

2 February 2024, Kyiv, Ukraine

## Note concerning the ongoing debate in France regarding imports of Ukrainian poultry

In light of the ongoing public debate in France concerning Ukrainian chicken imports, MHP would make the following observations:

According to Eurostat, over the first 10 months of 2023, France imported 476,000 tonnes of poultry meat including edible offal. The MHP Group, either directly or indirectly via processing partners, exported a total of approximately 6,000 tonnes of poultry meat products to France. This is 1.3% of the total volume of French poultry meat and edible offal imports over the same period.

All MHP's products are produced and manufactured in compliance with the highest quality and animal welfare standards and certifications and in most cases exceed EU requirements. Production processes are systematically monitored by the competent EU and Ukrainian authorities in the same way it is done in France. In relation to sustainability, MHP is the only poultry company globally to achieve Carbon Trust accreditation for poultry production.

MHP's operations and revenues directly support a sizable proportion of Ukrainian society. The land on which MHP operates is owned by more than 130,000 small landowners whose livelihoods during the war depend entirely on the rent paid by the company. The Group employs approximately 30,000 individuals, works with 30,000 enterprises, and supports over 500 entrepreneurs operating under franchise agreements in partnership with MHP.

Thousands of MHP's employees continue fighting the Russian aggression on the frontlines in the East and South of Ukraine and the Group has ensured they continue to receive their regular wages. Furthermore, the company ensures the families of those who have sadly perished in the war, alongside employees who return injured, receive financial support. In 2023, MHP contributed an estimated €148 million in taxes to the Ukrainian state budget, making it the largest taxpayer across the food and agricultural sector. This is alongside the €19 million the Group allocated to corporate social responsibility initiatives, which includes an extensive programme of support for demobilized individuals and their families.

As one of the few remaining large Ukrainian agricultural companies that have endured the Russian invasion, MHP plays a crucial role in delivering food to internally displaced people and the residents of de-occupied territories, with the company's products frequently donated or sold at a substantial discount. This places a significant responsibility on MHP, with the company playing a crucial role in upholding the country's food security and preventing the starvation of tens of millions of people across Ukraine.

The claims that Ukrainian chicken exports are damaging the European market do not take into account the additional demand created by the millions of Ukrainians who have sought refuge across the EU over the past two years. The situation is far more dire for Ukraine, with mass migration triggered by Russia's ongoing invasion, significantly cutting demand on the domestic market. Nor do they take into account the significant business it has created across the EU for European food producers who have used Ukrainian produce (including grain and fodder) to grow and enhance their own manufacturing businesses.

The temporary trade measures introduced by the EU as a result of Russia's aggression against Ukraine, which include the suspension of all customs duties, quotas, and trade defense measures on Ukrainian exports to the EU, have enabled Ukrainian companies, including MHP, to sustain commercial activities, preserve jobs, pay taxes, and raise much-needed foreign currency. All of these play an important role maintaining the macro-economic stability of Ukraine's economy.

Since the beginning of Russia's full-scale invasion, the temporary trade regime between the EU and Ukraine has been a vital financial and commercial lifeline for our country. Agriculture is one of Ukraine's key industries; in 2023, agri-food products accounted for 61% of all goods exported – an essential source of revenue for the Ukrainian Government. MHP's export thus directly impacts Ukraine's ability to resist Russia.

Thankfully the European Commission has recognized the importance of maintaining this vital financial lifeline for Ukraine. We and our fellow Ukrainians hope that France will rediscover its founding principle of solidarity – and stand

alongside the nation that is fighting for European democratic values in the biggest war Europe has seen since World War II.

Our country is at war. Inevitably, our people, our company are at war. As we follow the political debate in France and some EU member states we note the agitations of local interest groups and their use of aggressive and hostile rhetoric around this issue. This has frequently resulted in facts being distorted and important context being omitted. We are not trying to take advantage of Europe. We alongside our fellow Ukrainians are just trying to survive and play our part in stopping Russia's invasion. We are very grateful to our friends across Europe who have provided continuous support, and look forwards to our allied victory over the aggressor.

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