JBS Responsible Procurement Policy

JBS Brasil and its business units have a Responsible Procurement Policy for all raw materials that establishes social and environmental criteria for suppliers selection.

In the pork and poultry value chain, Seara Alimentos only purchases soybean meal from companies that have signed up to the Soy Moratorium in the Amazon Biome, to ensure its products provide no support for Amazon deforestation.

Friboi, the JBS beef business in Brazil, does not purchase animals from farms participating in deforestation of native forests or invasion of indigenous land or environmental conservation areas, or farms embargoed by the Brazilian Institute of the Environment and Natural Resources (IBAMA). Furthermore, the Company does not purchase cattle from suppliers involved in rural violence or agrarian conflict, or who use forced or child labor.

In 2010, JBS implemented a system that monitors and verifies conditions on all supplier properties to ensure that all animal purchases comply with the Company’s social and environmental criteria. Every day, JBS analyzes more than 90,000 cattle suppliers in Brazil using satellite imagery, farm geo-referencing data and information from government agencies. The JBS monitoring system analyzes satellite imagery of supplier farms that covers around 450 thousand km$^2$ (111 million acres) in over 400 municipalities in the Amazon region. This is equivalent to an area the size of Spain.

The Company’s entire cattle procurement and supplier monitoring system are independently audited every year and the audit results are available from the JBS website. These independent audits have shown that in 2013, 2014, 2015, 2016 and 2017 more than 99.9% of JBS cattle purchases from farms in the Amazon region comply with the Company’s social and environmental criteria.

In 2019, DNV-GL, a well-known international auditor company from Norway that also provides social and environmental consultancy and certification, reported that 100% of JBS 2018 cattle purchases in the Amazon region were socially and environmentally compliant. The complete audit report is available at JBS’ site: https://jbs.com.br/wp-content/uploads/2019/11/JBS_Relat%C3%B3rioAuditoriaCompromissoPublico_DNVGL-2019_EN.pdf