



MTech Systems USA, LLC

System and Organization Controls Report (SOC 3)

Independent Report of the Controls to Meet the Trust
Services Criteria for the Security Category for the Period
of June 1, 2023, through May 31, 2024.



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Assertion of MTech Systems USA, LLC Management

Assertion of MTech Systems USA, LLC Management

We are responsible for designing, implementing, operating, and maintaining effective controls within MTech Systems USA, LLC's live-animal protein production enterprise data solution system (system) throughout the period June 1, 2023, to May 31, 2024, to provide reasonable assurance that MTech Systems USA, LLC's service commitments and system requirements relevant to security were achieved. Our description of the boundaries of the system is presented in section A and identifies the aspects of the system covered by our assertion.

We have performed an evaluation of the effectiveness of the controls within the system throughout the period June 1, 2023, to May 31, 2024, to provide reasonable assurance that MTech Systems USA, LLC's service commitments and system requirements were achieved based on the trust services criteria relevant to security (applicable trust services criteria) set forth in TSP section 100, *2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy* (AICPA, *Trust Services Criteria*). MTech Systems USA, LLC's objectives for the system in applying the applicable trust services criteria are embodied in its service commitments and system requirements relevant to the applicable trust services criteria. The principal service commitments and system requirements related to the applicable trust services criteria are presented in section B.

There are inherent limitations in any system of internal control, including the possibility of human error and the circumvention of controls. Because of these inherent limitations, a service organization may achieve reasonable, but not absolute, assurance that its service commitments and system requirements are achieved.

We assert that the controls within the system were effective throughout the period June 1, 2023, to May 31, 2024, to provide reasonable assurance that MTech Systems USA, LLC's service commitments and system requirements were achieved based on the applicable trust services criteria.



Independent Service Auditor's Report

Independent Service Auditor's Report

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President
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Scope

We have examined MTech Systems USA, LLC's accompanying assertion titled "Assertion of MTech Systems USA, LLC Management" (assertion) that the controls within MTech Systems USA, LLC's live-animal protein production enterprise data solution system (system) were effective throughout the period June 1, 2023, to May 31, 2024, to provide reasonable assurance that MTech Systems USA, LLC's service commitments and system requirements were achieved based on the trust services criteria relevant to security (applicable trust services criteria) set forth in TSP section 100, *2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy* (AICPA, *Trust Services Criteria*).

Service Organization's Responsibilities

MTech Systems USA, LLC is responsible for its service commitment and system requirements and for designing, implementing, and operating effective controls within the system to provide reasonable assurance that MTech Systems USA, LLC's service commitments and system requirements were achieved. MTech Systems USA, LLC has also provided the accompanying assertion about the effectiveness of controls within the system. When preparing its assertion, MTech Systems USA, LLC is responsible for selecting, and identifying in its assertion, the applicable trust services criteria and for having a reasonable basis for its assertion by performing an assessment of the effectiveness of the controls within the system.

Service Auditor's Responsibilities

Our responsibility is to express an opinion, based on our examination, on whether management's assertion that controls within the system were effective throughout the period to provide reasonable assurance that the service organization's service commitments and system requirements were achieved based on the applicable trust services criteria. Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform our examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination included:

- Obtaining an understanding of the system and the service organization's service commitments and system requirements

- Assessing the risks that controls were not effective to achieve MTech Systems USA, LLC's service commitments and system requirements based on the applicable trust services criteria
- Performing procedures to obtain evidence about whether controls within the system were effective to achieve MTech Systems USA, LLC's service commitments and system requirements based on the applicable trust services criteria

Our examination also included performing such other procedures as we considered necessary in the circumstances.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Inherent Limitations

There are inherent limitations in the effectiveness of any system of internal control, including the possibility of human error and the circumvention of controls.

Because of their nature, controls may not always operate effectively to provide reasonable assurance that the service organization's service commitments and system requirements were achieved based on the applicable trust services criteria. Also, the projection to the future of any conclusions about the effectiveness of controls is subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

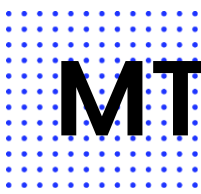
Opinion

In our opinion, management's assertion that the controls within MTech Systems USA, LLC's live-animal protein production enterprise data solution system were effective throughout the period June 1, 2023, to May 31, 2024, to provide reasonable assurance that MTech Systems USA, LLC's service commitments and system requirements were achieved based on the applicable trust services criteria is fairly stated, in all material respects.



