Salto, January 2024

STATEMENT OF COMPLIANCE (PRE-REQUISITES-HACCP LETTER)

1 APPROVALS AND CERTIFICATIONS

Cledinor S.A., Establishment Nº 394, is approved by the European Commission (Food and Veterinary Office), the US Food Safety and Inspection Service (FSIS - USDA) and other markets/destinations, to produce fresh and frozen beef for exportation. We certify that our cattle, programs, and operations comply with all applicable regulations.

Establishment Nº 394 is BRC Global Standard for Food Safety Issue 8 certified, achieving Grade AA, for the following activities: Slaughtering, maturation, quartering, deboning, and packing process of frozen or chilled bovine meat, with or without bones, vacuum packed or polyethylene packed and offals.

Establishment Nº 394 is certified for organic beef production in accordance with the Organic Production Methods USDA NOP (7CRF Part 205) and E.U. (Regulation 834/2007, Regulation 889/2008) by Control Union Certifications.

Cledinor S.A. is committed to comply with national and international regulations on Animal Welfare. This commitment is established at corporate level through the Animal Welfare Policy approved by the Directory.
Animal welfare practices are audited annually in accordance with AMI requirements.

The establishment is also certified under Tacuarembo Angus Beef protocol since 2017.

Since June 2004 we complied with the Federal Register, Volume 61, Nº 144, July 25, 1996, FSIS that released the PR/HACCP System, Rules and Regulations. The Pathogen Reduction component mandated a program of bacteriological testing of bovine carcasses for the presence of Escherichia Coli generic and Salmonella spp bacteria to verify the effectiveness of process controls for hygiene and sanitation under the plant`s HACCP program.

2 HACCP AND PREREQUISITES PROGRAM

The HACCP Plan and the prerequisite programs (SSOP and GMP) have been audited and approved by the Ministry of livestock of Uruguay (MGAP) and by most of the external Official Sanitary Authorities: USDA-FSIS, E.U., Canada, Mexico, Israel, Russia, Chile, China, Japan, Brazil, and others.

The Prerequisite Program includes:

- Documented pest control program designed to prevent pest activity within the plant and its surrounding area, by Licensed Pest Control Operators.

- Implemented written training programs sufficient to ensure that HACCP plans, SSOPs and prerequisites are properly executed.
- Documented Maintenance practices programs including metal, glass and plastic policy.
- Documented employee hygiene and hygienic practices program.
- Traceability system through DICOSE. Required by law to register with his division a DICOSE number, this went into effect since 1977. In 2004 a pilot program started for individual animal identification since birth to slaughter. Uruguay began in September of 2006 the individual identification. Mock recalls are conducted once a year to validate the traceability program.
- Animal Welfare documented program outlining animal handling in compliance with the Official Uruguayan Rules, USDA – FSIS Directives 6900.2 and CE Directive EU 1099/2009.
- Handling of the Specific Risk Material (SRM) documented Program in compliance with the Official Uruguayan Rules effective at the moment, in accordance with the current Federal Register Rules and Regulations (CFR) N° 310.22 and CE Regulations 999/2001, 1923/2006 and 729/2015.

Uruguay is listed at the World Organization of animal Health (OIE) current Resolution, as having negligible Bovine Spongiform Encephalopathy (BSE) risk in accordance with Chapter 2.3.13 of The Terrestrial Code. The HACCP plan is in compliance with FSIS NOTICE 56-07 August 31st, 2007 of the SRM final rule.

As a part of the HACCP reassessment, the slaughter plant is in compliance with USDA – FSIS NOTICE 56-07 of the SRM final rule, about the proper removal, segregation and disposal of Specified Risk materials.
The Company is in compliance with European Commission and USDA – FSIS prohibitions on SRM.

In Uruguay is in force the decree MGAP 139/996 (ministry of Agriculture and Fisheries) since April 1996 which prohibits the feeding of ruminant meat and bone foods derived from ruminants.

