Company's human rights policies and risks. The Company continues to improve its risk analysis program, and routinely identifies, analyzes, and addresses potential human rights risks in its operations.

Morliny Foods complies with the related human rights laws and regulations in all regions that it operates in, and regularly updates policies concerning employee rights (including contractors). In 2024, Morliny Foods conducted a social responsibility audit based on the four pillars of the Sedex Members Ethical Trade Audit, and used the results as a key reference to enhance employee rights management practices.

Case Study

Employee Rights Protection in Smithfield's Business Restructuring

In 2024, Smithfield, as part of its efforts to optimize its business structure and supply chain, closed a plant in Iowa and plans to close another in New Jersey in 2025. In this decision-making process, Smithfield fully considered the protection of employee rights and interests, and strictly adhered to the applicable laws and regulations, such as the Worker Adjustment and Retraining Notification (WARN) Act and relocation requirements. The Company's leadership, including the CEO and CFO, personally oversee the employee rights protection plan.

Smithfield's Human Resources and Legal departments jointly developed a comprehensive employee communication plan, relocation program, and schedule. Additionally, the Company actively participated in local workforce development programs, offering affected employees relocation packages that included financial compensation and retraining opportunities. The Company also assisted its employees in applying for other internal job vacancies to facilitate successful transitions. During the Reporting Period, the Company did not receive any ethics complaints or labor disputes related to the plant closure.

Anti-Child Labor and Forced Labor

WH Group adheres to global standards, such as the ILO conventions and UNGC, and local labor laws, including the *Labor Law of the People's Republic of China*, the *U.S. Fair Labor Standards Act (FLSA)*, and the *European Convention on Human Rights*. We explicitly prohibit the employment of individuals below the minimum legal working age in all locations that we operate in. We regularly review compliance reports from our subsidiaries regarding employment practices and encourage the use of digital tools to verify identity information during the employee onboarding process. Any irregularities found are promptly rectified, and measures are taken to mitigate related risks.

In the U.S., Smithfield's human rights management policies outlined in its *Code of Business Conduct and Ethics* explicitly prohibits individuals under the age of 18 from working at any facility, as outlined in its employee handbook. The Company also verifies candidates' ages prior to hiring through the E-Verify system⁴². In 2024, to further enhance the recruitment team's ability to address employment risks such as identity fraud and false information⁴³, Smithfield engaged external legal advisors to conduct mandatory compliance training for all human resources personnel.

⁴¹ Sedex: Supplier Ethical Data Exchange

⁴² The E-Verify system is an electronic verification platform operated by the United States Citizenship and Immigration Services (USCIS), a division of the Department of Homeland Security (DHS). It allows employers to compare the information on newly hired employees' I-9 forms with records from the Department of Homeland Security and the Social Security Administration (SSA) to confirm whether the employees are authorized to work legally in the U.S.

⁴³ For details, refer to Smithfield's public statements and policy documents: 1) Smithfield Foods Statement on Settlement with Minnesota Department of Labor and Industry; 2) English-Code-of-Business.pdf

EMPOWERING EMPLOYEES (continued)

In Europe, Morliny Foods established and updated the provisions in its *Code of Business Conduct and Ethics*, in compliance with local laws and regulations concerning leaves, working hours, employment, and the prohibition of child and forced labor. Morliny Foods actively supports youth protection by implementing employee age and background verification measures to ensure that the minimum working or employment age complies with local legal requirements.

Shuanghui Development deploys ID card readers to verify applicants information during the hiring process. The Company communicates its policies against child and forced labor to employees and potential candidates to ensure that all employees meet the legal age requirements.

Anti-harassment, Discrimination, and Violence

WH Group explicitly outlined in its *Corporate Principles* that any form of disrespectful or violent language or behavior in the workplace, and any form of harassment, intimidation, threats or psychological harm to others is strictly prohibited. We comply with applicable laws and regulations related to anti-harassment, discrimination, and violence in regions that we operate in. We have established and kept our employee grievance channels open to address and resolve any complaints in a timely manner.

Smithfield enforces its *Equal Employment Opportunity/Non-Discrimination Policy*, encouraging employees to report any instances of unfair treatment in the workplace to their superiors or the human resources department through channels such as the Speak Up platform, ethics hotline, or the internal dispute resolution procedures. Smithfield also reinforces its anti-discrimination and anti-harassment culture and behavioral standards through workplace posters and training programs. In 2024, Smithfield had an average case resolution time of 39 days.

Morliny Foods regularly informs all its employees and stakeholders about the Company's requirements concerning anti-discrimination, anti-retaliation, and human rights protection. Morliny Foods has established an internal investigation committee responsible for receiving reports and investigating violations of the Company's human rights policies. During investigations, Morliny Foods adheres to whistleblower protection agreements, ensuring the confidentiality of personal information and report details.

Shuanghui Development has implemented a supervision and public notice board for the Ten Red Lines in Personnel Management, providing open grievance channels and support through the audit center and human resources management hotlines. The Human Resources Department of Shuanghui Development regularly holds employee meetings at different levels to communicate and address employee concerns and expectations, ensuring timely and effective resolution of any feedback.

Freedom of Association and Collective Bargaining

WH Group respects employees' rights to freedom of association and collective bargaining. Employees in operational regions where conditions to set up a union are satisfied, are protected by collective bargaining agreements. We ensure employment is based on free will, ongoing improvements related to employee interests are communicated and delivered.

In North America, Smithfield's employees in union-eligible locations are protected by collective bargaining agreements. Smithfield encourages full-time, part-time, and temporary employees to raise any concerns and requests through channels such as email and grievance hotlines. With the Employee Advisory Council as the lead, Smithfield regularly conducts one-on-one meetings between management and employees, retention and exit interviews, labor-management meetings, and other communication activities. These efforts ensure the signing and implementation of employment contracts, and include regular evaluations of the effectiveness of the existing grievance mechanisms.

EMPOWERING EMPLOYEES (continued)

In Europe, Morlino Foods engages in discussions with employee representatives on collective bargaining agreements through communication channels such as employee representative meetings, which are customized based on the scale of each factory. The employee representatives, elected by employees, negotiate with the management on issues related to salaries and employee rights and are delegated to sign the collective bargaining agreements.

In plants where labor unions have not been established, the subsidiaries have established multiple channels such as email and whistleblower hotlines to promptly respond to and properly address employee rights-related appeals. Meanwhile, they conduct policy reviews through methods like employee engagement surveys to evaluate the effectiveness of employee communication mechanisms.



In 2024, the collective bargaining agreement coverage rates for Smithfield employees were **44%** in the U.S. and **68%** in Mexico. In regions where conditions to establish a union are unsatisfied, Smithfield provided third-party ethics hotlines and relevant procedures to address and resolve employee concerns related to salaries, working conditions, social security, and healthcare. The Company also conducts periodic employee engagement surveys to evaluate the effectiveness of its communication initiatives.

In China, Shuanghui Development established a company-wide union in accordance with the *Trade Union Law of the People's Republic of China*. Following the principle of localized management, independent regional unions were also set up in provinces such as Shandong, Liaoning, and Heilongjiang. These regional unions operate under the guidance of the company-wide union, but remain independent in their operations and management. The union in Shuanghui Development is tasked to ensure the protection of employees' rights to freedom of association, collective bargaining, and other related rights across different regions and job levels. In 2024, there were 322 constructive suggestions received from employees regarding company development and employee rights, leading to improvements in internal management. Shuanghui Development has established communication and grievance channels, including a whistleblower hotline, HR hotline, employee forums, and bulletin boards, to actively listen to employees' voices. In 2024, Shuanghui Development advanced the digitalization of its office systems and encouraged employees to provide suggestions through the online platform Huiyou Circle.

EMPOWERING EMPLOYEES (continued)

Case Study

Shuanghui Development 2024 Employee Representative Assembly

Shuanghui Development regularly holds employee representative assembly to feedback employee suggestions to the management. In 2024, the Shuanghui Development employee representative assembly set a discussion agenda focused on topics related to employee benefits and care, as well as human resource management. The management team responded to 50 proposals submitted by employee representatives and implemented them one by one. Union representatives signed collective agreements and wage negotiation agreements on behalf of all employees, achieving 100% coverage.

Proposals on 2024 Shuanghui Development Employee Representative Assembly (Excerpt)

General Assembly Proposals

Implementation by Shuanghui Development

Key Position Allowances	In accordance with the <i>Employee Compensation Management Regulations</i> , the scope and standards for key position allowances had been defined to ensure that employee income matches with their skills and technical capacity
Establishment of an Equipment Maintenance Team	To address potential equipment issues during production, additional software engineers had been appointed to ensure production safety and protect employee health
Planning for the 40th Anniversary Celebration	Preparations were underway for Shuanghui Development's 40th Anniversary Celebration. Based on proposals from employee representatives, the celebration will include cultural and sports activities for employees, as well as the distribution of event-related rewards

Employee Benefits

WH Group has implemented an employee welfare system that is tailored to accommodate local customs. In addition to the basic statutory welfare, we provide additional benefits to employees in the area of education support, employee health, and care for vulnerable groups and low-income employee families, to foster a sense of belonging.

Shuanghui Development provides holiday benefits to all employees, organizes health-related activities, such as health knowledge lectures and free medical consultations, and offers financial aid and essential supplies to employees in need. Shuanghui Development minimizes unnecessary overtime on a voluntary basis. If overtime is required, employees are compensated in accordance with local labor laws and regulations. In 2024, Shuanghui Development continued to pay attention to the growth of employees' children and encourages them to pursue higher education. For the 14th consecutive year, the Company offered the Golden Autumn Scholarship to 1,761 employees' children who have been admitted to university, distributing a total of \$615 thousand within the year, with a cumulative distribution of approximately USD 5.02 million.