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July 10, 2024



**MTEch Systems USA,
LLC's Description of Its
Live-Animal Protein
Production Enterprise
Data Solution System**

Section A: MTech Systems USA, LLC's Description of the Boundaries of Its Live-Animal Protein Production Enterprise Data Solution System

Services Provided

MTech Systems USA, LLC (MTech) has provided its services for over 30 years, and functions as a subsidiary of Munters, which has a presence in over 50 countries. MTech operates in the poultry and swine production management software market. The organization's services facilitate the management of the entire lifecycle of its customers' livestock, and the organization currently supports producers of chickens, ducks, turkeys, and pigs. MTech maintains 98% of the United States market for poultry management software, and over 50% of the international market.

MTech currently supports the legacy Protein platform and the Amino platform. The Protein platform hosts 80% of the organization's customers, but the sunsetting of this product is tentatively set to 2026, at which point support is planned to end. The Amino platform is the newer MTech product, and all new clients are onboarded using this product. Amino is fully cloud-based and is hosted in Azure.

The MTech software portal includes dashboards displaying the status of poultry production and functionalities for creating farm production sites, managing users, and managing poultry production. Poultry production management capabilities include tools to manage costs, inventory, transactions, flock status, production metrics, product usage, and location data. The Amino platform also provides reporting functions to customers. Axis serves as the MTech reporting platform, and both standard reports and custom reports can be created as necessary.

Multiple modules are hosted on the Amino platform, and these modules are customized to fit the part of the production process that the producer works in. Each module manages the poultry production process by tracking key performance indicators (KPIs), which are used to forecast production demands and provide the information needed to provide resources at different stages of production. These resources may include feed, floor space, transportation, fuel, and others. Each module can also communicate with other modules to ensure that pricing and other production data can be shared, as necessary. The following modules are available:

- Breeders
- Layers
- Broilers
- Hatcheries
- Feed mills & nutrition
- Processing plants

Sales & Marketing

MTech markets its software through word of mouth within the industry. As the organization has market recognition as the dominant provider of its services, most new business comes to MTech directly. The organization also attends industry trade shows and markets its new products to existing customers.

Once contact is made with potential customers, the customer is entered into the ActiveCampaign customer relationship management (CRM) system. Product demonstrations are also performed during the sales phase. A contract negotiation process is then conducted that may include modifications to the agreement. Once a master service agreement (MSA) is agreed upon and signed, a statement of work (SOW) is created, and an email is generated by ActiveCampaign to notify the onboarding project team of the new client. A kickoff call is then scheduled. Though the Sales team remains available to the client as necessary, Sales personnel do not participate in onboarding projects.

Customer Onboarding

The organization's customer onboarding team uses Wrike as its project management software. For each new customer, a Project Manager is assigned to the onboarding project and a predefined project template is used to set up the onboarding plan. Milestones are also established for each project, and the organization conducts up-front project scoping to ensure that all necessary onboarding tasks are defined and that the modules needing to be set up are determined. A pre-implementation questionnaire is also filled out by the customer to facilitate the project's creation.

Once the plan is finished, the customer signs off on the plan before work begins in the system. Provisioning is done during this stage, and product development is also completed based on the requirements determined by the project plan. Historical information may also be imported to provide long term customer information, and this information is provided to MTech via CSV text files. Any custom requirements for reports or KPIs are also delivered during this phase.

Customers requiring support once the onboarding process is complete must submit support requests through Zendesk for review and appropriate organizational action.

