

## **POSITIONING**

In 2021, Minerva Foods announced its Commitment to Sustainability and set a goal to develop and implement a monitoring program for indirect suppliers in all countries where it operates in South America by 2030. As part of this journey, the company has already achieved 100% monitoring of all its direct suppliers in the region, covering Brazil, Paraguay, Uruguay, Colombia, and Argentina, and meeting or anticipating local compliance deadlines.

To turn this commitment into practice, Minerva Foods manages its suppliers through a series of initiatives, actions, and activities aimed at ensuring compliance and transparency across its supply chain, based on three pillars: direct suppliers, indirect suppliers, and the requalification and reintegration of suppliers.

Every direct supplying farm that sells cattle to Minerva Foods undergoes a compliance analysis, in accordance with socio-environmental criteria, the company's cattle procurement policy, and the legislation in force in each country of operation. Supplier and property compliance checks are carried out with each new transaction, and in cases where any irregularities are identified against these criteria, the supplier is blocked in the system, preventing further transactions until the issue is resolved.

To ensure transparency and credibility throughout the process, the monitoring system undergoes annual third-party audits and has stood out for the consistency of its results in recent years. The most recent audits showed that purchases reached 100% compliance, meeting all socio-environmental criteria defined by the Cattle Supplier Monitoring Protocol in the Amazon and the Public Livestock Commitment (CPP), and were audited by BDO RCS Independent Auditors, respectively.

<u>Audit reports</u>, procurement <u>policy</u>, and other related information are publicly available on Minerva Foods' website.

Although there is a sector-wide challenge due to the lack of public policies related to indirect suppliers, the company has been implementing various initiatives and practices related to traceability and socio-environmental monitoring. These include protocols, technologies, and tools aimed at ensuring compliance across the entire livestock production chain. This work directly contributes to compliance with the European Union Deforestation Regulation (EUDR) by reinforcing robust traceability systems, risk mitigation measures, and verifiable deforestation-free supply chains.

Beyond monitoring, the company actively invests in sustainable livestock practices through its Renove Program, which expands field data collection, supports low-carbon livestock initiatives, and develops third-party certified carbon footprint measurement projects for partner farms.

## **MINERVA FOODS**