EMPOWERING EMPLOYEES (continued)

Smithfield complies with local labor laws to provide appropriate pay to overtime work when needed, ensuring their interests are taken care of. In addition, Smithfield supports and assists female employees by establishing nursing rooms for breastfeeding employees and offering additional benefits such as childcare leave, paid maternity leave, and parental leave. Smithfield also introduced the Let's Be Healthy Together program, offered additional medical incentives for those who quit smoking and support for parents and those suffering from asthma, diabetes and other conditions.

Smithfield also developed and implemented policies to safeguard employees' mental well-being, conducted relevant surveys, and has taken corresponding measures based on the survey results. In 2024, Smithfield launched the Espyr Connect mobile application in the U.S. which provides articles help managing stress mental well-being assessments, and 24/7 mental well-being safety management services for all employees. Additionally, Smithfield continues to support the education of employees' children, awarding \$800 thousand in scholarships during the year, with a cumulative total of USD 9.7 million since 2002.

Morliny Foods remains committed to employees' health during work hours and ensures full-time employees receive benefits in accordance with the law, including disability insurance, retirement benefits, paid parental leave, healthcare, psychological counseling, and flexible work arrangements. Meanwhile, Morliny Foods has established policies regarding overtime, strictly controlling overtime hours, ensuring it is voluntary, and offering employees additional hourly rates, which vary based on local legal requirements.

5.2 Occupational Health and Safety

WH Group actively aligns with the *UN SDGs* particularly "Good Health and Well-being". We continuously improve our occupational health and safety assurance system in light of our stage of development and business characteristics. We regularly monitor and track safety management targets across all operational stages including farming, processing, transportation among others, with enhanced inspection efforts and risk prevention measures.



EMPOWERING EMPLOYEES (continued)

5.2.1 Safety Management System

Occupational Health and Safety Targets

Company Name	Shuanghui Development	Smithfield	Morliny Foods
Targets	<p>Shuanghui Development sets targets on work-related injuries and safety-related accidents:</p> <ul style="list-style-type: none"> Annual minor injury accident rate is less than or equal to 1.5%; Annual serious injury accident rate is less than or equal to 0.15%; No death fatality, no occupational disease, no major workplace safety accidents such as fire and ammonia leakage. 	<p>Smithfield and Morliny Foods have established a series of safety management goals with 2025 as an important milestone:</p> <ul style="list-style-type: none"> Score at least 90% on Smithfield Injury Prevention System (SIPS) audits at all U.S. locations; Obtain ISO 45001 Health and Safety certification at all facilities globally; maintain an incident rate below the global average⁴⁴; Increase safety engagement⁴⁵ to 65% or more of front-line employees globally. 	
Performance	<p>2024, Shuanghui Development achieved all set-targets:</p> <ul style="list-style-type: none"> No major workplace safety accidents or higher-level incidents occurred, with a minor injury rate of 0.28%. No occupational disease incidents occurred. 	<p>In 2024, Smithfield achieved its safety management goals:</p> <ul style="list-style-type: none"> The lowest incident rate reached 2.38, below the industry average. The injury prevention system audit score covering all employees and contractors at all operating locations has reached 92%. Global employee safety engagement has reached 72%. 	<p>In 2024, Morliny Foods achieved the following safety management goals:</p> <ul style="list-style-type: none"> 86% of facilities achieved a minimum incident rate⁴⁶ of 2.7. Occupational risk prevention training covered 100% of employees. Compared to 2023, the number of reported work injuries/medical leave cases decreased by 5%, and the total injury rate dropped by 10%.

⁴⁴ According to the latest report by the U.S. Bureau of Labor Statistics, the average incident rate in the food industry in 2024 is 3.6. Smithfield's lowest incident rate in 2024 is 2.38, which is below the industry average.

⁴⁵ Employee Participation: This includes employees actively contributing suggestions to improve safety management procedures and measures, participating in safety training (e.g., first aid/CPR, personal protective equipment trials), voluntarily joining safety inspections, and supporting the work of safety functional teams.

⁴⁶ The accident rate at Morliny Foods is provided by the Central Statistical Office of its operating location, representing the ratio of accidents per 1,000 employees in the food industry.

EMPOWERING EMPLOYEES (continued)

WH Group adheres to the applicable laws and regulations in countries where we operate. We continuously improve our occupational health and safety system, systematically promote occupational health and safety system certification in eligible business locations, and track the health and safety performance targets of our subsidiaries. WH Group's Board of Directors places great importance on the safety production system of its subsidiaries whose related performance indicators are enquired and reviewed.

In 2024, Our recorded work-related injury rate is 1.33 per 200,000 working hours. Data on deaths and occupational injuries for the past three years can be found in *Appendix 7: List of ESG data*. As of the end of the Reporting Period, 32 WH Group's meat processing facilities worldwide have achieved and maintained the ISO 45001 occupational health and safety certification.

To enhance risk identification and accident prevention capabilities, Smithfield established an hazard prevention system incorporating ISO 45001 occupational health and safety management standards. This system covers all employees, including contractors, and consolidates health and safety information into a centralized database. The database includes mechanisms for employee participation and communication, Hazard Identification and Risk Assessment (HIRA), emergency response, inspections, and audits, leveraging digital tools to improve injury prevention efforts. Smithfield also implemented an On Guard Alarm System, requiring all facilities to conduct safety risk assessments using hazard identification and risk evaluation procedures when establishing new production tasks, introducing new equipment, or adjusting schedules.

Smithfield's injury prevention system is regularly optimized and audited by the Company's global health and safety team, led by the Vice President of Risk Management and the Corporate Safety Director. The system's performance is linked to management remuneration. Smithfield has established a safety management structure composed of worker safety committees and safety professionals. In 2024, the Company adjusted and optimized the staffing and functions of its Environmental, Health, and Safety (EHS) department. As of the end of the Reporting Period, Smithfield has achieved ISO 45001 Certification for all its facilities and farms in the U.S. and Mexico and conducted an annual audit of its hazard prevention system.

Morlino Foods prioritizes employee health and safety in its business operations. The Company has established an occupational health and safety assurance system for all employees in accordance with ISO 45001 standards to ensure centralized management of potential occupational health and safety risks. Morlino Foods created a Health and Safety Committee consisting of experts that is tasked with overseeing occupational health and safety risks, providing recommendations on risk management and assessment, and reporting directly to the Company's CEO.

Shuanghui Development has set up a Safety Management Committee chaired by the President of the Company and Safety Production Leadership Teams led by general managers at each of its factories to coordinate and manage performance in safety and environmental protection. Shuanghui Development implements a top-down three-tier risk inspection system in accordance with internal safety management goals, conducts rigorous workplace safety checks, and organizes regular specialized inspections. In 2024, Shuanghui Development continued to conduct quarterly safety and environmental risk inspections, daily hazard assessments, and regular specialized inspections. These activities, along with hazard rectification and routine safety management, were integrated into employee and team performance evaluations.

EMPOWERING EMPLOYEES (continued)

5.2.2 Production Safety Management

As a protein production manufacturing company, the majority of our employees serve as front-line workers who regularly interact with animals and perform mechanical operations. We conduct our business operations following the principle of maximizing workplace safety. In North America, Europe, and China, we implement risk assessments and audits related to production safety, provide safety protective equipment tailored for designated tasks, and arrange health check-ups as part of the preventive measures to guard against potential occupational health and safety risks.

Smithfield has a Worker Health and Safety Committee and a Worker Safety Initiative Committee to implement on-going comprehensive health and safety measures across all facilities for all employees. Smithfield conducts risk assessments and audits on workplace factors such as noise exposure, lighting, and labor conditions during the course of production management. Smithfield continues to implement its Safety Participation Program, aiming for over 65% of frontline employees globally to actively engage in safety management by 2025, effectively enhancing employee safety awareness. As of the end of the Reporting Period, Smithfield's Safety Participation Program in the U.S. achieved a 72% participation rate.

Morliny Foods focuses on reducing workplace safety risks through a risk assessment team that identifies and evaluates potential safety hazards during production operations. Morliny Foods conducts monthly operational audits, equipment inspections, safety patrols, and employee behavior assessments to identify potential risk categories, evaluate the likelihood and severity of employee injuries, and document findings in safety assessment records. These conclusions are promptly incorporated into work guidelines to eliminate the root causes of accidents.

Shuanghui Development implements health and safety management procedures in daily operations, periodically upgrades facilities and protective equipment, and conducts equipment safety risk identification to continuously improve employee working conditions. In addition, Shuanghui Development also focuses on fire prevention and ammonia leakage mitigation in production workshops, in line with safety requirements for labor-intensive workplaces. For positions exposed to occupational health hazards, Shuanghui Development implements tailored health and safety control procedures and conducts occupational health monitoring for employees in roles prone to occupational diseases. In its farming operations, the Company implements targeted management measures based on industry characteristics, reducing the risk of disease transmission from vector-borne pathogens in roles frequently interacting with animals, such as poultry and agricultural positions.

Case Study

Shuanghui Development's renovation of working environments and facilities at three factories

Shuanghui Development completed work environment and facility upgrades at three factories: Luohe Meat Products Plant No. 4, Baoquanling Shuanghui, and Wuhan Shuanghui. As of the end of the Reporting Period, the total investment had exceeded one million US dollars, significantly enhancing the safety standards of key workplace facilities.

Safety and Health Training

WH Group places great emphasis on cultivating and enhancing employee safety awareness. We continuously enhance our emergency drills and safety training programs. By combining theoretical knowledge with practical exercises, we effectively improve our employees' risk prevention awareness, self-rescue capabilities, and emergency response skills, thereby minimizing the occurrence or severity of safety incidents and maintaining a safer and more reliable and comfortable working environment.

Shuanghui Development conducts training and emergency drills for all employees, including contractors. In 2024, Shuanghui Development conducted quarterly safety risk inspections and organized employee participation in activities such as emergency first-response training, health seminars, and fire drills, promoting safety-related cultural awareness and enhancing employees' emergency response and first aid knowledge. By the end of the Reporting Period, Shuanghui Development had conducted a total of 2,372 safety training sessions and emergency drills, with a total of 244 thousand participants cumulatively.