The company has in place a fully documented Good Manufacturing Practices Manual, Sanitation Standard Operating Procedures and Hazard Analysis Critical Control Point integrated into its quality assurance system:

- It complies with Uruguayan Ministry MGAP guidelines for meeting FSIS Pathogen Reduction/HACCP requirements.
- It has internal audits (GMP, SSOP and HACCP) every year.
- Is audited by most of the customers.
- The HACCP plan is audited by MGAP supervisors on plant.

The Prerequisites Program and HACCP Plan include the following measures aiming to reduce the contamination inside and on living animals, slaughterhouse and the rest of the plant.

- Animals should arrive with minimum mud and faecal contamination and avoid overcrowding to reduce the possibility of injury or unsanitary conditions.
- Livestock pens capacity is sufficient to hold a single day's kill.
- Washing cattle to eliminate contamination on their hides, monitoring, verification, take corrective action if there is deviation (Good Manufacturing Practice and SSOP).
- Minimize contamination of carcass and the dressing (monitoring and verified by QA technical)
- Good manufacturing practice and SSOP operations for hide removal (with 2 knives of different colours) monitored and verified by quality assurance personal.
- Carcass intervention with lactic acid in productions that applies.
- Prior to evisceration, the rectum and esophagus are secured to prevent contamination.
- All visible contamination is removed as soon as possible after it occurs to prevent microbial attachment.
- Carcass intervention knife trimming CCP1 (monitoring, verified, corrective actions if it is necessary) to comply with zero tolerance directive USDA, FSIS 6420.2 and Regulation (EC) Nº 853/2004 of the European Parliament.
- Carcass intervention with validated steam vacuum equipment and process.
- The slaughter process follows USDA-FSIS Notice 56-07 of the SRM final rule, about the proper removal, segregation, and disposal of Specified Risk materials.
- Carcass temperature control after chilling RPC1 – Risk Prevention Control
- Quarters temperature control before entering deboning area (RCP2)
- Temperature control of chilled cuts (RPC3)
- Temperature control of chilled offals (RPC4)
- 180º F (82ºC) water knife/ utensils sterilizers are used.
- Air circulation occurs from the clean area of the plant to the dirty area, to decrease the flow of contaminants.
- Prior to load the final product is checked with metal detector.

3 CHEMICAL CONTROL AND ANTIBIOTIC RESIDUE PROGRAM

The Ministry of Livestock, Agriculture and Fisheries (MGAP) controls the Establishment, through the sampling according to the Drug & Environmental Contaminants Residues National Program (PNRB). This program is official, national and includes a monitoring sampling of veterinary drugs and environmental contaminants to protect public health of consumers of meat and meat products, regarding the food safety. The PNRB works within the General Direction of Livestock Services (DGSG) directed and administrated by a commission of the Directors of the different division of DGSG and an executive coordinator.

This sampling is performed by official vets monthly and bimonthly depending on the analysis; the sampling number is directly related to the number of animals slaughtered the previous year, it also includes a follow -up sampling of the farms that had findings.

The full residue and pesticides monitoring list is available on the MGAP´s web page in local language at the following link: https://www.gub.uy/ministerio-ganaderia-agricultura-pesca/comunicacion/publicaciones/manual-del-programa-nacional-residuos-biologicos-pnrb-capitulo-carne-div

This program aligns to the CODEX ALIMENTARIUS recommendations, with regulations and directives of European Union, United States and all of our exporting markets such Russia, China and Israel among others.
The maximum residue limits are the ones indicated by CODEX after the scientific evaluations performed by JECFA.

4 GMO AND ALLERGENS

The meat produced by the establishment only proceeds from animals that have not been genetically modified and have not been used genetically modified organisms, ingredients, or components on their preparation.
The establishment does not produce or handle any product that contains allergens listed on CE Directive 2009/32 and FSIS Directive 7230 Part 1.

5 TRACEABILITY AND RECALL

The plant has a fully implemented traceability system at all stages of production and processing.

