
Date: February 2023

To: Global Witness

Subject: Reply to Earthsight's Report

Minerva Foods is the South America's largest beef exporter and one of the region's leading high quality beef producers. The Company operates in the production and sale of beef, processed foods and by products, operating out of Brazil, Argentina, Chile, Colombia, Paraguay, Uruguay and Australia, accessing markets in over 100 countries. It is evident to the Company that the sustainability of its business depends on the sustainability of the ecosystems which support agricultural production. With this mindset, a commitment to the sustainable future of the planet's food supply is at the forefront of its objectives, and regards Sustainability among its company values, together with Results Drive, Commitment, Innovation, and Acknowledgement¹.

Dedication to the Planet – Fight Against Illegal Deforestation – Monitoring of Direct Suppliers

Minerva Foods utilizes the best available technology in its traceability practices to ensure compliance with environmental, labor and land tenure regulations within its portfolio of producers, with a focus on topics such as biodiversity and human rights. With regard to the environment, the Company pioneered the wider application of geospatial monitoring technology to 100% of direct suppliers in all biomes of Brazil (Amazon, Cerrado, Pantanal, Caatinga and Atlantic Forest). In 2021 the implementation of monitoring for 100% of purchases in Paraguay was concluded. The objective is to achieve the same range of coverage for Colombia (2023), Uruguay (2025) and all other countries in which Minerva operates in South America (2030). In Colombia and Argentina², implementation is already advanced, with over 80% of direct suppliers monitored in the former and 90% in the latter country. In Uruguay, Minerva Foods has

¹ More information at: <https://www.minervafoods.com/en/the-company/>

² More information at: <https://minervafoods.com/sustentabilidade/en/commitment-to-sustainability/> and <https://www.minervafoods.com/sustentabilidade/en/dedication-to-the-planet/#supply-chain-management>

already started studies on local legislation to start implementing socio-environmental monitoring in the country.

Geospatial monitoring tracks the condition of the ranches, ensuring that cattle purchased by Minerva Foods do not originate from properties with illegally deforested areas; possess environmental embargoes (punitive measures issued by inspection and control agencies that stop production activities that degrade the environment); are overlapping with indigenous lands and/or traditional communities and conservation units; and are not associated with the use of labor analogous to slavery.

In other words, this means that there is no illegal deforestation, use of labor analogous to slavery or child labor and environmental embargoes in the Minerva Foods supply chain. Should any non-conformity be detected of the socio-environmental criteria, the supplier is blocked until the situation is corrected.

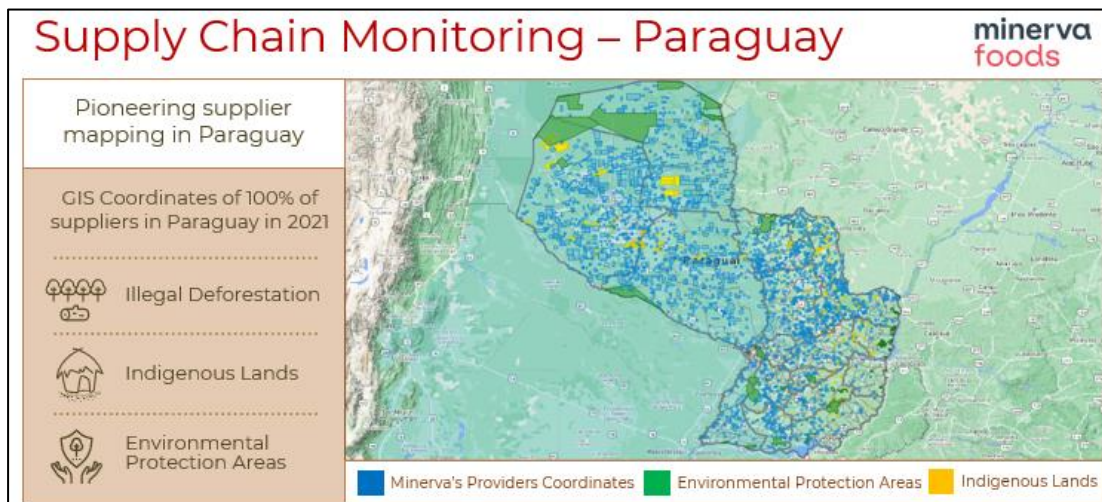
Audit of the monitoring system is conducted annually, with Minerva Foods achieving outstanding results. The Company maintains the best performance, among major players in the market for the third consecutive year, in the third-party audit carried out by the Federal Public Prosecutors's Office in Pará, the main and most reliable tool for social and environmental verification of the Brazilian production chain³. The results for the audit conducted in 2021 demonstrated that of the totaled 78.990 animals purchased, 100% originated from properties that are in compliance with all criteria of the Termo de Ajustamento de Conduta (TAC) under the Federal Public Ministry. This took into account transactions carried out by Minerva Foods between July 2019 and June 2020. The Company has maintained a 100% compliance, since 2013, on audits of the Livestock Public Commitment. The evaluation of the results was approved by BDO RCS Auditores Independentes, reinforcing the robustness of its monitoring system and the Company's continuous efforts towards an increasingly sustainable cattle breeding.

