

2022 Annual and Sustainability Report



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WELCOME

Committed to transparency and socio-environmental compliance, we published the second Annual and Sustainability Report of [Frigol S.A.](#) to our stakeholders and society in general, reinforcing the commitment to feed people's lives around the world with the highest quality products and promote development where we operate. **GRI 2-2, 2-4**

This publication is part of an annual reporting cycle with relevant information about the company's performance from January 1 to December 31, 2022. The content follows the guidelines of the Global Reporting Initiative (GRI), recognized as global best practices for public reporting of different economic, environmental and social impacts, and we relate our performance to the Sustainable Development Goals (SDGs) of the United Nations (UN). **GRI 2-3**

The information takes into account our materiality matrix, with ten priority material topics, which has been reviewed and expanded for this reporting cycle. Thus, we report our areas, the corporate governance model, engagement with employees, suppliers, cattle breeders and funding as well as the commitment to the environment. **GRI 2-29, 3-1, 3-2**

To send questions about this report, write to: sustentabilidade@frigol.com.br. **GRI 2-3**

Have a good reading!

Message from the Board of Directors

GRI 2-22

More than as a year of financial records, 2022 goes down in FriGol's history as the year in which we evolved in building the pillars that will sustain our long-term growth. These pillars include the environmental, social and governance agenda, along with operational efficiency and financial health.

Under the governance aspect, the Board of Directors was completed with the arrival of Ely Mizrahi as second independent board member, with over 35 years of experience in the food sector. The CFO Eduardo Masson has joined the Executive Board, leading the improvements in the financial profile in 2022.

In the environmental area, aware of our responsibility as one of the largest players in the sector, we remain committed to the development of sustainable livestock. In 2022, our efforts were rewarded with the audit of the Federal Public Prosecutor's Office in Pará, which has proven that 100% of cattle purchases comply with socio-environmental criteria. This result showed us that we are on the right path.

In the social area, we invested over BRL 1 million in social projects in the cities where we have plants. For us, it is top priority to care for our almost 2,800 employees. Thus, we created an Executive People & Culture Management, with the mission of improving the organizational climate, career plans and ensuring the health and safety of everyone. And the results came out last year.

Amidst so many achievements in the ESG agenda, we reported the best year of financial and operational results in our history. There are many achievements to celebrate, as it can be seen in the following pages.

Finally, I would like to thank everyone who trusts our work and allows us to fulfill the mission of feeding thousands of families in Brazil and around the world.

Preserving our essence and tradition, we will always continue to evolve. Thank you!

Djalma Gonzaga de Oliveira
Chairman of the Board of Directors

We built the pillars that are the foundation for our long-term growth



Message from the Executive Board

GRI 2-22

It is rewarding to publish our second Annual and Sustainability Report and to be able to share how much we have evolved in 2022. With solid financial and operational performance, we obtained the best results in FriGol's history, reaching a record turnover of BRL 3.8 billion. This is the third consecutive year in which we achieved growth above 20%, being considered one of the best in the meat industry in Brazil.

Based on the search for markets with greater profitability, we focus on export and, nevertheless, we invest to serve national customers increasingly better.

As a consequence of this strategy, other records: net income reached BRL 133 million, and EBITDA was BRL 251 million. These results fill us with pride, as they were achieved amid the challenges imposed by the Covid-19 crisis, by high interest rates and inflation and loss of purchasing power at global level.

For the third consecutive year we grew more than 20%, consolidating ourselves among the main Brazilian companies in the sector.

Another reason for celebration was the responsiveness of investors, who allowed FriGol to debut in the capital market successfully, where we raised BRL 210 million in two issues of Agribusiness Receivables Certificates (CRA). The funds were used to improve the financial profile, while we achieved one of the best leverage ratios in the industry, 1.1x net debt/EBITDA.

Operationally, we invested in our units, which improved their efficiency and productivity, and cattle plants were awarded the highest scored of BRCGS

Food certification, globally recognized as a reference in food quality and safety.

These achievements were only possible thanks to the employees, shareholders, cattle breeders, suppliers, customers, consumers, investors and the community who trusted in our purpose to feed families in Brazil and around the world in a sustainable manner.

Enjoy your reading!

Eduardo Miron
CEO



2022 Highlights



Increase in plant efficiency from 75% to 89%,

+14 p.p.



Project expansion

Açougue Completo FriGol



Contract for acquisition of energy

100% renewable

to supply the operation in 2023 and 2024



54th position

in Forbes magazine's AGRO100 ranking



Record results with

BRL 3.8 billion

of gross revenue, a 21% increase



Entry into the capital market, with funding from

BRL 210.6 million

in two CRA (Agribusiness Receivables Certificates)



100%

of compliance in the 4th Audit Cycle of the TAC of Sustainable Livestock of the Amazon biome



209th place

in the Best and Biggest ranking of Exame magazine



Five new qualifications for sales in the foreign market: Canada, Argentina, Lebanon, Iran and the United Kingdom – with presence in more than

60 countries



Start of operation of the new Distribution Center in

Jandira (SP)



Certificate in excellence in service

RA 1000

on Reclame Aqui website



We published our

1st Annual

and Sustainability Report for 2021

1st Inventory

of Greenhouse Gases



5th largest

company in the beef industry, according to net revenue, in Globo Rural magazine's ranking



1

OUR WAY OF DOING THINGS

Corporate office,
Lençóis Paulista/SP

About us

GRI 2-1, 2-2, 2-6

FriGol is a Brazilian privately held food company in the meatpacking segment. It is one of the five largest Brazilian meatpacking companies and one of the leaders in beef production in the country. Founded in 1992 by the Gonzaga Oliveira family, which has been operating in the meat sector since 1970, FriGol is strategically located in the states of São Paulo and Pará.