Smithfield established policies and standards related to factory and farm operations safety, which include safety procedures for manure removal, barn safety regulations, pit pumping, pit barn signage identification, and pre-inspection checklists. Additionally, standard operating procedures for grain preparation⁴⁷ are issued to the farms. Smithfield also provides safety training related to production and processing for all factory and farm employees, including contractors, through a combination of online and offline methods. This training also includes non-production topics such as first aid, Cardiopulmonary Resuscitation (CPR), and safety drills. During the Reporting Period, Smithfield conducted nearly 320 safety drills across the U.S. and Mexico.

Morliny Foods incorporates safety training as part of its occupational health and safety management system. The Company regularly updates emergency response plans and ensures 100% of employees are covered by training and prevention drills. In Poland and Spain, Morliny Foods pro-actively reached out to firefighting and medical institutions to conduct at least one emergency drill annually for all shifts. These drills focus on safety measures, incident communication, evacuation processes, and the use of firefighting equipment. Observers are designated to monitor and supervise the drills. In Romania, Morliny Foods develops an annual health and safety training plan. The Company ensures that all employees, including contractors, are informed about safety risks and corresponding protective measures through written training materials, emails, and job guidance documents.

5.2.3 Safety Management of Contractors

WH Group considers contractors⁴⁸ a vital component in ensuring stable operations. The Company establishes specific standards and requirements for various processes across its operations to maximize workplace safety. These standards serve as guidelines for contractors as well, extending health and safety protections to include them.

Smithfield requires contractors to strictly follow the *Environmental Health & Safety Policies* which is made public, in daily production and operations and has established unified performance indicators including Total Incident Frequency Rate⁴⁹, Days Away from Work Injury and Illness⁵⁰, and Days Away, Restricted, and Transferred⁵¹, while also regularly monitoring the implementation of these indicators. Meanwhile, Smithfield continuously inspects the production and operational compliance of contractors, regularly reviews their operational behavior through management procedures, and continuously optimizes Hazard Identification and Risk Assessment plans to analyze, evaluate, and reduce potential safety risks in the workplace. In 2024, in the U.S., Smithfield conducted 20 third-party audits for contractors. There was one fatal incident involving a contractor during working hours, caused by a third party⁵².

⁴⁷ Standard Operating Procedures for Grain Preparation: Establishing regulations to ensure factories and farms under its management implement dust control measures during grain handling and preparation processes.

⁴⁸ Smithfield and Morliny Foods will engage contractors in the following situations: when specialized skills not available within the Company are required, for time-limited one-time projects, to manage workload fluctuations, address seasonal peaks, or bridge temporary employment gaps. Shuanghui Development does not directly employ contractors. During the management process, the Shuanghui Development's contracting units and external personnel who have been strictly managed could be seen as contractors.

⁴⁹ Total Incident Frequency Rate (TIFR)

⁵⁰ Days Away from Work Injury and Illness (DAFWII)

⁵¹ Days Away, Restricted, Transferred (DART)

⁵² The incident occurred when a contractor security guard was struck and killed by a non-Smithfield truck driver in a parking lot owned by Smithfield.

EMPOWERING EMPLOYEES (continued)

Morliny Foods requires contractors to comply with the Company's Health and Safety Policy while also implementing mechanisms to mitigate safety risks. In addition to routine inspections of contractors' safety management practices, the Company incorporates their performance into its occupational health and safety training programs. During the Reporting Period, Morliny Foods did not have any work-related fatalities involving contractors.

In China, Shuanghui Development mandates that all contractors adhere to the workplace safety regulations outlined in the *External Personnel (Unit) Safety Management Agreement Template*. The operation safety of construction and other contractors, is collectively coordinated and managed. Safety protective equipment is distributed, and corrective actions are urged for identified hazard risks and safety hazards. During the Reporting Period, Shuanghui Development did not have any work-related fatalities involving contractors.

5.3 Training and Development

WH Group considers employee potential maximization as one of the key metrics for evaluating the effectiveness of its human resource system. We actively support employees in planning their personal development and provide tailored career development and training programs for production, management, technical, and administrative staff. These initiatives aim to enhance our employees' skills, expertise, and leadership capabilities, foster a culture of self-learning, and build a pipeline of high-caliber talent.



5.3.1 Employee Communication

WH Group firmly believes that fostering positive communication between employees and the Company is one of the core elements for achieving sustainable development.

Following local practices at our operational sites, we have established multiple communication channels to actively listen to employees, gather constructive feedback, as means for continuous improvement of corporate management. During the Reporting Period, Shuanghui Development conducted surveys to collect employee feedback and suggestions for improvement. Smithfield regularly gathered employee input, achieving a 61% response rate in employee surveys in the U.S. Morliny Foods set and implemented a performance target of a 70% participation rate in employee surveys, with Poland achieving an actual participation rate of 89% in Poland.

To measure employee comfort and well-being in the workplace, Smithfield continuously organizes employee engagement programs and employee satisfaction surveys, and makes improvements based on the survey results. Smithfield's HR team also regularly evaluates the effectiveness of these improvement measures.

EMPOWERING EMPLOYEES (continued)

Shuanghui Development has established internal communication channels such as a whistleblowing hotline and an HR hotline. It also regularly organizes employee forums and workers' congresses to involve employees in the Company's management processes. In 2024, each Shuanghui Development factory held at least one employee forum per month, with randomly selected employees, who were encouraged to share thoughts on a variety of subjects, for instance, daily operations, employee interest, and benefits. Factories tracked the implementation of actions agreed at the forums.



Morliny Foods has diversified communication channels and mechanisms, and regularly conducts satisfaction surveys. Morliny Foods holds regular team meetings and cross-functional department meetings. It also uses periodic opinion surveys to promptly communicate updates on the Company's status, development direction, and plan changes. In Spain, Morliny Foods has established two-way communication channels, including email and the HR management portal. In Poland, Morliny Foods has conducted employee satisfaction surveys during the Reporting Period, making improvements based on feedback regarding employee working hours and other aspects. In Romania, a biannual internal magazine is edited, including business topics, future plans for the company, messages from top management, and also interviews with employees. Also, employee representatives take an important role in management — employee communication.

5.3.2 Employee Training

WH Group invests in the long-term development of outstanding performers across its various business segments. We employ talent development systems and develop career plans that tailored for employees at different levels and roles, taking into account the cultural and operational differences across our global locations. We enhance employees' job skills and business literacy through differentiated course offerings, while support employees in management positions to improve their competence and leadership abilities. All these efforts help the Group meet the future-oriented development and upgrading needs.



Shuanghui Development continues to implement the established three-level training management system and promotes the three-year development objective — “upgrading the Integrated Training Center (ITC) to a corporate university by 2026”. This effort is focused on establishing a comprehensive training system that includes a leadership development center, professional development center, and teaching and research operations center. In 2024, Shuanghui Development launched the Shuanghui E-Learning Academy, a digital learning platform designed to support the development of an elite talent team. In addition, Shuanghui Development implemented a college student training program and internal trainer management, providing employees with the professional skills and qualifications required for their positions, as well as offering leadership innovation training and position-specific skills training programs for the management of the marketing and production systems, as well as specialized talent.

EMPOWERING EMPLOYEES (continued)

Highlights of Shuanghui Development Training in 2024

Job and Business Training

- Conducted training for business personnel in divisions, focusing on store operations, channel development, terminal management, and distributor management.
- Conducted training for new internal trainers and launch an internal trainer competition campaign to continuously strengthen the Company's teaching resources.

Leadership and Development Training

- Provided training for mid- to senior-level management, covering topics such as strategic management, role awareness, team management, and effective communication.
- Focused on role positioning, efficient communication, team building, and management, completed training for operational management teams of production-based project companies, main workshop directors, and outstanding team leaders, as well as other grassroots production cadres.
- Organized a 10-day onboarding training and phased recap sessions for 2024 management trainees to help them quickly adapt to the corporate environment.

Smithfield develops employee training and skill development goals based on a biennial requirement assessment, considering the required competencies for each role and employee level. Progress toward these goals is regularly tracked. Smithfield prepares annual training plans, offering courses to both exempt and non-exempt employees. The Company also supports degree programs related to its business, encouraging employee education by reimbursing 70% to 90% of tuition and registration fees based on academic performance. In 2024, in the U.S., Smithfield disbursed a total of USD 4 million in tuition and registration fee, benefiting over 1,000 program participants. Additionally, Smithfield empowers management personnel through programs such as the Operations Leadership Program and the Emerging Leaders Program. In 2024, a total of 192 employees in the U.S. received related training.

Smithfield (U.S.) 2024 Leadership Development Training Programs

Operations Leadership Program (OLP)

The Operations Leadership Program empowers operational leaders at the production supervisor level and beyond. Participants undergo an intensive, three-month development program aimed at enhancing their leadership and job competency.

Since the program's inception in 2020 through the end of the Reporting Period, nearly 150 graduates had completed the program, with a retention rate of 80% and a promotion rate of 45%.

Emerging Leaders Program (ELP)

The Emerging Leaders Program enhances management personnel's soft skills, including communication and emotional intelligence.

As of the end of the Reporting Period, the program had achieved a member retention rate of 90% and a promotion rate approaching 47%.

EMPOWERING EMPLOYEES (continued)

Morliny Foods emphasizes employee development by organizing training programs for all employees and linking training participation and completion to performance evaluations. Morliny Foods implements tailored training programs based on the growth and development needs of employees across different roles and levels in its European operations, providing multifaceted support to empower employee development.

