

**Attn.:**  
**Greenpeace International**

We truly appreciate the opportunity to provide you with answers to the points you raised. Marfrig is open to honest, transparent dialogue and believes that this is the only way to address, face and overcome the challenges inherent in putting food on the tables of consumers all around the world.

We are proud of the transparency throughout our entire production process in order to ensure the excellence and quality of our foods while continually striving to reconcile food production with the preservation of biodiversity. For this reason Marfrig undergoes independent audits on an annual basis. All of our sustainability initiatives are documented and made public in annual reports, bulletins and other documentation audited by recognized independent auditing firms, and can be consulted here: [Content Central \(marfrig.com.br\)](https://www.marfrig.com.br/content-central)

To address the specific points raised by Greenpeace, above all its claim that the market is highly-concentrated, Marfrig wishes to clarify that it controls less than 6% of the world's cattle slaughtering volume, and that this market is very fragmentary in certain regions in which the company operates, as it is in Brazil. In this country there are 1,100 cattle slaughterhouses, 646 pork slaughterhouses and 280 poultry slaughterhouses. All of which are registered and inspected at federal, state or municipal levels. The vast majority are registered as federally-inspected establishments, which means that they are approved to trade throughout the domestic market, or even export to overseas markets (Source: [https://gvagro.fgv.br/sites/gvagro.fgv.br/files/u115/03\\_Setor\\_Carnes\\_Brasil\\_PT.pdf](https://gvagro.fgv.br/sites/gvagro.fgv.br/files/u115/03_Setor_Carnes_Brasil_PT.pdf),p.7)

Specifically concerning the distribution of dividends, the company abides by the provisions of Brazil's legislation.

Marfrig works unceasingly to ensure these standards are met and make its production chain deforestation-free and increasingly sustainable. In 2009 the company was the first in its industry to establish a public commitment to combating deforestation. Despite the complexity and vast territory involved in livestock-raising in Brazil, the company has presented substantive and auditable sustainability results through its Marfrig Verde+ Program, launched in 2020 to attain 100% traceability of the company's cattle production chain — including both direct and indirect suppliers — in the Amazon region by 2025, and in the remaining biomes by 2030.

Thanks to recent advances, Marfrig has obtained satellite identification of 100% of its direct supplying farms. In order to monitor indirect suppliers, one of the major challenges facing Brazil's livestock chain, the company monitors and controls the origin of 72% of such suppliers in the Amazon region, and 73% in the Cerrado biome. Over 2,500 cattle ranchers have been reintegrated into the company's supply chain having aligned themselves with the social and environmental criteria adopted as part of the company's commitments. Inclusion is one of the pillars of the Marfrig Verde+ Program.



Marfrig upholds a strict animal-sourcing policy, and a protocol containing clearly-expressed and well-defined criteria and procedures that are prerequisites for ratifying suppliers and authorizing the purchase of animals. To ensure compliance, the company has developed and runs a platform to enable continuous, daily, oversight of suppliers. The system cross-references geo-tagging data and farm documents against official public information, in order to identify possible failures to comply with such issues as deforestation, blocked areas, conservation units, indigenous people's reserves and slave labor. With every new purchase, all this data is verified, so as to obtain an up-to-date status of the farm vis-à-vis the criteria. Whenever a non-compliance is identified in a supplier's performance, that supplier is immediately blocked and no further purchases are made from them. For Marfrig this is an essential, non-negotiable practice. The process for analyzing suppliers on a social and environmental basis includes geospatial monitoring of the areas of over 34,000 farms (of both direct and indirect suppliers).

All of this effort, and all of these initiatives, have led Marfrig to occupy leading positions in rankings, indices, lists and reports that are deemed to be benchmarks in assessing ESG practices for 2022.

In the global Collier FAIRR Protein Producer Index, run by FAIRR Initiative, Marfrig was the best-placed beef-protein producing company among meatpackers from several regions of the world, and was the only one to be classified as low-risk.

In the world's most important ranking of animal welfare management concerning food-producing animals, the Business Benchmark on Farm Animal Welfare (BBFAW), Marfrig was the only company in its industry to attain Tier 2 (for processes integrated to business strategy).

In terms of natural resource management, Marfrig is the most highly-rated manufacturer of foods of animal origin by the CDP organization, which also runs the Climate Resilience Index, in which the company was listed.

Marfrig is the highest-ranking Brazilian company in the Global Child Forum Benchmark, exceeding the general average point score of the Food, Beverage and Personal Care industry.

The company is part of the Corporate Sustainability Index (CSI) and Carbon Efficiency Index (ICO2) of B3, the Brazilian Stock Exchange.

The company is the only actor in the beef protein industry in the Americas to have its targets approved by the Science Based Targets Initiative (SBTi) and to commit to curb the global temperature rise to up to 1.5°C by 2035.

In the Forest 500 worldwide ranking for combating deforestation (2023 edition), Marfrig is the leader in the slaughterhouse industry.



Concerning Marfrig's global strategy, another focal point is ensuring that the impacts of the company's production are positive for the communities within which the company operates. All of these points are ensured by a strict standard of governance overseen by committees made up of independent members, who are references in their own professional fields.

Sincerely yours,

Rui Mendonça Junior