Operations in the country are aligned on a strong export strategy, aiming to reach new markets, diversify sales and promote sustainable growth. Thus, we are qualified to supply products to more than 60 countries, in Asia, America, Europe, the Middle East and Africa. The strategy has been successful, and sales to the foreign market reached 53% of revenue in 2022. China is the highlight, with an increase of 102% in revenue compared to 2021, followed by Israel. In 2022, we became qualified to export to Canada, which is our first qualification to export to North America, as well as the United Kingdom, Lebanon, Iran

and Argentina. In the domestic market, we operate in wholesale, retail, food service and industry channels mainly in the Southeast region, focusing on São Paulo and the countryside.

Without losing the strength of our tradition, we are attentive to the transformations of society, technological innovations, the environmental impacts of our activities and the care for the planet. Therefore, sustainability is at the center of our strategy. Based on this, we set environmental, social and governance goals and priorities, aiming to ensure business longevity and minimize socio-environmental impacts.



Janeude Batista,
meat processor

FriGol Feeding
people's lives



MISSION, VISION AND VALUES

GRI 2-23, 2-24

MISSION



To feed people's lives around the world with the highest quality products, creating the greatest long-term value for our stakeholders.

VALUES



- Entrepreneurship
- Work
- Transparency
- Operational effectiveness
- Relationship that generate value

VISION



To be a global reference in profitability and quality in the animal protein sector, promoting - socioeconomic and environmental development in the regions where it operates.



Deise dos Santos,
meat processor

Our presence

GRI 2-1, 2,6

We have three cattle and one swine production unit, and one meat rendering plant, located in the states of Pará and São Paulo, in addition to two Distribution Centers in the state of São Paulo, which distribute products to the domestic market. In addition, we export to over 60 countries.



São Félix do Xingu (PA)

- Breeding of beef cattle (semi-confinement)
- Beef meatpacking

Água Azul do Norte (PA)

- Breeding of beef cattle (confinement)
- Beef meatpacking

Bauru (SP)

- Distribution center – DC

Lençóis Paulista (SP)

- Beef meatpacking
- Pork meatpacking
- Meat rendering plant – Preparation of Slaughter By-products
- Corporate office

Jandira (SP)

- Distribution center – DC

We are qualified to supply our products to more than 60 countries

Our history

A path of achievements guided by quality and responsibility

The history of entrepreneurship in the meat sector begins before the foundation of FriGol and dates back to 1970, when Luís Gonzaga de Oliveira arrived in Lençóis Paulista and opened his first butcher shop.

1992

- Foundation of FriGol by four brothers and a brother-in-law of Gonzaga de Oliveira family, with a pork and beef meatpacking unit in Lençóis Paulista (SP).

2004

- Inauguration of Água Azul do Norte (PA) unit.
- Qualified to export to the European Union.

2009

- Signing of the commitment with the government of the State of Pará and the Federal Public Prosecution Office (MPF) against deforestation in the Amazon biome.

2013

- Inauguration of São Félix do Xingu (PA) plant.

2014

- FriGol reaches BRL 1 billion in net revenue.

2015

- Qualified to export to China.

2016

- Creation of the Board of Directors and first CEO hired.

2017

- Implementation of the tool for socio-environmental consultations in 100% of the animals acquired in all units, regardless of the biome.

2020

- Qualified to export to Israel.
- Launch of QR codes in all product lines, with socio-environmental traceability information (domestic and foreign markets).

2022

- FriGol records the best financial and operational results in its history and debuts in the capital market with the issuance of two CRAs.
- BRCGS Food certification on the three cattle plants.
- 100% of suppliers approved in socio-environmental criteria, according to the MPF in Pará.
- Reaches BRL 3.8 billion in revenue.

Journey towards sustainability

GRI 2-22

With sustainability at the heart of our business, we are a company that seeks to achieve goals and overcome challenges responsibly before our stakeholders, always thinking about future generations.

We understand that our success will only be possible if we are aligned with the sustainable development agenda — adopting principles such as those related to the SDGs and the UN 2030 Agenda —, the confrontation of the climate emergency and the promotion of a low-carbon, wealthy and inclusive economy. In this journey, a fundamental part comes