Highlights of Morliny Foods' 2024 Training Programs

Poland	Morliny Foods selected internal trainers for skill development and designed training programs specifically for critical roles, while collaborating with external organizations to conduct leadership development training initiatives.
Slovakia and Hungary	Morliny Foods focused on enhancing the professional competencies of general employees in fields such as electrical and mechanical systems, machinery and equipment mechanics, chemical operations, as well as nutrition, health protection, and food assessment.
Spain	Morliny Foods has launched the Conforcat training program, which covers topics such as quality, sustainable use of natural resources, health and safety risk prevention, equality, and professional ethics. The program aimed at improving the technical skills and professional standards of general employees and managerial staff.
Romania	In 2024, Morliny Foods COMTIM Romania introduced its first pilot training program for maintenance teams employees, combining theoretical and practical learning to enhance the expertise of technical staff. Employees were evaluated after completing each module, and the results were used to identify roles that better align with their skills.



CO-BUILDING
OUR
COMMUNITY

CO-BUILDING OUR COMMUNITY (continued)

Corporate Principles

UN Sustainable Development Goals

Giving back to society alongside our business development is part of who we are. WH Group is concerned about the phenomenon that food waste and starvation co-exist in today's society, for which we take actions where we can to reduce waste and offer donations. We believe that equity in education fosters a positive drive for good, therefore, we help individuals gain access to educational resources. We encourage and deliver voluntary services for social welfare contributing to a vibrant and prosperous community.

- Hunger eradication
- Donation and relief
- Education promotion



WH Group is committed to giving back to society as an integral part of its business ethos and a statement of who we are. Recognizing the unique characteristics of the food production and processing industry that we are in, WH Group takes part in multiple initiatives to eradicate hunger and enhance social welfare. Meanwhile, we also respond to the education and development needs of the community by promoting equality in education, participating in public donation drives and volunteer efforts, and empowering the community to thrive and flourish.

During the Reporting Period, WH Group's public welfare and charity donation amounted to USD 35.68⁵³ million, and the cumulative hours of employee volunteer service exceeded 17,300 hours.



⁵³ The amount of investment in public welfare and charity in this report covers cash and in-kind contributions made externally, with the value of in-kind contributions being calculated based on factors such as the quantity donated.

CO-BUILDING OUR COMMUNITY (continued)

6.1 Hunger Eradication

WH Group firmly believes that its responsibility extends beyond producing high-quality food — it is also reflected in its broader corporate actions. Leveraging the unique attributes of the food production and processing industry, we consistently implement food donation programs within our operational capacity to support vulnerable communities in overcoming food shortages.

In the U.S., Smithfield regards hunger eradication as one of the key areas of corporate philanthropy. We have set a goal of donating a total of 200 million servings of protein through the Helping Hungry Homes® relief program by 2025 to ensure accessibility to nutritious food for those in need. Through its hunger relief programs, Smithfield and Morliny Foods have donated more than 184 million protein servings to food banks in the U.S. and Europe to support local hunger relief programs and social activities.

In Mexico, Smithfield Granjas Carroll de Mexico Foundation (GCM Foundation) consistently carries out food donation programs to improve local food security index⁵⁴ and support the achievement of Mexico's good health and well-being goals. In 2024, Smithfield donated approximately 110,000 pounds of pork to multiple communities and provided over 8,700 food packages to more than 700 families in need.

Morliny Foods has set food donation targets in various regions across Europe. This includes donating over 100,000 protein portions annually through the Food for Souls program in Romania, and supporting more than five local communities in eliminating hunger. Adhering to the concept of being a “Good Neighbor”, Morliny Foods formulates donation policies and collaborates with food banks and non-governmental organizations (NGOs). Through food assistance, emergency relief, and sponsorships, Morliny Foods alleviates hunger issues in local communities and contributes to food security. In 2024, Morliny Foods partnered with food banks to donate 242 tons of food to needy groups in Poland, Spain, and Romania.

In China, Shuanghui Development supports the growth of the local communities where it operates in. In the event of natural disasters, it offers donation of essential aids and provisions of foods through efficient production.

WH Group Subsidiaries' Hunger Eradication Initiatives

Assistance to Vulnerable Groups

Actively collaborate with food banks and non-commercial organizations in the surrounding communities to provide assistance within our capacity to vulnerable groups in need of food aid.

- In the U.S., Smithfield partnered with the North Carolina Community Council to organize food donation and distribution events, donating USD 5 million worth of food to vulnerable groups in surrounding communities.
- In Mexico, the GCM Foundation provided relief to six communities through its food donation program to the benefit of 7,290 households.
- In Europe, 242 tons of food were donated to food banks in Poland, Romania and Spain to help alleviate hunger among vulnerable groups in the local communities.

Community Food Support

Provide food support for celebrations, sports events, and disaster relief efforts in local communities to foster friendly and mutually beneficial relationships.

- In the U.S., during Hunger Action Month, a total of 32 thousand pounds of food and additional protein products were donated, and employees were encouraged to participate in the fight against hunger.
- In Europe, more than 27 tons of food were donated to over 15 locations in Poland that are affected by flooding, offering relief to residents in disaster-stricken areas.

⁵⁴ Food Security Index = (The number of people who have access to sufficient food/Total population)*100

6.2 Education Promotion

We share the conviction that quality education for future generations is the foundation for building a civil society, and act to bring about positive changes to the countries and regions where we operate. WH Group provides educational support for students, not only funding but also encouragement for the next generation through scholarships and educational grants to promote balanced development of education in different regions for young people from different backgrounds.

WH Group Subsidiaries' Education Program Goals

Smithfield	Morliny Foods	Shuanghui Development
Continue to broaden our Future Leaders and Smithfield Foods Scholarship Programs	Expand community investment to enhance participatory engagement and foster deeper integration between communities and education	Sustain educational support and public welfare initiatives to improve the quality of education for future generations

Smithfield believes education can foster a positive drive for good and is committed to providing educational support for students and rewarding them for excellent academic performance. In addition, the Company enhances community education quality through resource allocation, infrastructure upgrades, and learning environment cultivation, driving technological and economic progress.

In Europe, Morliny Foods regards education as a cornerstone of community development efforts. The Company actively understands the needs of the communities and stakeholders. Through strategic community investments, Morliny Foods supports educational initiatives, strengthens participatory engagement, and advances medium-to-long-term strategies for education-community integration.



In China, Shuanghui Development focuses on nurturing the future generations through sustained investments in education. The Company promotes equitable access to high-quality preschool education by funding philanthropic programs and teacher training initiatives that empower educational development.



CO-BUILDING OUR COMMUNITY (continued)

WH Group Subsidiaries' Education Programs

Student Support and Incentives

Provide support and incentives to students in the form of scholarships to promote talent development.

- In Romania, approximately 15 students each year receive sponsorships with internship opportunities provided. In Poland, the Zygmunt Piwonski Foundation distributes over 370 scholarships to students across different age groups, amounting to a total of \$214 thousand.

Academic Exchange Promotion

Promote academic exchanges to facilitate the sharing of educational resources and enhance the professional competencies of young individuals.

- In Europe, we collaborate with local universities to create academic programs that support young people with practical skills and career experiences while supporting employee development. Meanwhile, Scientific Programs are implemented to promote exchange in the fields of food science and sustainable development to enhance the knowledge and professional skills of young people.

Community Education Enhancement

Make educational investments and donations to improve local educational conditions, while providing appropriate employment opportunities for local communities.

- In the U.S., monetary and resource donations are made to schools and educational programs. In 2024, \$200 thousand was donated to An Achievable Dream, a nonprofit youth educational program to help empower future leaders.
- In Mexico, investment was made in the renovation of the educational centers in Tabasco, while teaching materials like projectors were donated to schools in Puebla and Veracruz to upgrade educational infrastructure. Additionally, job opportunities were provided to neighboring communities with employee training programs enhancing skill application.
- In Europe, the Adopt a School Program in Romania and various activities in the other countries, were launched in collaboration with local governments to provide infrastructure support for schools and improve local teaching conditions.



Smithfield (U.S.) Student Support Initiative

In the U.S., Smithfield has created a wide range of support programs to assist the education and development of students. In 2024, Smithfield continued to collaborate with the North Carolina Business Committee for Education's Southeast Education and Economic Development (SEED) apprenticeship program. Smithfield also donated \$250 thousand to the University of Mount Olive to set up a scholarship program for students pursuing a degree in the field of agriculture, engineering, operations or supply chain.



Morliny Foods Student Competition Collaborations

In Europe, Morliny Foods promotes a variety of educational support and exchange activities to help nurture more professional individuals. In 2024, Morliny Foods co-organized the Food Law Student Competition with the Butchers' Association and deepened cooperation with the Slovak University of Agriculture in advanced professional activities. By organizing competitions on meat processing research, the Company offers further support to local educational development efforts.

6.3 Donations and Disaster Relief

WH Group is committed to addressing the needs of the communities where it operates, providing support and assistance for the development of local communities and encouraging employees to actively participate in relief efforts.

In the U.S., Smithfield identifies community vitality as one of the three key areas for corporate philanthropic donations. By following the *Smithfield Charitable Donation Guidelines* in its public welfare activities and donation programs, the Company is able to achieve its mid-term community investment goals. A dedicated team led by the Vice President of Community Development manages these efforts, while the 2024 establishment of the Community Compass Committee — composed of employee volunteer representatives — ensures effective implementation of community development initiatives.



Smithfield's Mid-term Community Investment Goals

In the U.S., Smithfield continues community needs assessments and launches a new Impact Grant Program to identify strategic investment opportunities in local communities.

In Mexico, the GCM Foundation initiated the Job Creation and Income Improvement social program and set a development goal in 2024 to increase the number of people served by the community initiatives by 5% annually. GCM Foundation invested in 23 social projects in 2024, aiding 4 schools and over 2,000 families across 39 communities while enhancing Smithfield's support for vulnerable groups near operational sites, fostering community economic growth and generating positive social impacts.

In Europe, Morliny Foods maintains ESG and Public Relations teams at each operational site to coordinate community development support efforts. The Company established transparent, long-term communication mechanisms with local residents, governments, and non-governmental organizations. Morliny Foods prioritizes recruitment from local communities and establishes partnerships with local suppliers and businesses to support the development of the local economy.

In China, Shuanghui Development consistently organizes volunteer services and philanthropic activities, including annual urban clean-up campaigns, community support for the elderly and disabled, and charitable donations. Employees join hands to provide assistance to those in need through these continuous efforts.