When animals arrive at slaughterhouse, they are assigned with a lot number (troop number) which associates the animals with their owner and place of origin.
In the slaughtering room each half carcass is identified with a card stamped in each quarter including slaughtering date, troop number, grading. This information goes with all quarters up to the entrance on the deboning room, where the labels are removed from the quarters and their information is used during the deboning process for cuts preparation and primary and secondary packaging.
The Establishment keeps all this information as long as it considers relevant to be in condition to answer any future question about the origin of the product.

The plant has a fully implemented recall program that guarantees that all actions that must be taken are effective to remove the product from the market. This program is tested at least annually through mocks to identify potential problems that may occur at a real recall and to determine its adequacy and efficacy.

6 FOOD DEFENSE PLAN

The Establishment has in place the appropriate security measures to prevent any intentional product adulteration or contamination. The security measures in plant include 24 hours access control at main and livestock entrances, fenced perimeter, lighting and CCTV cameras system on internal and external areas.

All external personnel (suppliers, visits, services) and vehicles must be authorized, identified, and accompanied during their visit. Access to production areas, laboratory and storage areas for supplies, raw material and finished products are restricted.

The security personnel and all plant staff are trained in security measures and to report security breakages.

The Food Defense Plan is verified minimum annually by the Food Defense Team.

7 PATHOGEN REDUCTION PROGRAM

The company has a Pathogen Reduction Program in the different production steps (slaughter and processing) to verify the efficacies of these measures and the HACCP systems.

The Pathogen Reduction Programs includes:

- Analytical testing and/or auditing of the monitoring procedures.
- Calibration of the equipment.
- Product sampling.
- Review of monitoring records.
- Review of deviations and product dispositions.
- Sampling of environment and other concerns
- Internal audits (GMP, SSOP, HACCP, Quality system) minimum once a year.

The analysis are:

- Aerobic total count
- Enterobacteriaceae
- Escherichia coli generic
- Coliforms
- Staphylococcus aureus
- Salmonella spp
- Escherichia coli O157:H7 (and its subtypes) and Non O157 STEC
- Listeria spp
- Listeria Monocytogenes (product and environmental sampling)

Establishment Nº 394 confirms that its HACCP Plan has been reassessed in accordance with Federal Register Notice 9 CFR Part 417 (docket N° 00-022N) October 7th, 2002 Titled E.coli O157:H7 Contamination of Beef Products and with the FSIS NOTICE 65-07, October 12th 2007.

The HACCP Team of the Company considers E. coli O157:H7 and Escherichia coli (STEC) (O26, O45, O103, O111, O121 and O145), are a hazard reasonably likely to occur in its products without the implementation of the HACCP Plan.

The analysis of E.coli O157:H7 and E.coli Non 0157 STEC is performed at the Plant's Laboratory which is approved by the Country Official authorities, the Ministry of livestock of Uruguay (MGAP). It is used real time PCR equipment (GENE-UP®) Biomérieux brand for screening E.coli O157:H7 and E.coli Non 0157 STEC, the presumptive samples are sent to external laboratory for confirmation.

Since January 2008, considering the sampling method officially required by USA and Canada (N=60 for each lot) tests have been made for E. coli O157:H7 according with it.

Since June 1st 2012 Tacuarembó - Marfrig Group Uruguay confirms that its HACCP Plan has been reassessed according with the MGAP (Uruguayan Ministry of Livestock) Resolution of 1st June in reference to the new regulation of USDA / FSIS control programs for Non-0157 shiga toxin-producing Escherichia coli (Non O157 STEC).

We comply with FSIS Compliance Guideline for Establishments Sampling Beef Trimmings for Shiga Toxin-Producing Escherichia coli (STEC) Organisms or Virulence Markers (August 2014).

Canada

We also guarantee that the "HACCP plan and prerequisite programs meet the requirement for product intended to export to Canada according with the CFIA REQUIREMENTS. The Certificates of analysis for Canada are the result of E. coli O157:H7 and specify separately the results for the NM (non-motile) bacteria. The certificate declare not detected E. coli O157:H7 and E. coli O157: NM.