³ More information at: http://www.mpf.mp.br/pa/sala-de-imprensa/documentos/2021/apresentacao_auditorias_cadeia_pecuaria_pa_07-10-2021.pdf

Supply Chain Management in Paraguay

Minerva Foods is pioneering geospatial monitoring in Paraguay. Geospatial monitoring via satellite images is carried out on the properties of suppliers that are located in all regions of the Country to detect the existence of illegal deforestation, overlaps with indigenous lands and environmental protection areas. Suppliers in conflict with any of the requirements adopted by the Company are inserted in a blocking list, rendering them ineligible for commercialization until the situation is corrected. The monitoring system contains more than 4,000 cattle ranches which have been monitored with the established criteria, accounting for more than 14 million hectares geographically monitored. In 2021 the implementation of monitoring for 100% of purchases in Paraguay was concluded.

In Paraguay, a third-party audit was conducted following the guidelines aligned with the International Finance Corporation (IFC) for monitoring purchases in the country. For the third time, the performance attained was 100% compliance. Audit reports are public and can be accessed on the Minerva Foods website⁴.



<https://www.minervafoods.com/en/sustainability>

⁴ More information at: <https://www.minervafoods.com/sustentabilidade/en/dedication-to-the-planet/#supply-chain-management>

In Paraguay, Minerva Foods has been a member in the local chapter of the Global Roundtable for Sustainable Beef – Mesa Paraguaya de Carne Sostenible (MPCS) since the beginning of its formation, contributing to the sectoral discussion about the improvement of productivity indicators and the sustainability of cattle ranching in the country. Minerva Foods also joined the multistakeholder initiative called the Forest Conservation Agriculture Alliance. The alliance counts on the participation of the following agents: United States Agency for International Development (USAID), International Finance Corporation (IFC), World Wildlife Fund (WWF), Wildlife Conservation Society (WCS), Asociación de Municipios de Chaco Central, Cooperativa Neuland and Minerva Foods.

Regarding Earthsight's Report

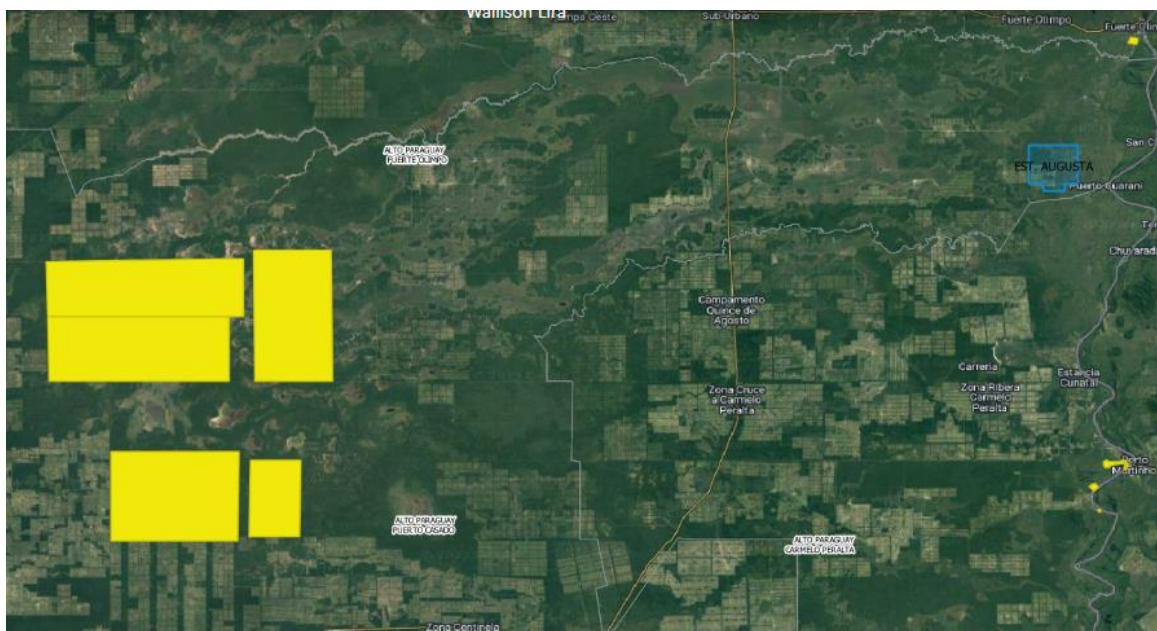
Minerva Foods carried out studies in PNCAT area to reinforce its position regarding traceability compliance. Regarding the Yagarate Pora rancher, we inform that the aforementioned provider is not registered in the Minerva Foods database, and there were never purchases of the referred rancher. In relation to both Est. San Miguel ranch and Est. Augusta ranch, which belongs to Caucasian S.A., we inform that neither ranch's maps overlap into PNCAT lands or environmental protection areas. Therefore, the ranches are in compliance with Minerva Foods cattle purchase criteria. As seen below, both ranches' perimeter is registered in SNC's database ("Sistema Nacional de Cadastros").