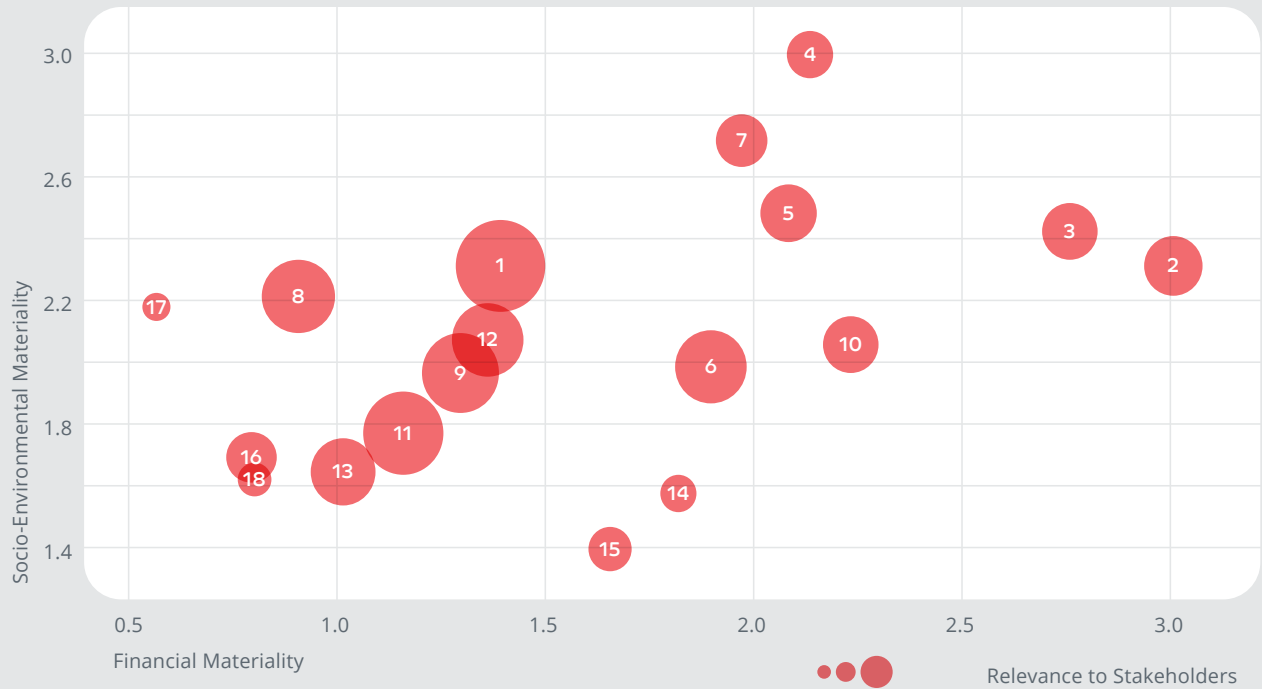
from the contribution of our almost 2,800 employees, in the investment in technology and innovation in the plants, in the tracking of the supply chain, and in training and support to producers who want to adapt to the standards and procedures of sustainable livestock.

These and other actions help us achieve the objectives of our ESG (environmental, social and governance) strategy, which include the sustainable origination of animals for slaughter, the health and safety of our employees and respect and care for the communities where we operate.

We prioritized ten material topics as a result of the materiality review process

MATERIALITY MATRIX

During the preparation process of the matrix, out of 18 material topics that were considered, 10 were selected as the most important for the business



- 1. Food quality and safety
- 2. Supply chain management and traceability
- 3. Biodiversity and ecosystems
- 4. Climate change
- 5. Privacy and Data Security
- 6. Attraction, development and retention of employees
- 7. Water and effluent management
- 8. Transparency with customers
- 9. Health, well-being and safety
- 10. Waste and tailings management
- 11. Animal welfare
- 12. Ethics, Integrity and Compliance
- 13. Innovation and Technology
- 14. Government relations and regulatory bodies
- 15. Energy efficiency
- 16. Diversity, inclusion and equity
- 17. Relationship with indigenous communities and peoples
- 18. Air quality

OUR MATERIAL TOPICS GRI 3-1, 3-2

Our journey towards sustainability is in line with FriGol's materiality matrix, which has been revised in this cycle. We defined and prioritized ten topics focused on our greatest ambitions, our protagonism, impacts identified, policies, goals and plans to manage. We reached the most important topics for our audiences through 311 consultations with key stakeholders

and experts: employees, commercial representatives, suppliers and service providers, customers, banks and investors, press and NGOs, the company's top management, as well as the members of the Board of Directors.

The work was divided in four stages (identification, prioritization, analysis and

validation), in addition to evaluation of sectoral documents and review by the top management. GRI indicators were listed for each topic, as well as principles of the Sustainable Development Goals (SDGs).

GRI 2-29

In line with the SDGs, a global agenda adopted in 2015 by countries participating in the United Nations (UN), the following material topics were identified:

Material topics	Description	GRI Indicator	SDG	Where it occurs	Stakeholders
1. Food quality and safety	An essential issue for building credibility and trust in the market; adherence to protocols and certifications; investments in improvements; mitigation of health risks relevant to the sector.	416-1, 416-2	16	Internally and externally	Leaders, Capital Providers, Experts, Clients
2. Supply chain management and traceability	Requirement, control and monitoring of the quality standard and compliance with the producers' socio-environmental criteria; responsible livestock production, with improved traceability on indirect ones and transparent communication on practices in each link of the chain.	308-1, 308-2, 13.10.4, 13.10.5, 13.23.1, 13.23.2, 13.23.3, 13.23.4	2 8 12 13 15	Internally and externally	Leaders, Capital Providers, Experts, Clients
3. Biodiversity and ecosystems	Sensitive topic due to our geographical location and concern with the preservation of the biomes where we are inserted.	304-1, 304-2, 304-3, 13.4.1, 13.4.3	2 8 12 15	Internally and externally	Leaders, Capital Providers, Experts
4. Climate change	Monitoring of atmospheric emissions, delineation of goals to mitigate emissions, as well as incorporation of the topic into the company's culture and in the daily lives of employees.	201-1, 201-2, 305-1, 305-3, 305-4, 305-5, 13.1.2, 13.1.4	2 9 13	Internally and externally	Experts, Leaders, Customers, Employees, Suppliers
5. Privacy and Data Security	Compliance with the General Personal Data Protection Law (LGPD) and constant care with the maintenance of data privacy and technological developments.	418-1	8 9	Internally and externally	Customers, Suppliers, Employees



We seek to achieve goals and overcome challenges always connected to our stakeholders