The laboratory conducting the test is formally recognized by an accreditation body that is a signatory to the International Laboratory Accreditation Cooperation (ILAC) Mutual Recognition Agreement (MRA) as conforming to the requirements of ISO/IEC 17025:2017. The Lot size meet CFIA's definition of lot (maximum 4500 kg per lot) as per CFIA document: Preventive controls for E. coli O157/NM in raw beef products.

EE. UU

The auto-control lots destined for the US are analyzed in Cledinor plant's Laboratory. The laboratory is approved by Ministry of Livestock, Agriculture and Fisheries of Uruguay (MGAP), according with ISO 17025:2017. The methodology implemented for pathogen analysis by this laboratory is real time PCR equipment, GeneDisc PALL brand. In case of presumptive samples these ones are sent to external official laboratory (DILAVE) for confirmation.

Official lots samples are send by official veterinarian inspection to an external laboratory. This external laboratory uses the methodology BAX PCR-real time bases in USDA MLG for the detection of Shiga Toxin producing Escherichia coli 0157 and E. coli non 0157 STEC.

Only product that complies with HACCP requirements and its test result is absence of E.coli O157:H7 and absence of STEC can be ship to USDA. In the same way, only product that complies with HACCP requirements and its test result is absence of E.coli 0157:H7 and E.coli 0157:NM can be ship to Canada.

Environmental sampling plan is implemented for Listeria sp. using AOAC and AFNOR approved analysis.

8 CROSS SPECIES CONTAMINATION

Establishment No. 394 Cledinor S.A, is approved for bovine and ovine slaughter by competent authority (MGAP), therefore the following measures are taken on the site to avoid cross contamination:

CONTROLS ON SITE

- Livestock pens capacities are enough to hold a single day's kill.
- Sheep and cattle slaughter is always done in different floors and different days.
- Deboning on different days.
- Validation of deboning cleaning process shows that there is no possibility of mixing species, after the cleaning process defined in SSOP´s program.
- Third party laboratory DNA testing every six months as part of the Internal Verification Program.

OFFICIAL CONTROLS

There is a Verification Program in authorized establishments since 1991 arranged in Circular 9/2008 of the Technical Department of Animal Industry Division. Responsibilities, characteristics of the sample, sampling plan, analysis and records of results are set out in it. The samples are extracted and analyzed by official personnel in the official laboratory of the Ministry of Livestock, Agriculture and Fisheries, Veterinary Laboratories Division (MGAP / DILAVE). Since its implementation has not been detected any nonconformity.

Therefore, only Beef with no traces of any other non-beef protein or DNA is shipped and only lamb with no traces of any other non-lamb protein or DNA is shipped.

Note: Last ovine slaughter was performed on August 2013.

9 SOCIAL RESPONSIBILTY, HEALTH AND SECURITY AT WORK AND ENVIRONMENTAL PROTECTION

Our ethics policy is based in the compliance of the company Ethics Code requirements of social responsibility of our clients and international standards such ISO 26000, SA 8000 among other. We assure in our activities, as well as the partners, the compliance with the most rigorous standards of ethical conduct, taking into account the laws and regulations and social context of the case. We act according to law and regulations with responsibility, integrity and professionalism.

The company is committed to preserve health and physical integrity of its employee as stated on the corporate Security and Health at Work policy. We provide all individual elements of protection necessary for each work, training and necessary orientation for the correct usage and perform campaigns for preventing work accidents.

We have taken all applicable and recommended measures for our industry to prevent coronavirus infections of our workers and keep continuous improvement system on this issue, to protect our workers and keep the food supply to the world.

In the develop of our current and future activities, we always use technologies and resources to reduce the impact on nature and people in order to contribute to preserve the environment for future generations.

COMPANY OBJECTIVES AND MANAGEMENT

Frigorifico La Caballada - CLEDINOR S.A., Establishment Nº 394, is committed to implement and maintain compliance with the HACCP Plan, Good Manufacturing Practices, Standard Operating Procedures, and quality control assurance policies in order to assure safety and quality of the products.

DMV Magela Olivera
Quality Assurance Manager
CLEDINOR S.A.
Establishment Nº 394 Uruguay