CO-BUILDING OUR COMMUNITY (continued)

WH Group Subsidiaries' Donations and Disaster Relief Initiatives

Supporting Vulnerable Groups and Special Populations

Focus on minority groups, children, and vulnerable populations facing long-term food security challenges, while providing charitable assistance.

- In the U.S., \$500 thousand to Feed the Children North Carolina to fund SUN Bucks, a new USDA program that addresses food insecurity among children and families during the summer months when schools are out of session in 2024.
 - In the U.S., the Helping Our Heroes program continued to focus on hiring initiatives, career development, and strengthening community support systems for military veterans and their families.
 - In Mexico, the Mujeres con Valor Agregado offers tailored training and guidance to female entrepreneurs, supporting them in achieving economic independence, improving livelihoods, and enhancing social status.
 - In Europe, the Becas Taller Argal project has provided over \$100,000 in funding to improve the quality of life for senior citizens in the local communities. Donate approximately \$160,000 through the "Solidarity with the Medical System" program to renovate local children's hospitals.
-

Boosting Community Economic Development

Address the needs of communities at operating locations and stimulate local economic developments through collaborative projects.

- In the U.S., the strategic procurement team prioritizes collaboration with local suppliers to foster economic growth in the communities by supporting local businesses. Additionally, employees serve on various nonprofit and community boards to stay informed of local needs and strengthen the connection with the community.
 - In Mexico, technical assistance, business development training, and mentorship programs are provided to communities and entrepreneurs to enhance their professional competencies and competitiveness, while creating job opportunities.
 - In Europe, job opportunities are offered to communities at operating locations, with priority given to the locals during the hiring process. In addition, collaborations with local farmers, suppliers, and businesses help to drive regional economic development.
-

Providing Voluntary Services

Encourage employees to participate in volunteer efforts to give back to local communities.

- In the U.S., over 300 community service events were held in operating areas, and contributed nearly 4,000 hours of service.
 - In Mexico, employees are encouraged to engage in skills-based volunteer activities, providing professional expertise to local organizations, donating to specific community activities with urgent needs, and participating in reforestation efforts.
 - In Europe, the "Comtim Romania Friend" Program was launched to encourage employees to participate in volunteer services, with the cumulative volunteer hours exceeding 700 in 2024.
 - In China, employees participated in 11 events for city cleaning, snow removal, and ice removal activities in Luohe, with 372 volunteers contributing a total of 576 hours of service.
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CO-BUILDING OUR COMMUNITY (continued)



Smithfield (Mexico) Community Development Program

In Mexico, Smithfield offers extensive training programs covering mushroom cultivation, backyard farming, poultry raising, leather tanning, and organic fertilizer production, to increase local agricultural productivity and support entrepreneurship to improve livelihoods.

In addition, Smithfield actively participates in the preservation of local traditional culture and donates funds and meat products during festive occasions to foster good relationships with the local community.



Shuanghui Development Charitable Donations

In China, Shuanghui Development donated approximately \$46,000 through the Caring for Courageous Acts and One Day Charity Donation programs to support acts of bravery and public welfare activities, spreading warmth and compassion. In addition, in 2024, Shuanghui Development donated \$25 thousand to the Luohe City Charity Federation, bringing the total cumulative donation to approximately \$71 thousand, to help vulnerable groups overcome the challenges they face in life.



One Day Charity Donation of Shuanghui Development

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements. It includes statements regarding our outlook for the future and other statements regarding our beliefs, plans for the future and strategies or anticipated events and relevant statements. Our forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ from any of those described in forward-looking statements.

These risks and uncertainties include, but are not limited to, fluctuations in the prices of raw and auxiliary materials, changes in laws, regulations and policies, changes in the economic environment, competitive market uncertainties, uncertainty about extreme natural events and other risks and uncertainties disclosed in Periodic reports of WH Group.

The forward-looking statements made in this report speak only as of the date the statements are made and are based on current expectations, assumptions, estimates and projections. WH Group undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date on which the relevant statements are made or to reflect the occurrence of unanticipated events, except as required by applicable law. For more comprehensive information about our financial results and operations, including the risks that could adversely affect our results of operations and financial condition, please refer to our annual report and announcements posted on our official website and the website of HKEx.

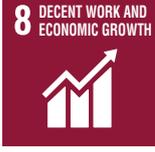
APPENDIX 1: CONTRIBUTIONS TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs)

WH Group Corporate Principles	UN SDGs	
<p>Business Integrity</p> <p>WH Group follows the founding principle of “integrity and honesty”, demonstrating a steadfast dedication to ethical business practices, transparency, and accountability, while addressing stakeholder concerns.</p> <ul style="list-style-type: none"> • Compliance • Anti-corruption and anti-bribery • Whistleblowers mechanism 		<ul style="list-style-type: none"> • Promote peaceful and inclusive societies for sustainable development
<p>Climate Change and Environment</p> <p>WH Group supports the <i>Paris Agreement's</i> initiatives to combat global climate change, delivering carbon emissions reduction across all of our subsidiaries in our quest to achieve the target of zero emission.</p> <ul style="list-style-type: none"> • Environmental management system • Climate change • Biodiversity and resources management • Energy and emissions management 		<ul style="list-style-type: none"> • End hunger, achieve food security and improved nutrition and promote sustainable agriculture
		<ul style="list-style-type: none"> • Ensure access to affordable, reliable, sustainable and modern energy
		<ul style="list-style-type: none"> • Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation
		<ul style="list-style-type: none"> • Take urgent action to combat climate change and its impacts
		<ul style="list-style-type: none"> • Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

APPENDIX 1: CONTRIBUTIONS TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs) (continued)

WH Group Corporate Principles	UN SDGs
<p>Food Safety and Nutrition</p> <p>We recognize that consumers prioritize safety, quality and nutrition when choosing food products. Therefore, we maintain rigorous oversight and continually invest in all aspects of our operations and productions processes. Our approach includes incorporating material safety features and priorities at each stage, effective and high-standard management measures have been formed, focusing on issue identification, prevention and correction capability. We require all our subsidiaries to strive for our goal of zero incidents and zero recalls.</p> <ul style="list-style-type: none"> • Quality assurance system • Supplying and testing standards • Nutrition R&D • Additives management • Alternative protein • Employee training 	<div data-bbox="810 405 970 562"> </div> <ul style="list-style-type: none"> • Ensure healthy lives and promote wellbeing for all at all ages <hr/> <div data-bbox="810 595 970 748"> </div> <ul style="list-style-type: none"> • Ensure sustainable consumption and production patterns
<p>Sustainable Supply Chain</p> <p>We are committed to building a sustainable supply chain and delivering positive impact, from sourcing livestock and raw materials to working downstream with distributors and retailers to provide consumers with high-quality, nutritious protein choices.</p> <p>Our suppliers have joined us in ensuring the safety and quality of our end products by meeting the procurement standards of WH Group and its subsidiaries. They are further encouraged to take initiatives in environmental conservation, labour standards, employee safety and animal welfare outlined in our Supplier Code of Conduct.</p> <ul style="list-style-type: none"> • Sustaining traceability • Suppliers' quality assurance • Supplier code of conduct 	<div data-bbox="810 1149 970 1305"> </div> <ul style="list-style-type: none"> • End hunger, achieve food security and improved nutrition and promote sustainable agriculture <hr/> <div data-bbox="810 1339 970 1496"> </div> <ul style="list-style-type: none"> • Make cities and human settlements inclusive, safe, resilient and sustainable <hr/> <div data-bbox="810 1529 970 1686"> </div> <ul style="list-style-type: none"> • Ensure sustainable consumption and production patterns <hr/> <div data-bbox="810 1720 970 1872"> </div> <ul style="list-style-type: none"> • Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

APPENDIX 1: CONTRIBUTIONS TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs) (continued)

WH Group Corporate Principles	UN SDGs	
<p>Animal Welfare and Care</p> <p>The Group takes pride in establishing best practices and setting an example to make animal welfare a standard practice within the industry. We actively seek opportunities to create a positive impact and collaborate with stakeholders to champion and advance the development of animal welfare standards.</p> <ul style="list-style-type: none"> Animal welfare principles Responsible use of antibiotics Implementation and review 		<ul style="list-style-type: none"> Ensure availability and sustainable management of water and sanitation for all
		<ul style="list-style-type: none"> Ensure sustainable consumption and production patterns
<p>Labour Standards and Employee Rights</p> <p>We value respectful relationships and encourage enterprising work ethics; we nurture an inclusive culture and provide a safe work place. Guided by the principles of the <i>United Nations Sustainable Development Goals (UNSDGs)</i> and the <i>United Nations Global Compact (UNGC)</i>, we respect and protect individual rights within our operations and across our value chain, supported by a fair and efficient human resources system.</p> <ul style="list-style-type: none"> Employee rights and development A culture of mutual respect Labour standards 		<ul style="list-style-type: none"> Ensure healthy lives and promote wellbeing for all at all ages
		<ul style="list-style-type: none"> Achieve gender equality and empower all women and girls
		<ul style="list-style-type: none"> Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
		<ul style="list-style-type: none"> Reduce inequality within and among countries

APPENDIX 1: CONTRIBUTIONS TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs) (continued)

