



The National Agricultural Development Company

Animal Welfare Position Statement

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Applicability	Slaughterhouse, Meat Processing, Plant, and Dairy Farms
Owner	ESG Department – Strategy Sector
Approver	Chief Executive Officer

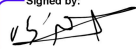
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1 Applicability and Scope

This Animal Welfare Position Statement applies to the National Agricultural Development Company (“NADEC”) and its subsidiaries, NADEC a listed joint stock company incorporated and existing under the laws of the Kingdom of Saudi Arabia. It covers all NADEC livestock operations, including the Protein Sector in Haradh, where the Company engages in the handling, transport, and slaughter of cattle, as well as NADEC’s dairy farms and associated facilities involved in the breeding, rearing, housing, milking, and long-term care of livestock.

This Statement extends to all NADEC operations, employees, and business units engaged in livestock activities, and applies equally to subsidiaries, affiliates, contractors, service providers, and any third parties acting on behalf of NADEC in the care, transport, procurement, handling, or processing of live animals.

2 Statement of Commitment

NADEC is committed to upholding the highest standards of animal welfare across all aspects of livestock management, including breeding, housing, feeding, transport, lairage, handling, milking, veterinary care, and slaughter. We recognize that animals under our care must be treated ethically, humanely, and without avoidable distress or suffering at any stage of their lifecycle. Our approach is grounded in internationally recognized welfare principles and guided by the values of compassion and mercy emphasized in Islamic teachings, which mandate the humane and respectful treatment of animals.

This commitment reflects NADEC’s values of care, responsibility, and operational excellence, and is aligned with the Company’s “New Dawn” ESG strategy, as well as relevant national and international animal welfare regulations.

NADEC applies the Five Freedoms of Animal Welfare across all dairy and protein operations and explicitly prohibits inhumane practices defined by Temple Grandin’s Five Acts of Abuse.

NADEC ensures compliance with applicable regulatory frameworks and industry's best practices, including:

- National and GCC Regulations
- GCC Animal Welfare Law (1434 H)
- GSO 993:2015 – Animal Slaughtering Requirements According to Islamic Rules
- GSO 714:2021 – Transportation Regulations of Livestock by Rail, Road, and Ships
- MEWA Livestock Transport Guide – Issued by the Saudi Ministry of Environment, Water and Agriculture
- International Best Practices

NADEC’s approach is further shaped by global frameworks such as the United Nations Sustainable Development Goals particularly SDG 12 (Responsible Consumption and Production) and SDG 15 (Life on Land)—to promote sustainable livestock systems, ethical food production, and biodiversity conservation.

Consistent with Islamic requirements for Halal slaughter, NADEC does not adopt or permit any practices such as gassing, stunning, or mechanical slaughter that conflict with Shariah-based slaughtering standards.



3 Our Position

NADEC believes all animals must be:

- Handled with compassion and respect
- Protected from avoidable excitement, pain, and suffering
- Provided with conditions that support natural behavior, comfort, and wellbeing across their entire lifecycle, including breeding, housing, feeding, milking, transport, and slaughter

Our practices are structured around the Five Freedoms:

- **Freedom from hunger and thirst** – ensured through access to clean water and a nutritionally appropriate diet
- **Freedom from discomfort** – supported through proper housing, bedding, ventilation, and resting areas
- **Freedom from pain, injury, or disease** – via preventive health programs, early diagnosis, and timely veterinary care
- **Freedom to express normal behavior** – enabled through adequate space, appropriate social grouping, and environments suited to species-specific needs
- **Freedom from fear and distress** – supported by calm environments, gentle handling practices, and trained personnel

In addition, NADEC strictly prohibits the Five Acts of Abuse defined by Temple Grandin:

- Dragging non-ambulatory animals
- Poking animals in sensitive areas
- Driving animals over the top of others
- Slamming gates on animals
- Beating or breaking tails

These acts are not tolerated under any circumstances and are grounds for disciplinary action.