Material topics	Description	GRI Indicator	SDG	Where it occurs	Stakeholders
6. Water and effluent management	Efficient management of water resources, reduction of water consumption in the production process and return of water to the environment according to the law.	303-1, 303-2, 303-4, 303-5		Internally and externally	Employees, Suppliers
7. Transparency with customers	Transparency in our relationships with customers, from the quality of labeling, product quality and total productive and socio-environmental traceability of our products.	417-1, 417-2		Externally	Customers, Suppliers, Sales Representatives, Experts
8. Health, well-being and safety	Work in constant development to improve the quality of life at work, safety at work and the satisfaction of our employees.	403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10		Internally and externally	Employees, Suppliers, Unions
9. Waste and tailings management	Increase the consumption of environmentally friendly materials, reduce the volume of waste from the production process, reduce the shipment to landfills.	306-1, 306-2, 306-3, 306-4, 306-5		Internally and externally	Employees, Customers, Suppliers
10. Animal welfare	Adherence to international certifications and protocols; an increasingly sensitive topic for civil society; perceived as an important factor for product quality.	13.1.2, 13.1.4		Internally and externally	Customers, Employees, Suppliers

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FRIGOL

2

OUR GOVERNANCE

Management and leadership

We believe that responsible action should be guided by the best governance practices, valuing transparency, accountability to society and stakeholders, in addition to improving the company's risk management. Following the management's professionalization and transparency plan, in 2022, we continued restructuring the top management, started in the previous year, with a new CEO.

The next steps were the restructuring of the boards, with the split of the Administrative and Financial Board into two, the Financial and IR Board and the Administrative and Sustainability Board. A new management unit was created to intensify the focus on sustainability. To strengthen the Personnel department, we established the People & Culture Executive Management. Also in 2022, we intensified our communication process with the creation of the Corporate Communication Area.

Experienced leadership is supported by a set of policies, procedures and Code of Ethics. As part of this process, we hired, in 2021, the independent audit Ernst & Young to ensure the internal audit processes. In addition, we have the support of the companies

Deloitte Touche Tohmatsu, in serving our Whistleblowing Channel, and Grant Thornton, in the independent external audit, on a quarterly basis.

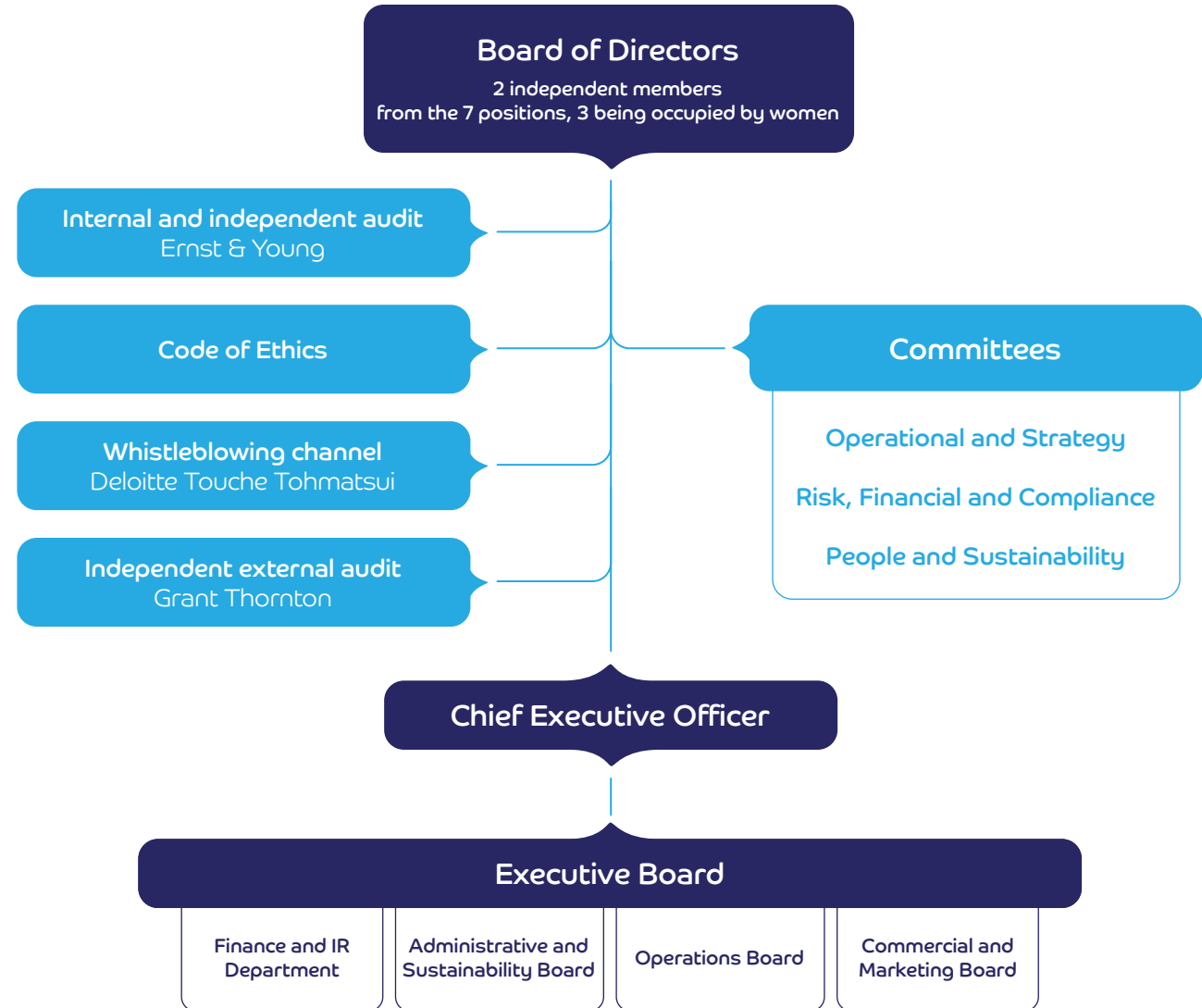
Our goal is to ensure continuous improvement and our operational efficiency, as well as adherence to policies and procedures, in addition to minimizing financial, legal and reputational risks. We have two instances of senior management: the Board of Directors, advised by three committees (People and Sustainability; Risk, Financial and Compliance; Operational and Strategy) and the Executive Board.