WH Group Corporate Principles	UN SDGs
<p>Work Environment and Safety</p> <p>Most of our employees work on production lines, where they regularly interact with livestock and poultry, and some of them operate machines. As a result, employee occupational health and safety has always been of utmost importance to the management team. We focus on enhancing preventive measures to reduce accidents, aiming to maintain a safer and more comfortable work environment.</p> <ul style="list-style-type: none"> • Management systems and targets • Workplace safety and occupational health • Emergency response and drills 	<div style="display: flex; align-items: flex-start;"> <div style="margin-right: 20px;">  </div> <ul style="list-style-type: none"> • Reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination </div> <hr/> <div style="display: flex; align-items: flex-start;"> <div style="margin-right: 20px;">  </div> <ul style="list-style-type: none"> • Achieve access to adequate and equitable sanitation and hygiene for all </div>
<p>Community Engagement</p> <p>Attaching great importance to the needs and well-being of local communities, we actively engage in public welfare and charity activities and make efforts to contribute to hunger eradication and education promotion, to build a warm and mutually supportive social atmosphere with the community.</p> <ul style="list-style-type: none"> • Hunger eradication • Donation and relief • Education promotion 	<div style="display: flex; align-items: flex-start;"> <div style="margin-right: 20px;">  </div> <ul style="list-style-type: none"> • End poverty in all its forms everywhere </div> <hr/> <div style="display: flex; align-items: flex-start;"> <div style="margin-right: 20px;">  </div> <ul style="list-style-type: none"> • End hunger, achieve food security and improved nutrition and promote sustainable agriculture </div> <hr/> <div style="display: flex; align-items: flex-start;"> <div style="margin-right: 20px;">  </div> <ul style="list-style-type: none"> • Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. </div> <hr/> <div style="display: flex; align-items: flex-start;"> <div style="margin-right: 20px;">  </div> <ul style="list-style-type: none"> • Make cities and human settlements inclusive, safe, resilient and sustainable </div>

APPENDIX 2: MAJOR APPLICABLE LAWS AND REGULATIONS

China

The Rules Governing the Listing of Securities of the Stock Exchange of Hong Kong Limited

Anti-unfair Competition Law of the People's Republic of China

Anti-Monopoly Law of the People's Republic of China

Civil Code of the People's Republic of China

Criminal Law of the People's Republic of China

Anti-Money Laundering Law of the People's Republic of China

Interim Provisions on the Prohibition of Commercial Bribery

Law of the People's Republic of China on Network Security

Measures for the Administration of Internet Information Services

Law of the People's Republic of China on the Protection of Consumer Rights and Interests

Food Safety Law of the People's Republic of China

Animal Epidemic Prevention Law of the People's Republic of China

Advertising Law of the People's Republic of China

Consumer Protection Law of the People's Republic of China

Cybersecurity Law of the People's Republic of China

Water Pollution Control Law of the People's Republic of China

Air Pollution Prevention and Control Law of the People's Republic of China

Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution

Water Law of the People's Republic of China

Energy Conservation Law of the People's Republic of China

Environmental Protection Law of the People's Republic of China

Environmental Protection Tax Law of the People's Republic of China

Biosafety Law of the People's Republic of China

Ministry of Agriculture and Rural Affairs Document No.194

Labor Law of the People's Republic of China

Labor Contract Law of the People's Republic of China

Trade Union Law of the People's Republic of China

Safety Production Law of the People's Republic of China

Regulations on Work Injury of the People's Republic of China

Prevention and Control of Occupation Diseases Law of the People's Republic of China

E-commerce Law of the People's Republic of China

APPENDIX 2: MAJOR APPLICABLE LAWS AND REGULATIONS (continued)

North America and Europe

Federal Food, Drug, and Cosmetic Act

Sherman Antitrust Act

EU Antitrust and Cartels — Competitions Policy

Foreign Corrupt Practices Act (FCPA)

Criminal Law Convention Against Corruption

Civil Law Convention Against Corruption

Twenty Guiding Principles on Combating Corruption

(EC) No 178/2002 — general principles and requirements of food law

(EC) No 852/2004 — hygiene of foodstuffs

(EC) No 1935/2004 — materials and articles intended to come into contact with food

(EC) No 1/2005 — protection of animals during transport and related operations

(EC) No 1169/2011 — the provision of food information to consumers

General Data Protection Regulation

California Consumer Privacy Act

Clean Water Act

Water Framework Directive

Clean Air Act

The Industrial Emission Directive

Solid Waste Disposal Act

Waste Framework Directive

European Green Deal

European Convention for the Protection of Farm Animals

European Convention on the Protection of Animals in International Traffic

International Agreement on Humane Trapping Standards

International Labour Organization (ILO)

Universal Declaration of Human Rights (UDHR)

European Treaty on Human Rights

Employment Information Directive

Americans with Disabilities Act (ADA)

Fair Labor Standards Act

Worker Adjustment and Retraining Notification Act (WARN Act)

Council Directive 2000/78/EC — Equal Treatment in Employment and Occupation Directive

Directive (EU) 2019/1152 on Transparent and Predictable Working Conditions

Directive (EU) 2019/1158 on Work-Life Balance for Parents and Carers

Directive (EU) 2022/2041 on Adequate Minimum Wages in the EU

Council Directive 94/33/EC on the Protection of Young People at Work

Directive 2003/88/EC concerning the Organisation of Working Time

Council Directive 2000/78/EC establishing a General Framework for Equal Treatment in Employment and Occupation

APPENDIX 2: MAJOR APPLICABLE LAWS AND REGULATIONS (continued)

North America and Europe

Occupational Safety & Health Act

Framework Directive on Safety and Health at Work

Energy Policy Conservation Act of 1975

Provision of Food Information to Consumers

California Consumer Privacy Act

APPENDIX 3: ESG POLICIES AND KEY STATEMENTS

WH Group

WH Group Corporate Principles

Shuanghui Development

Integrity Code

Information System Management of Shuanghui Development

Shuanghui Development Cybersecurity and Information Security Emergency Plan

Shuanghui Development Product Quality Management Plan

Shuanghui Development Product Quality and Food Safety Assessment and Management Regulations

Code of Hygienic Standard Operation

Animal Welfare Manual

Veterinary Drug Safety Management Code

Regulations on the Administration of Veterinary Drugs

External Personnel (Unit) Safety Management Agreement Template

Special Collective Agreement on Female Employees

Employee Compensation Management Regulations

Labor Protection Regulations for Female Employees

Supplier Management System

Supplier Code of Conduct

Shuanghui Procurement Supply Chain “Whistleblower” Management Policy

Energy Management Code

Energy Technical Standards

Energy Assessment Program

Air Emissions Management Standards

Solid Waste Management Standards

Standardization of Wastewater Discharge Stations Safe Operations

APPENDIX 3: ESG POLICIES AND KEY STATEMENTS (continued)

Smithfield

Code of Business Conduct and Ethics

Privacy Policy

Animal Welfare Policy

Antibiotic Use Policy

Manual on Foreign Animal Diseases (FAD)

FAD Crisis Plan

Smithfield Environmental Policy

Environmental Policy Statement

Water Policy

Biodiversity and Deforestation Policy

Environmental, Health and Safety Policies

Equal Employment Opportunity/Nondiscrimination Policy

Supplier Code of Conduct

Procurement System

Supplier Compliance Verification

Morliny Foods

Code of Business Conduct and Ethics

Environmental Protection Policy

Environmental and Climate Change Policy

Air Protection Procedure

Water Protection Procedure

Waste Management Procedure

Environmental Impact Assessment Procedure

Environmental Monitoring Procedure

Environmental Training Procedure

Human Rights Policy

Equal Employment Opportunity Policy

Recruitment Policy

Pay Conditions Change Procedure

Supplier Code of Conduct

APPENDIX 4: STAKEHOLDER ENGAGEMENT ON MATERIAL ESG TOPICS

Stakeholder	Communication and Response Channel	Material Topic
Shareholders and investors	<ul style="list-style-type: none"> Shareholders' meetings Investor communication sessions On-site inspections Roadshows Information disclosure 	Governance framework and transparency
		Code of business conduct and anti-corruption
		Risk management
		Sustainable income growth
		Internal tax regime
		Public policy and responsibility
		Risk management
Financial institutions	<ul style="list-style-type: none"> Work meetings On-site inspections Post-loan follow-ups Routine communications 	Risk management
		Sustainable income growth
		Internal tax regime
Customers and consumers	<ul style="list-style-type: none"> Regular visits Routine communications Satisfaction surveys and feedback 	Use of antibiotics
		Animal welfare
		Information and security
		Responsible marketing
		Consumer complaint platform
		Product quality and safety
		Product nutrition (food health and opportunities)
		Product labeling (advertising and labeling)
Government and regulatory agencies	<ul style="list-style-type: none"> On-site inspections Work meetings and discussions Work report approval and consultation Information disclosure 	Response to climate change
		Energy management
		Water resource management
		Use of packaging materials
		Odor control
		Wastewater discharge
		Waste management
		Ecological restoration
		Biodiversity conservation
		Air pollution

APPENDIX 4: STAKEHOLDER ENGAGEMENT ON MATERIAL ESG TOPICS (continued)

Stakeholder	Communication and Response Channel	Material Topic
Employees	<ul style="list-style-type: none"> • Labor unions • Employee symposiums • University symposiums • Orientation meetings for new hires • Suggestion box • Employee activities • Training and development 	Occupational health and safety
		Equal employee development
		Reasonable remuneration and benefits
		Diversified staff training
		Non-discrimination
		Protection of basic labor rights
Communities and the general public	<ul style="list-style-type: none"> • Resident visits • Corporate visits • Joint community activities • Charitable assistance • Voluntary services 	Elimination of hunger
		Use of antibiotics
		Social contribution
		Animal welfare
Suppliers and contractors	<ul style="list-style-type: none"> • Tendering meetings • Client networking • Negotiation meetings • Routine communications 	Code of business conduct and anti-corruption
		Supply chain management system
		Sustainable procurement system
		Animal welfare
		Use of antibiotics
		Use of packaging materials
Industry peers	<ul style="list-style-type: none"> • Seminars • Exchange visits • Discussions • Industry conferences 	Information and security
		Technology and innovation

APPENDIX 5: IDENTIFICATION AND MITIGATION OF KEY EMERGING RISKS

Biodiversity Loss and Ecosystem Collapse Risks

Category: Environmental Risks

Description and Impact: Biodiversity loss and ecosystem collapse primarily result from the long-term cumulative effects of deforestation, logging, pollution, over-exploitation of natural resources, and climate change. These activities are often linked to human behaviors. The acceleration in industrialization causes ecological disruptions that lead to habitat degradation, reduced biodiversity, and loss of ecosystem functions.