Area	Commitment
Transport	Limit journey duration to ≤8 hours; vehicles must be fit-for-purpose, clean, disinfected, non-slip, well-ventilated, and safe for both dairy and beef cattle.
Housing & Farm Environment (Dairy)	Provide clean bedding, adequate space, shade, ventilation, and heat-stress mitigation; maintain dry, hygienic, and comfortable conditions.
Lairage Design (Protein)	Provide shade, ventilation, clean water, and calm pre-slaughter conditions; maintain hygiene and minimize stress.
Handling and Movement	Move animals gently and without force; avoid overcrowding; ensure calm, low-stress movement across farms, transport, and slaughter areas.
Animal Welfare Officer	Designated and trained welfare officer available on farms and during slaughter operations; responsible for monitoring and compliance.
Veterinary Oversight	Veterinarians oversee herd health, assess fitness for transport, manage disease prevention, and intervene when needed.
Milking Practices (Dairy)	Ensure gentle milking routines, well-maintained equipment, and procedures that prevent udder injury or discomfort.
Slaughter Process	Fully compliant with GSO 993 and Islamic rules; designed to minimize pain, stress, and anxiety.
CCTV Monitoring (Protein)	Operates in key handling and slaughter areas; footage reviewed weekly by senior management.



Area	Commitment
Outcome Measures	Welfare performance monitored through defined KPIs (e.g., lameness, mortality, mastitis, handling incidents, transport non-compliance).
Procurement and Booking	Source only from suppliers aligned with NADEC's welfare standards; manage scheduling to respect stocking density and reduce wait times.
Communication	Supplier and contractor expectations communicated regularly by Procurement and ESG teams.

4 Governance and Accountability

Animal welfare across all NADEC livestock operations—including dairy farms, calf-rearing facilities, transport activities, and the Protein Sector—is governed through the following structure:

- **Board of Directors:** Holds ultimate responsibility for oversight of animal welfare and its integration within NADEC's ESG governance framework.
- **Executive Leadership & Sector Management:** Accountable for implementing welfare standards across dairy and protein operations, monitoring compliance, and ensuring continuous performance improvement.
- **Animal Welfare Officers (Farm and Slaughterhouse):** Designated and trained personnel responsible for daily welfare monitoring at dairy farms and continuous oversight during slaughter operations; empowered to intervene immediately if non-compliance is observed.
- **Farm Managers / Site Management (Dairy & Protein):** Ensure operational execution of welfare standards, proper staff training, facility readiness, and corrective actions where required.
- **Senior Management:** Conducts periodic reviews of welfare performance, including CCTV footage from handling and slaughter areas, welfare KPIs, and incident reports from dairy farms.
- **Veterinary Staff:** Provide routine and preventive health assessments, certify animals' fitness for transport, manage disease control programs, and oversee emergency care or quarantine when necessary.

5 Reporting

NADEC maintains transparency in its approach to animal welfare and integrates reporting into its broader ESG disclosures. Animal welfare performance across dairy and protein operations is reported through:

- **Annual sustainability reports**, which include narrative and, where applicable, quantitative indicators related to welfare performance (e.g., training hours, welfare incident rates, farm welfare KPIs such as lameness or mastitis rates, CCTV compliance, and supplier assessments).
- **Internal monitoring reports**, including CCTV review logs from slaughter operations, Animal Welfare Officer assessments from farms and lairage areas, veterinary health reports, and outcome-measure tracking reviewed by senior management and ESG governance functions.
- **Supplier and contractor compliance reviews**, ensuring that all external parties involved in livestock handling, transport, farm support services, and slaughter operations adhere to NADEC's welfare standards and Islamic principles.
- **Public communication**, including updates via NADEC's website, ESG publications, and direct stakeholder engagement when relevant.



6 Training and Capacity Building

NADEC ensures that all employees who interact with cattle across dairy and protein operations are properly trained in humane handling, welfare standards, and emergency procedures. New staff are not permitted to work unsupervised with animals until they have been assessed and deemed competent. Annual refresher training is mandatory for all animal-handling roles, including dairy farm personnel, lairage staff, and slaughterhouse teams. In addition, transporters and haulers must hold valid licenses and receive dedicated training in animal welfare, vehicle hygiene, heat-stress mitigation, and safe loading and unloading practices. NADEC also provides specialized training for roles such as milking operators, calf-care staff, and Animal Welfare Officers to ensure consistent application of welfare standards across all stages of livestock management.

7 Review and Continuous Improvement

This position statement is supported by senior management and is approved by NADEC's Executive Management and Board of Directors. and is reviewed every three years to ensure continued relevance and alignment with regulatory requirements, reflect findings from welfare performance and outcome-measure tracking across dairy and protein operations, address stakeholder expectations and emerging best practices, and ensure continued alignment with NADEC's broader ESG strategy and operational excellence objectives.

8 Disclaimer

This statement is provided for informational purposes only and does not create any legally binding obligations. It sets out NADEC's priorities, which are intended to be incorporated into its governance framework and implemented through its established processes. All initiatives remain subject to change in response to evolving circumstances, including regulatory developments and supervisory requirements. Actual outcomes and impacts may vary due to operational changes and external factors.