In the future, we seek to integrate the socio-environmental and governance criteria (ESG) into our business model. First and foremost, we are convinced that the development of an efficient socio-environmental agenda is linked to good corporate governance.

In this context, we are constantly developing best practices and evolving governance that prioritizes investment in people, innovation, technology and sustainability.

ORGANIZATIONAL STRUCTURE

GOVERNANCE: COMPLIANCE AND DIVERSITY





We prioritize good practices

Our governance model is based on ethical principles and standards of conduct that guide the behavior of shareholders, board members, directors, leaders and employees. This enables us to fulfill our mission, vision and values, something that is necessary to position

the company on its path to growth and value creation. For more information on the training and obligations of all governance bodies, please contact us.

ri@frigol.com.br

BOARD OF DIRECTORS

GRI 2-11, 2-12, 2-13, 2-14, 2-18

Comprised by seven members, five being representatives of holding companies from the shareholders' family and two being independent, the Board of Directors (CA, by its acronym in Portuguese) is responsible for approving the guidelines and policies of our business, instituting committees (and their bylaws) and supervising the activities of the Executive Board. The commitment to diversity and inclusion is also present in the highest instance of our leadership, being three positions occupied by women, 43% of the total.

The selection of members, with a term of office of two years, shall be made by the Board of Members, with the advice of specialized consulting. The features sought include experience in the protein sector, economic-financial knowledge and

adherence to governance and sustainability practices. The Board of Members shall also supervise the conduct of the members of the Board of Directors. **GRI 2-10**

There are three committees to advise the Board of Directors on issues relevant to the strategy of our business: People and Sustainability Committee, Risk, Financial and Compliance Committee and Operational and Strategy Committee. Each committee is responsible for preparing analyses and recommendations, which are submitted to the Board of Directors for resolution.

The selection of the members of each committee is made by the Board of Directors, considering the knowledge and experience of the members regarding the topic. **GRI 2-10**



43% of the members of the Board of Directors are women

MEMBERS OF THE BOARD OF DIRECTORS



Djalma Gonzaga de Oliveira
Chairman



Britaldo Soares
Independent Board Member



Ely Mizrahi
Independent Board Member



Débora Oliveira
Board Member



Letícia Oliveira
Board Member



Marina Caçado
Board Member



Dorival Júnior
Board Member

The Committees support the Board of Directors and the Executive Board in strategic decisions

ADVISORY COMMITTEES TO THE BOARD GRI 2-16, 2-17

PEOPLE AND SUSTAINABILITY COMMITTEE

It is responsible for:

- Guiding the strategic planning of people management, aligned with business objectives;
- Recommending Compensation and Benefits Plan of the members of the Executive Board, including the annual base salary, short and long-term incentive plan to be forwarded for approval by the Board of Directors;
- Reviewing the Company's employee compensation and benefits policies, including incentive plans and their applicability in recruitment, development, promotion and retention processes;
- Evaluating and proposing corporate goals and objectives relevant to the performance evaluation of the Executive Board and submitting for resolution of the Board of Directors;
- Proposing and monitoring corporate people management programs;
- Analyzing changes in organizational structure;
- Evaluating compliance with the sustainability policy and analyzing proposals for changes; and
- Periodically evaluating sustainability reports and proposing changes to their structures. **GRI 2-14, 2-20**
- Proposing to the Board of Directors the definition of the matrix of risks and exposure limits, as well as measures to protect financial risks;
- Performing trend analysis/behavior of the company's indebtedness, financial operations and regular bases of the management of Currency Hedge and the company's positions in BM&F futures market (cattle); and
- Analyzing proposals for changes and/or validation of policies and procedures, processes and activities involving market risk and credit, tax and operational liquidity.

RISK, FINANCIAL AND COMPLIANCE COMMITTEE

It is responsible for:

- Analyzing the Annual and Multiannual Budget, Cash Flow and Tax Planning;
- Monitoring results monthly;
- Analyzing risks and returns of investment, divestment and leverage proposals;

OPERATIONAL AND STRATEGY COMMITTEE

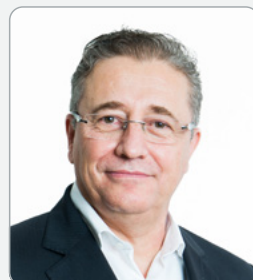
It is responsible for:

- Advising the management in the evaluation and monitoring of the current market and potential performance of the company; current and potential competitors; relevant investments; opportunities for acquisitions, investments, associations, partnerships, capitalization and divestitures, to achieve the best value for the company;

- Assisting the management in evaluating technological trends in products, services and processes; evolution of existing products and services; study of product lines and services adjacent to current ones; development of new products and services; opportunities to buy or sell technology; establishment of product performance goals;
- Assisting management in the process of transformations and innovations in the Company's sector;
- Assisting management by presenting proposals and global trends in terms of innovation in relation to the Company's sector of operation;
- Assisting management in defining the scope, guidelines, limitations, references and basic parameters to be used for preparation of the Strategic Plan;
- Assisting management in evaluating marketing strategies; business models; strategic/preferred customers; product and service distribution channels; and
- Assisting management in evaluating proposals related to the company's brands and its performance in different markets.