WH Group's operations rely heavily on the availability of abundant natural resources and healthy ecosystems, especially in the upstream livestock farming sector, where a stable supply of raw materials such as animal products and soybeans is of paramount importance to us. However, unregulated soybean planting may lead to deforestation and water degradation in farming regions, which in turn brings harm to the environment and climate. Thus, ecosystem stability is not only critical to the Group's sustainable operations, but also plays an important role in maintaining ecological balance for society as a whole.

Mitigation Measures:

- Commit ourselves to biodiversity conservation within the framework of the *Corporate Principles*, implementing protection measures in line with local and international standards to minimize impacts on flora, fauna, and ecosystems
 - Prioritize sustainable sourcing practices, such as procuring certified products
 - Conduct environmental impact assessments to evaluate effects on biodiversity and ecosystems
-

Non-compliant Supply Chain Sustainability Risk

Category: Social Risks

Description and Impact: WH Group's operations cover the entire industry value chain, including hog farming, slaughtering, meat processing, and other related activities. With an extensive and diverse supplier network, the development of a sustainable supply chain management system is an incremental process. There may be challenges in dynamically monitoring ESG risks across the supply chain and suppliers, especially in managing the sustainability performance of small and medium-sized suppliers. Potential sustainability risks in supplier and supply chain traceability include labor rights violations, unethical sourcing, adverse environmental impacts, and lack of transparency in supply chain information disclosure. Non-compliant practices by suppliers can have a negative impact on WH Group, resulting in reputational damage, diminished stakeholders trust, or supply chain disruptions.

Mitigation Measures:

- Develop supplier management policies tailored to local conditions at each of our operating sites, ensuring suppliers comply with the related environmental, social, and business ethics standards
 - Establish mechanisms for identifying and assessing supplier sustainability risks across all operating sites
-

APPENDIX 5: IDENTIFICATION AND MITIGATION OF KEY EMERGING RISKS (continued)

Failure to Effectively Control Risks Related to Antibiotic Resistance and Animal Diseases

Category: Social Risks

Description and Impact: Global concerns over antibiotic use are growing as antibiotic resistance emerges as one of the major challenges in public healthcare. Even though certain regions in Europe have already implemented policies to ban the use of antibiotics in livestock farming, inconsistent controls across the global supply chain may still lead to local lapses. WH Group understands that the awareness and management of antibiotic resistance are crucial to public health and corporate reputation. If the company or a farm within our supply chain fails to effectively control the use of antibiotics, the risk of resistance in livestock will increase and this will in turn cause health issues for consumers.

As global operations continue to expand, more new viruses emerge, and consumers' concern over food safety continues to grow, WH Group is facing evolving animal disease risks in terms of frequency and scope of impact. Frequent outbreaks of diseases such as African swine fever may lead to disruptions in some of our business operations or raw material supply, which will then affect our meat processing capacity.

Mitigation Measures:

- Develop stringent guidelines for antibiotic usage and closely collaborate with suppliers and farms to ensure proper antibiotic use
 - Enhance oversight of suppliers and farms to ensure compliance with related regulations and policies
 - Invest in research and development of safer and more effective alternatives or technologies to reduce dependence on antibiotics
 - Strengthen scientific research and information collection on animal disease prevention and control, and dynamically follow local regulatory requirements to ensure biosecurity compliance
 - Increase investment in biosecurity measures for newly established farms to improve animal living conditions and prevent disease transmission
-

APPENDIX 5: IDENTIFICATION AND MITIGATION OF KEY EMERGING RISKS (continued)

Risks Associated with Discontinuing the Use of Non-degradable Plastics

Category: Environmental Risks

Description and Impact: As the world places the spotlight on plastic pollution, some countries and regions have gradually started implementing policies to discontinue the use of non-degradable plastics. The non-biodegradability of plastics remains a significant challenge across industries, especially for the meat processing sector. Conventional recycling technologies struggle to effectively process plastic products contaminated by meat residues, and the plastic recycling industry is still in its infancy stage. Additionally, packaging materials for meat products must meet ductility and barrier requirements to ensure food quality and safety, increasing complexity in evaluating alternative materials. The trend towards the discontinuation of non-degradable plastics and seeking alternatives may drive companies to invest more in R&D and adoption of substitutes, triggering improvements in production processes, but potentially increasing production costs or capital expenditures as well.

Mitigation Measures:

- Actively monitor the development of biodegradable plastic packaging and alternative technologies, and introduce more high-performance materials, biodegradable packaging, and low-carbon manufacturing processes when possible
 - Reduce unnecessary packaging and explore alternative materials with good barrier performance
 - Pay attention to the maturity of local recycling supply chains, and collaborate with suppliers and certified recyclers to carry out packaging and waste recycling
 - In regions where our key operations are located, WH Group has set sustainable packaging targets. For more information, please refer to the “Exploring Sustainable Packaging” section in the chapter “Promoting Green Development”
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APPENDIX 6: HKEX ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX

Aspects, General Disclosures and KPIs	Description	Disclosure Paragraph	Remarks
A. Environment			
Aspect A1:	Emissions		
A1	<p>General Disclosure</p> <p>Relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p>	Promoting Green Development	
A1.1	The types of emissions and respective emissions data.	<p>Promoting Green Development — Environmental Compliance Management</p> <p>Appendix: List of ESG data</p>	
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions in total (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<p>Promoting Green Development-Greenhouse Gas Management</p> <p>Appendix: List of ESG data</p>	
A1.3	Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix: List of ESG data	
A1.4	Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix: List of ESG data	
A1.5	Description of emission target(s) set and steps taken to achieve them	Promoting Green Development — Greenhouse Gas Management	
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Promoting Green Development — Environmental Compliance Management	

APPENDIX 6: HKEX ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX (continued)

Aspects, General Disclosures and KPIs	Description	Disclosure Paragraph	Remarks
Aspect A2:	Use of Resources		
A2	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Promoting Green Development — Greenhouse Gas Management, Ecological Protection, Circular Practices	
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in'000s) and intensity (e.g. per unit of production volume, per facility).	Appendix: List of ESG data	
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Promoting Green Development — Ecological Protection Appendix: List of ESG data	
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Promoting Green Development — Greenhouse Gas Management	
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Promoting Green Development — Ecological Protection	
A2.5	Total packaging material used for finished products (in tons) and, if applicable, with reference to per unit produced.	Appendix: List of ESG data	
Aspect A3:	The Environment and Natural Resources		
A3	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	Promoting Green Development	
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Promoting Green Development	

APPENDIX 6: HKEX ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX (continued)

Aspects, General Disclosures and KPIs	Description	Disclosure Paragraph	Remarks
Aspect A4:	Climate Change		
A4	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Creating a Culture of Sustainability — Risk Management	
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Creating a Culture of Sustainability — Risk Management	
B. Social			
Employment and Labor Practices			
Aspect B1:	Employment		
B1	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Empowering Employees — Value-Based Employment	
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Appendix: List of ESG data	Employee percentages by gender, job grade, age, and region include only direct hires. Accurate statistics for contractors prove challenging due to flexible employment arrangements. This year's data covers only Spain, excluding North American contractors.
B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix: List of ESG data	Employee turnover rate = number of turnover employee during the Reporting Period/ number of employees at the end of the Reporting Period.

APPENDIX 6: HKEX ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX (continued)

Aspects, General Disclosures and KPIs	Description	Disclosure Paragraph	Remarks
Aspect B2:	Health and Safety		
B2	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Empowering Employees — Occupational Health and Safety	
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix: List of ESG data	
B2.2	Lost days due to work injury.	Appendix: List of ESG data	WH Group uses an internationally accepted injury rate per 200,000 hours worked as an occupational safety KPIs.
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Empowering Employees — Occupational Health and Safety	
Aspect B3:	Development and Training		
B3	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Empowering Employees — Training and Development	
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Empowering Employees — Training and Development	
B3.2	The average training hours completed per employee by gender and employee category.	Empowering Employees — Training and Development	Average hours of training = hours of training/total number of employees in the category.

APPENDIX 6: HKEX ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX (continued)

Aspects, General Disclosures and KPIs	Description	Disclosure Paragraph	Remarks
Aspect B4:	Labor Standards		
B4	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer.	Empowering Employees — Value-Based Employment	
B4.1	Description of measures to review employment practices to avoid child and forced labor.	Empowering Employees — Value-Based Employment	
B4.2	Description of steps taken to eliminate such practices when discovered.	Empowering Employees — Value-Based Employment	
Operating Practices			
Aspect B5:	Supply Chain Management		
B5	General Disclosure Policies on managing environmental and social risks of the supply chain.	Sustainable Supply Chain	
B5.1	Number of suppliers by geographical region.	Appendix: List of ESG data	
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Sustainable Supply Chain — Responsible Supply Chain	
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Sustainable Supply Chain — Responsible Supply Chain	
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Sustainable Supply Chain — Responsible Supply Chain	

APPENDIX 6: HKEX ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX (continued)

Aspects, General Disclosures and KPIs	Description	Disclosure Paragraph	Remarks
Aspect B6	Product Responsibility		
B6	<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p>	Providing Quality Products	
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	<p>Providing Quality Products — Product Quality and Safety</p> <p>Appendix: List of ESG data</p>	Considering amount of losses due to product recalls is relatively small, we track the number of recall events
B6.2	Number of products and service-related complaints received and how they are dealt with.	<p>Providing Quality Products — Product Quality and Safety</p> <p>Appendix: List of ESG data</p>	
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Providing Quality Products — Food Nutrition and Health	
B6.4	Description of quality assurance process and recall procedures.	Providing Quality Products — Product Quality and Safety	
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Providing Quality Products — Food Nutrition and Health	

APPENDIX 6: HKEX ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE INDEX (continued)