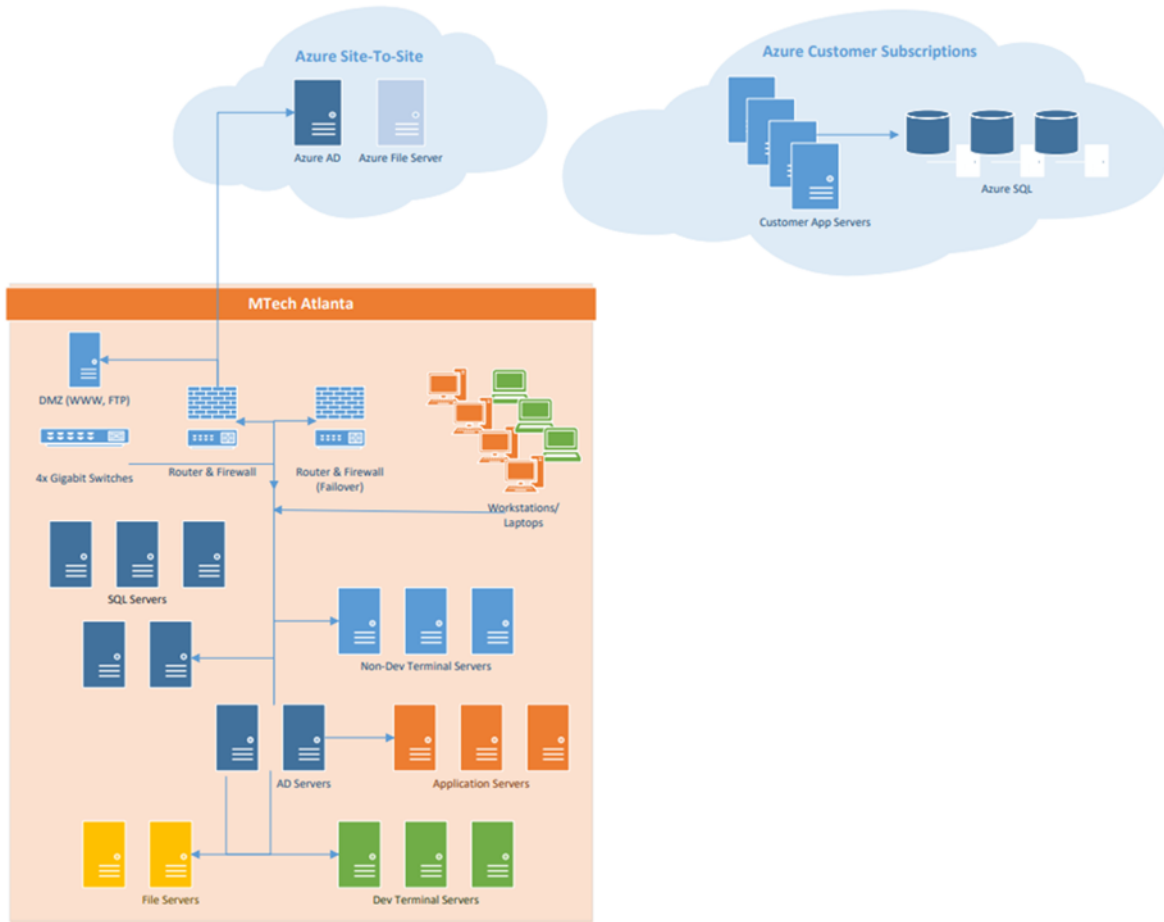
Customer Offboarding

Customers are rarely if ever offboarded. For customers expressing a wish to leave, the organization attempts to retain the customer's business. If this attempt is unsuccessful, the organization terminates the relationship according to the executed contractual agreements, which address the termination of services and fees.

Infrastructure

The organization maintains a system inventory that details the critical physical and virtual systems that are used in its environment. Azure is used to maintain the Azure asset inventory, which includes servers, network assets, and software assets in the software-as-a-service (SaaS) environment.

MTech also maintains a network diagram that depicts its physical and virtual systems and the ways in which they interact. The diagram is reviewed and maintained as necessary and is included below.



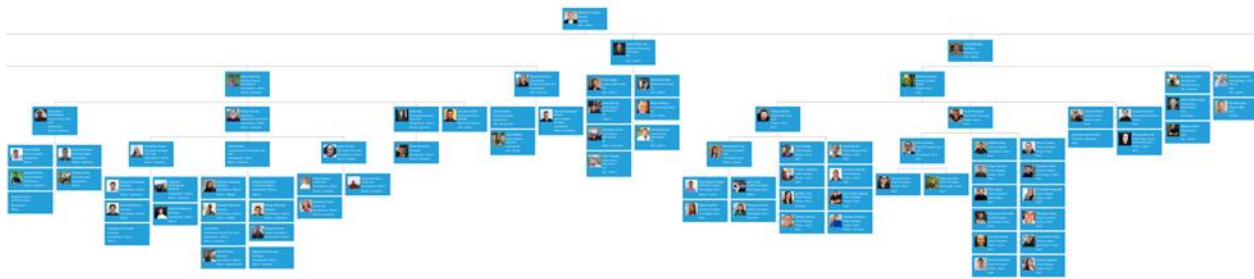
MTEch Network Diagram

People

The organization's leadership structure is multi-tiered. The top management group consists of Vice Presidents (VPs) or Directors who report to the President. The general management group consists of a set of managers and directors acting as department heads. Personnel in the middle management group act as team leaders for the regular workforce. Departments under the President are organized by general function and consist of the following:

- IT Services (ITS)
- Finance
- Operations
- Product Development
- Data Science
- Business Analytics
- Development
- Precision Farming
- Sales and Marketing
- Human Resources (HR)

MTEch has established a formal organizational chart that depicts the functional areas and the reporting lines up to the President. The organizational chart is maintained as necessary, and the functional areas and reporting lines are depicted in the chart included below.