EXECUTIVE BOARD

GRI 2-12



José Eduardo de Oliveira Miron
CEO



Eduardo Masson de Andrade Martins
Chief Financial and IR Officer



Orlando Henrique Negrão
Chief Operations Officer



Carlos Eduardo Simões Corrêa
Chief Administrative and Sustainability Officer



Pedro Aristides Bordon Neto
Chief Commercial and Marketing Officer

The officers conduct and execute the Company's strategic planning

The seniority of governance is reflected in [our Executive Board](#), which reports to the Board of Directors and has been reorganized in the last two years until reaching the current formation, with five members with experience in animal protein, agribusiness and finance. They are responsible for executing short-term and strategic planning, and manage the resources to be allocated to the various areas of the company.

The Executive Board, advised by specialized consultancies and the company's senior management, develops strategies, policies and objectives related to sustainable development. This material is submitted for consideration by the advisory committees and approval by the Board of Directors.

Ethics and Compliance

We live in a dynamic and constantly expanding business environment of our activities, always accompanied by new challenges and risks inherent to operations. To succeed, we believe it is necessary to consistently reconcile financial results with corporate values aligned with the expectations of an increasingly demanding and sustainable society.

In this scenario, ethics, integrity, responsibility and transparency are non-negotiable values in relationships with our stakeholders. Therefore, true and honest information and care for the ethical conduct of leaders, employees and suppliers are always valued.

It is a commitment that goes far beyond producing and selling quality food. To fulfill it, we have established a set of attributes that help us chart our path towards building an increasingly sustainable company.



The Code of Ethics reinforces our values, guides our behaviors and our relationships

CODE OF ETHICS

GRI 2-23, 2-24, 2-25

The tool to disseminate the culture of compliance is our [Code of Ethics](#). Released in 2021, the document guides our performance. With it, we intend to reinforce our values, establishing a path to be followed with those with whom we relate – such as customers, consumers, shareholders, employees, cattle breeders, suppliers, government agencies, institutions, competitors and media –, always guided by absolute transparency, empathy and respect. This document includes our social and environmental commitments and those related to the quality and safety of the products we offer to consumers, to occupational safety for our team – which is always a top priority – and to information security, which is treated according to the principles of reliability, integrity and availability.

Regarding the relationship with employees, treatment with equity is highlighted, respecting equal rights and repudiation of harassment (psychological, moral, physical and sexual), bribery and corruption. For these

last two topics, in 2022 we conducted specific training with the teams, including the leaders. All new employees receive a physical copy of the Code of Ethics during the integration process and periodic communication on ethics issues in Corporate TV.

In addition, to avoid situations with potential conflicts of interest and ensure transparency in our processes, we rely on the Related Party Policy. [GRI 2-15](#)

Other relevant aspects are the appreciation of transparency and compliance with accounting practices. In 2022, we replaced the Independent Audit of our Financial Statements by Grant Thornton, using an audit rotation policy that is part of industry best practices. Also in the Financial area, the new Risk, Market and Financial Liquidity Management Policy was reviewed, updated and implemented in a work between the Executive Board and the Risk, Financial and Compliance Committee, approved by the Board of Directors.