Est. San Miguel Ranch



Zoomed satellite image showing no intersection with the indigenous area (NicePlanet Database)



Est. Augusta Ranch

Engagement and Recognitions

As part of the company's strategy towards sustainability and the efforts undertaken over the past few years to promote the ESG agenda across all links of the chain, in 2021, Minerva Foods joined the United Nations (UN) Global Compact⁵, the greatest global movement towards sustainability. It consists of initiatives for companies committed to the development of strategic policies for their operations that include universal principles of Human Rights, Labor, the Environment, and Anti-Corruption, in addition to contributing to the fulfillment of the 17 Sustainable Development Goals (SDGs) established by the UN by 2030.

In addition, since 2005, the Company has been a signatory of the National Pact for the Eradication of Slave Labor, a Brazilian initiative that is developed based on ten commitments to prevent and combat labor analogous to slavery in its supplier network. The performance of these actions is monitored annually by the National Pact Institute for the Eradication of Slave Labor, InPacto.

⁵ More information at: <https://www.unglobalcompact.org/what-is-gc/participants/145646-Minerva-S-A>

Minerva Foods actively participates in the Global Roundtable for Sustainable Beef (GRSB), *Mesa de Ganadería Sostenible de Colombia*, *Mesa Paraguaya de Carne Sostenible* (MPCS) and the Grupo de Trabalho da Pecuária Sustentável (GTPS).

For the third consecutive year, the Company was listed in the 2023 portfolios of the Carbon Efficient Index (ICO2)⁶ and the Corporate Sustainability Index (ISE)⁷, held by B3. In 2022, Minerva Foods also joined the 2022/2023 portfolio of the CDP Brazil Climate Resilience Index (ICDPR70)⁸. These indexes are tools used to compare the performance of companies listed on the B3 with regard to corporate sustainability.

Minerva Foods ranks among the five best Brazilian companies according to Forest 500 ranking⁹. This assessment indicates that the Company is one of those with the lowest risks of linkage to deforestation or potential exposure to forest risk commodity supply chains. The ranking is conducted annually by Global Canopy and strives to accelerate progress towards a global deforestation-free economy - through greater transparency, innovative finance, and strategic communications. The ranking evaluates the overall approach to deforestation; strength of sustainability policy/commitment; social aspects, which analyzes its commitments to human rights; reporting and implementation of commitments made - criteria in which Minerva Foods presented positive results.

Minerva Foods maintains its commitment to transparency.

Minerva Foods has a tradition of transparency in the release of information regarding its ESG agenda. For 11 years, the Company has annually reported its advances through the Sustainability Report, and continually develops new ways to present the best sustainability content to its stakeholders.

⁶ More information at: https://www.b3.com.br/pt_br/market-data-e-indices/indices/indices-de-sustentabilidade/indice-carbono-eficiente-ico2-composicao-da-carteira.htm

⁷ More information at: <http://iseb3.com.br/carteiras-e-questionarios>

⁸ More information at: <https://icdpr.net/empresas-do-indice/>

⁹ More information at: <https://forest500.org/rankings/companies>

In 2022, Minerva Foods won the “ESG Reporting Awards”, from ESG Investing, as well as the “Best in the World”, from Hallbars. The awards are an important recognition of the quality, clarity, and transparency of our Sustainability Report, reinforcing Minerva Foods’ commitment to sustainability, one of the pillars of our business model.

Learn more about our operation and ESG initiatives at the Minerva Foods website¹⁰ and in the Sustainability Reports¹¹. More details about the Company's financial performance can be found on the Investor Relations website¹².

¹⁰ More information at: <https://www.minervafoods.com/en/home-en/>

¹¹ More information at: <https://www.minervafoods.com/sustentabilidade/en/sustainability-reports/>

¹² More information at: <http://ri.minervafoods.com/en/>