MTEch Organizational Chart

MTEch also functions under a board of directors that provides oversight for the organization and its compliance functions. The board of directors consists of seven members including the President and meets biannually to discuss any relevant compliance or organizational issues.

Data

The organization stores, transmits, and processes the following data in its environment:

- **Live Operations Data:** The organization collects and stores information related to the day-to-day operations of poultry and swine enterprises, such as animal growth, feed consumption, mortality rates, environmental conditions, feed deliveries and veterinary treatments. This data enables clients to monitor performance, make informed decisions, and optimize production processes.
- **Financial Data:** The organization's software solutions process financial data, including revenue, expenses, and cost analysis, to help clients manage their business operations more effectively. This data may include transactional records, invoices, purchase orders, and other financial documents.
- **Personnel Data:** The organization stores and processes data about personnel involved in the management, production, and maintenance of poultry and swine operations. This data may include names, job titles, contact information, and work schedules.
- **Client Data:** The organization may store and process client-specific data, such as company names, addresses, contact information, and account details. This information allows us to manage client relationships and provide tailored support and services.
- **System and User Data:** To ensure the optimal performance and security of MTEch software solutions, the organization collects and processes system and user data, such as login information, IP addresses, device types, and usage patterns. This data helps MTEch to monitor system performance, identify potential issues, and improve the overall user experience.

As data flows from the client to the Amino platform, dashboards are displayed in the Amino platform to provide production information.

The organization encrypts data in its environment according to the standards detailed in the Encryption and Key Management Policy. The policy contains roles and

responsibilities for encryption key management and outlines the systems that are in scope. If an encryption key is not specified, a minimum of AES 128-bit keys should be used. Azure Key Vault is used to ensure that encryption keys are managed appropriately.

MTech requires sensitive data to be secured any time it is transmitted or received over public networks. HTTPS and Transport Layer Security (TLS) are used to ensure that all data transferred between servers and client browsers is private and secure. A system of digital certificates is used to verify the identity of MTech servers to client browsers, and this system is managed by trusted third parties. The organization's Azure SQL Server employs various security measures to protect data, which includes the use of Transparent Data Encryption (TDE).

To protect information involved in application service transactions, MTech implements the following strategies and technologies to prevent incomplete transmission, misrouting, replay, and unauthorized message alteration, disclosure, and message duplication:

- HTTPS is used to ensure data integrity and confidentiality.
- TLS includes features like checksums and sequence numbers to ensure that data in transit is not lost or altered.
- Message authentication codes (MAC) are used to ensure that the message came from the stated sender and has not been changed in transit.
- Network configurations are designed and managed carefully to prevent misrouting. These configurations are regularly reviewed and updated as necessary.
- Access controls are used to restrict who can send or receive messages, which helps prevent unauthorized disclosure and message alteration.

Processes and Procedures

Management has developed and communicated procedures to guide the provision of the organization's services. Changes to procedures are performed annually and authorized by management. These procedures cover the following key security life cycle areas:

- Data classification
- Categorization of information
- Assessment of the business impact resulting from proposed security approaches
- Selection, documentation, and implementation of security controls
- Performance of annual management self-assessments to assess security controls
- Authorization, changes to, and termination of information system access
- Monitoring security controls
- Management of access and roles
- Maintenance and support of the security system and necessary backup and offline storage
- Incident response
- Maintenance of restricted access to system configurations, user functionality, master passwords, powerful utilities, and security devices

Section B: Principal Service Commitments and System Requirements

Regulatory Commitments

As an organization handling data of Brazilian consumers, MTech is impacted by the General Personal Data Protection Law (LGPD).

Contractual Commitments

The organization executes MSAs with its customers to communicate contractual commitments. All MSAs are written by MTech, but modifications to the agreement may be made during the contractual negotiation process. Contracts disclaim any guarantee of service availability and contain mutual confidentiality requirements.

System Design

MTech Systems designs its live-animal protein production enterprise data solution system to meet its regulatory and contractual commitments. These commitments are based on the services that MTech Systems provides to its clients, the laws and regulations that govern the provision of those services, and the financial, operational, and compliance requirements that MTech Systems has established for its services. MTech Systems establishes operational requirements in its system design that support the achievement of its regulatory and contractual commitments. These requirements are communicated in MTech Systems' system policies and procedures, system design documentation, and contracts with clients.