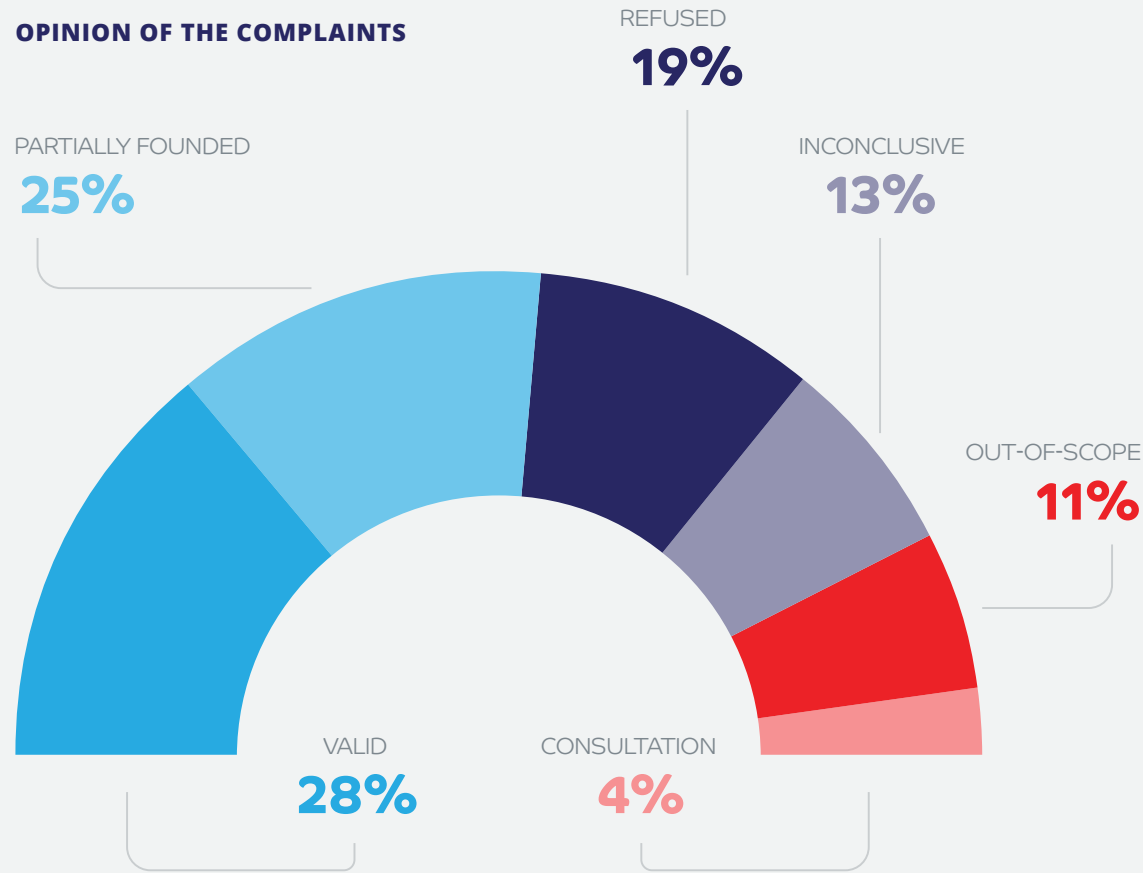
REPORTING CHANNEL

GRI 2-26

Available to all audiences, free of charge, the channel is the means to communicate violations of the Code of Ethics, rules, internal processes, laws or policies, and make suggestions for improvement. Any information or situation that may affect FriGol or our audiences, deserves attention and can be reported on the channel. Served by an independent company, Deloitte Touche Tohmatsu, the confidentiality of information and anonymity are guaranteed.

All reports received are forwarded and appreciated by an internal committee that investigates the cases. The information is transmitted monthly to the advisory committees and the Board of Directors for awareness and, if necessary, decision making regarding the conduct for the resolution of the occurrence. In 2022, there were no reports of major concerns on the channel. We had 47 reports, 15 related to Risk and Compliance; 15 to Human Resources; eight to Consumer Relations; seven to Health, Safety and Environment; and two were questions. Records fully or partially accepted represent 53%; the other 47% are not valid, inconclusive, out of scope or only consultations. **GRI 2-25**

OPINION OF THE COMPLAINTS



Contact Forms

Website: <https://ethicspeakup.com.br/frigol/>

Phone: 0800 721 1419
Available 24/7 on business days.

Email: denunciasfrigol@ethicspeakup.com
Anytime.

Voicemail
Available on weekdays after 8 PM.
Weekends and national holidays: 24/7.

POLICIES AND TRAINING

To help strengthening our governance, we have established policies on topics of interest to the business. These publications guide the conduct of employees in their activities and in the value chain. The main tools are:

- Sustainable Origination Policy
- Sustainability Policy
- Privacy and Data Protection Policy
- Information Security Policy
- Related Party Policy
- Risk, Market and Financial Liquidity Management Policy
- Travel Expenses Policy
- Private Social Investment Policy
- Investment Policy

RISK MANAGEMENT

GRI 2-13, 2-16, 2-25, 2-27

Considered a major point for the company, risk management is the basis for sustainable growth. To mitigate threats and maximize opportunities, we take a systematic approach to risk management. In this sense, we implemented in 2021, with the support of the Ernst Young audit, a three-year cycle of internal audit initiated by the review of the risk matrix, which had four impact vectors: financial, reputational, operational and regulatory. Following an international standard, we prepared our risk map, monitoring and mitigating all risks related to the impact vectors aforementioned. The reports of the independent auditors are submitted for consideration by the advisory committees and the Board of Directors at regular monthly meetings. Then, the Executive Board, along with the management, shall prepare action plans to remedy any mapped risks to prevent and eliminate any economic, environmental and reputational risk. The monitoring and results of impact management are monitored by the Board of Directors and, when necessary, are submitted to the company's Board of Members.

The Internal Controls Department complements the management structure, which, among other activities, is responsible for monitoring processes for compliance with our policies.

The identification of possible negative impacts is observed through the work conducted by the Internal Controls Audit carried out by E&Y, by the monitoring work of the Internal Controls area and reports in the Whistleblowing Channel, which are analyzed and, if necessary, are reported to the Risk, Financial and *Compliance* Committee, to forward appropriate solutions and communication from interested parties.

Product complaints addressed to the Customer Service are verified by a team with a term for return, and, depending on the criticality, are forwarded to the board of directors for decision making.



Plans and actions are drawn up to face any mapped risk, whether economic, environmental or reputational

PRIVACY AND DATA SECURITY

GRI 3-3: material theme management

To comply with the General Law for the Protection of Personal Data (LGPD) No. 13.709/2018, we have established guidelines and standardized processes in the processing of personal data that circulate in any environments of our company. They are consolidated in our Privacy and Data Protection Policy, which was also guided by the international standard for information management, security and privacy (ABNT NBR ISO/IEC 27701).

In addition, we have prepared a Privacy Policy of FriGol website, in which we explain the processes of collecting user information, the treatment conducted, and, where applicable, to whom we may disclose it.

In case of questions on the subject, the user can contact us at: frigol@frigol.com.br and lgpd@frigol.com.br. In 2022, there were no complaints about breach of information privacy or request for recovery of customer data. **GRI 418-1**

Also as measures to ensure privacy and data protection, we send guiding email to employees, we work with market-leading tools to inhibit potential offenders, we have 24x7 monitoring and daily backup. In addition, we keep the team trained and qualified to meet technological demands, policies and procedures.