Aspects, General Disclosures and KPIs	Description	Disclosure Paragraph	Remarks
Aspect B7	Anti- corruption		
B7	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	Creating a Culture of Sustainability	
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Creating a Culture of Sustainability — Corporate Conduct	
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Creating a Culture of Sustainability — Corporate Conduct	
B7.3	Description of anti-corruption training provided to directors and staff.	Creating a Culture of Sustainability — Corporate Conduct	
Community			
Aspect B8	Community Investment		
B8	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Co-building Our Community	
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Co-building Our Community	
B8.2	Resources contributed (e.g. money or time) to the focus area.	Co-building Our Community	

APPENDIX 7: LIST OF ESG DATA

All Performance Indicators	Unit	2024	2023	2022
Environmental and Resource Indicators¹				
SO _x Emissions (in China) ²	MT	7.11	10.07	17.85
NO _x Emissions (in China)	MT	49.52	58.26	80.99
Total GHG emissions ³ (Scope 1 + Scope 2)	MT CO ₂ e	4,599,981	4,433,843	4,906,406
GHG emissions-Scope 1	MT CO ₂ e	3,167,092	2,835,906	3,198,173
GHG emissions-Scope2	MT CO ₂ e	1,432,890	1,597,937	1,708,233
GHG emissions (Scope 3, China and U.S. region)	MT CO ₂ e	38,510,113 ⁴	41,157,253	/
GHG emissions intensity ⁵ (Scope 1 + Scope 2)	MT CO ₂ e/MT produced product	0.47	0.43	0.48
Direct energy consumption	Millions of kWh	6,335	7,409	6,744 ⁶
Indirect energy consumption	Millions of kWh	3,598	3,601	4,287
Combined energy consumption (direct + indirect)	Millions of kWh	9,933	11,010	11,031
Combined energy consumption intensity (direct + indirect)	kWh/MT produced product	1,021	1,079	1,076
Hazard Waste	MT	1,722	1,451	1,408
Hazard Waste intensity	kg/MT of produced product	0.18	0.14	0.14
Recycled non-hazardous waste				
Scrap metal	MT	10,013	8,945	13,356
Waste plastic	MT	9,028	7,487	7,340
Waste paper	MT	38,265	47,601	41,907
Cinder ⁷	MT	0	0	162

¹ During the Reporting Period, we restated the production data for 2022 and 2023 and updated the relevant environmental and resource intensity indicators.

² The air emissions of WH Group in China during the Reporting Period have been shown in the appendix. For additional regional air emissions, please refer to *Smithfield Sustainability Impact Report* in the Reporting Period.

³ Scope 1 and Scope 2 GHG emission sources are primarily manure, enteric fermentation, owned vehicle fuel combustion, natural gas flaring, refrigerants, propane flaring, biomethane use, and purchased electricity use.

⁴ The five categories with the highest share of GHG emissions in Scope 3 are purchased products or services, use of sold products, processing of sold products, upstream transportation and distribution, and waste generated during operations. For more details, please refer to the table in subsection Carbon Reduction Progress of this Report, "WH Group's Scope 3 GHG Emissions (China, U.S.) in 2024".

⁵ Per metric ton of produced product = meat products + pork + poultry (excluding production of hogs and production of poultry).

⁶ As a result of the U.S. region revisiting and adjusting the energy conversion factor for transportation diesel, WH Group has adjusted and updated its direct energy consumption data and correspondingly, its combined energy consumption data for 2022.

⁷ Starting from 2023, there was no coal for direct use.

APPENDIX 7: LIST OF ESG DATA (continued)

All Performance Indicators	Unit	2024	2023	2022
Resource utilization rate of hog manure	%	100%	100%	100%
Disposed Non-hazardous waste	MT	73,737	64,673	80,250
Disposed Non-hazardous waste intensity	kg/MT of produced product	7.58	6.34	7.83
Wastewater discharge	million cubic meters	45.39	55.19	45.10
Total use of freshwater	million cubic meters	68.80	69.60	75.14
Total municipal water supplies	million cubic meters	38.24	38.13	39.24
Fresh surface water	million cubic meters	1.65	3.14	3.48
Fresh groundwater	million cubic meters	28.91	28.34	32.43
Intensity of freshwater use	cubic meters/MT produced product	7.07	6.82	7.33
Amount of reused water	million cubic meters	5.44	5.99	6.50
Reused water ratio	%	7.33	7.93	7.96
Total consumption of packaging materials	MT	528,145	686,768	682,741
Consumption of wood/paper fiber packaging materials	MT	361,868	447,491	524,096
Consumption of plastic packaging materials ⁸	MT	133,432	139,125	123,423
Consumption of recyclable plastic packaging materials	MT	1,776	/	/
Consumption of metal packaging materials	MT	28,632	25,913	35,222
Consumption of other packaging materials ⁹	MT	2,437	74,239	/
Intensity of packaging material use	MT/MT produced product	0.05	0.07	0.07
Environmental-related fines ¹⁰	US dollars (approximately)	3,500	/	/

⁸ The consumption of plastic packaging materials includes compostable plastic packaging materials and does not include recyclable plastic packaging materials. In 2024, the consumption of compostable plastic packaging materials was 17 MT.

⁹ The consumption of other packaging materials includes other categories or unclassified packaging materials. We will continue to track various packaging components and refine statistical classification.

¹⁰ Data on environment-related fines are estimates due to exchange rate conversions involved. For environmental-related fines data in North America, please refer to *Smithfield Sustainability Impact Report* in the Reporting Period.

APPENDIX 7: LIST OF ESG DATA (continued)

All Performance Indicators		Unit	2024	2023	2022
Social Indicators					
Total number of employees ¹¹		thousand	103 ¹²	101	104
Total number of employees by nature	Direct Employee	%	99%	94%	93%
	Contractor	%	1% ¹³	6%	7%
By gender	Female	%	41%	41%	42%
	Male	%	59%	59%	58%
By position	Senior Management	%	1.2%	0.5%	1.1%
	Middle Management	%	6.4%	7.2%	6.8%
	General employees	%	92.4%	92.3%	92.1%
By age	Under 30 years old	%	16%	17%	17%
	30–50 years old	%	60%	62%	62%
	50 years old and above	%	23%	22%	21%
By region	China	%	46.1%	45.9%	44.3%
	North America	%	35.6%	37.3%	38.7%
	Europe	%	18.3%	16.8%	17.0%
Employee Turnover Rate ¹⁴		%	28%	38%	45%
By Gender	Female	%	26%	36%	44%
	Male	%	30%	40%	48%
By Age	Under 30 years old	%	55%	79%	80%
	30–50 years old	%	25%	32%	40%
	Over 50 years old	%	17%	27%	38%
By Region	China	%	27%	32%	43%
	North America	%	34%	54%	56%
	Europe	%	21%	22%	23%

¹¹ Employee percentages by gender, job grade, age, and region include only direct hires.

¹² Discrepancies versus annual report data exist due to rounding.

¹³ Accurate statistics for contractors prove challenging due to flexible employment arrangements. This year's data covers only Spain, excluding North American contractors.

¹⁴ Employee turnover rate = number of turnover employee during the Reporting Period/number of employees at the end of the Reporting Period.

APPENDIX 7: LIST OF ESG DATA (continued)

All Performance Indicators		Unit	2024	2023	2022
Total Employee Training Attendance		person	1,263,420	1,250,457	2,029,411
Total Employee Training Hours		hour	3,452,406	3,380,428	4,460,398
Percentage of Employees Trained		%	100%	100%	100%
Average hours of Training		hour	34	31	43
By gender	Female	hour	35	36	46
	Male	hour	33	32	42
By Rank	Senior Management	hour	46	72	36
	Middle Management	hour	31	21	27
	General employees	hour	33	34	45
Fatalities directly caused by work		person	1 ¹⁵	0	3
200,000 work hours injury rate ¹⁶		/	1.33	1.34	1.33
Total Safety Training Attendance		person	222,594	224,108	234,587
Total hours of safety training		hour	505,325	495,100	566,593
Number of Suppliers			38,721	36,001	28,907
Number of Suppliers by Region	China		15,582	14,693	11,977
	North America		8,286	6,891	3,327
	Europe		14,813	14,386	13,545
	Other		40	15	58
Antibiotic use ¹⁷	China	mg/kg produced production	317	328	150
	United States	mg/kg produced production	221	215	239
	Mexico	mg/kg produced production	361	337	291
	Poland	mg/kg produced production	220	238	218
	Romania	mg/kg produced production	295	107	225
Number of product recalls			9	5	10

¹⁵ In 2024, a work-related fatality occurred in Romania, where an employee tragically passed away due to acute ammonia poisoning leading to cardiorespiratory failure during working hours.

¹⁶ WH Group uses an internationally accepted injury rate per 200,000 hours worked as an occupational safety KPIs.

¹⁷ Due to a number of factors, including weather conditions, inventory management decisions, choice of antibiotic type for swine, disease prevalence in hogs, and concentration of active ingredients, antibiotic usage in our hog farming business shows dynamic changes from year to year.

APPENDIX 7: LIST OF ESG DATA (continued)

All Performance Indicators	Unit	2024	2023	2022
Number of complaints about services, products ¹⁸		55,685	72,159	49,084
Complaint handling rate		100%	100%	100%
Amount of public welfare and charity investment ¹⁹	million US dollars	35.68	36.53	34.77
Governance				
Business ethics and anti-corruption study/examination coverage rate		100%	100%	100%
Number of corruption cases prosecuted		0	0	0
Number of hours of anti-corruption training	hour	99,498	122,635	133,857
Number of accredited information security incidents		0	0	0
Economic Performance				
Revenue	million US dollars	25,941	26,236	28,136
Sales of package meat + pork	10,000MT	686.5	715.5	736

¹⁸ We included the number of complaints for our global operations excluding U.S. and China, and before 2022, China and the U.S. were included.

¹⁹ The amount of investment in public welfare and charity in this report covers cash and in-kind contributions made externally, with the value of in-kind contributions being calculated based on factors such as the quantity donated.