3

BUSINESS IN BRAZIL AND WORLDWIDE

Cattle Unit,
São Felix do Xingu/PA

Action fronts

GRI 2-1, 2-6

Our sustainable growth strategy has ensured the expansion of our business in a virtuous circle. Expansion in the foreign market, for example, has taken a leap. In 2022, the company had the largest volume exported in history, with more than 60 thousand tons, 48% above the volume exported in the previous year. This evolution takes place alongside challenges on several fronts, such as environmental, relationship with stakeholders, quality and origination and financial.

To overcome these challenges, we invested in infrastructure, technology and people. In 2022, over BRL 40 million were invested, focusing on efficiency to achieve greater dexterity and flexibility in production.

Our goal is to maximize the efficiency of our units, increasing quality service to customers in domestic and foreign markets. With the support of a team of almost 2,800 employees, we processed and sold about 213,000 tons of animal protein in 2022.

We work with several breeds of animals in three types of systems: confinement (cattle are housed in corrals or pickets with determined dimensions), pasture (free grazing in the field) and semi-confinement (grazing with food supplementation in the trough).

Maximum efficiency

- **Água Azul do Norte (PA):** Project 1,000 expects investment in 2023 to increase the slaughter from 750 animals to 1,000 animals per day in the plant.
- **Lençóis Paulista (SP):** The goal is to reach the slaughter capacity of 850 animals per day. The cattle plant has a slaughter capacity of 730 animals per day currently.
- **São Félix do Xingu (PA):** There was an increase in plant capacity, from 350 animals slaughtered per day to 585 animals.

Improved operational efficiency



Logistics - Cattle Unit,
Lençóis Paulista/SP



Main Investments

- Completion of the freezing tunnel at São Félix do Xingu;
- Investment in containment infrastructure to improve the termination of animals with greater adherence to the necessary export classifications;
- Expansion of the corporate office and acquisition of new computer equipment;
- Expansion of carcass chambers for greater storage capacity;
- Acquisition of electrical stimulator of carcass, to improve the quality of the product;
- Investments in protocols to serve the Chinese market; and
- Own laboratory for product analysis.

Operating Highlights



SLAUGHTERED CATTLE

473,769

+10% vs. 2021 (428,800)

SLAUGHTERED SWINE

154,040

+32% vs. 2021 (116,350)



TONS

213,347

+12% vs. 2021 (189,942)

OCCUPANCY RATE

89%

+ 14 p.p. vs. 2021 (75%)



CAPEX OF

BRL 40 million

with a focus on improving operational efficiency



OUR PRODUCTS

GRI 2-6

We have a carefully designed portfolio to meet the needs of the domestic and foreign market. We seek to respond to the needs of our customers by offering standardized products with cuts adhering to the consumption habits of each country. In the domestic market, our brands meet different needs of different audiences.

We promote the culture of innovation through continuous investments in research and technology to offer customers and consumers high-quality, safe, practical and healthy products, with traceability of origin and monitoring of raw materials.

With a customer portfolio that covers wholesale, retail, food service and industry channels, we have a strong presence in the countryside of São Paulo and sell products in other regions of the Southeast, Northeast and North of the country. Our goal is to distribute our products even further. For this purpose, in 2022, we expanded our operations with a new Distribution Center in Jandira (SP), focusing on serving retailers in Greater São Paulo and the coast (with a monthly volume of 1,500 tons). The new unit complements the Distribution Center of Bauru (SP), which has been operating since 2019 (with a monthly volume of 2 thousand

tons). In addition, we expanded FriGol Açougue Completo project (read more in the box below).

We offer different of products ranging from chilled or frozen fresh meat to easy-to-prepare dishes. To serve a segment in search of new experiences, we launched in 2022 a line of products based on vegetable protein, Veg Vibe, with natural ingredients, lactose free and preservative free. As a result of this positioning, our sales of the value-added product lines grew 18% in 2022.

We offer eight product lines to serve our customers, always looking for new experiences



Roberto Padilha,
Açougue Completo coordinator

FRIGOL

FRIGOL

Vacuum packed cuts, ideal for everyday meals.

• AÇOUGUE •
COMPLETO
FRIGOL

**AÇOUGUE COMPLETO
FRIGOL**

Products selected and delivered to the cut-off point, minimizing losses for customers and end consumers.

FRIGOL
CHEF

FRIGOL CHEF

Selected and standardized cuts, ready for the grill. Ideal for barbecue in your own way.

FRIGOL
ANGUS

FRIGOL ANGUS

Certified by the Brazilian Association of Angus, with guarantee of origin, ensuring the best finishing fat, marbling, softness, flavor and juiciness.

BBQ
SECRETS

BBQ SECRETS

High quality standard with selected raw material with higher level of marbling and finish.

grand
CHEF
SUÍNOS
TEMPERADOS

FRIGOL CHEF SUÍNOS

Practical and tasty seasoned cuts for daily meals.

FRIGOL
CHEF
CORDEIRO

**FRIGOL CHEF
CORDEIRO**

Delicious versatile option and elegant taste to complete the product mix.

VEGVIBE

VEG VIBE

Produced with natural ingredients that you know and are sure to take to your family, based on plant-based protein, without lactose and without preservatives.

Transparency in the dialogue with consumers is essential for continuity of our operations. Our channels:

Customer Service FriGol

Website: <https://www.frigol.com.br/contato/>

Phone: 0800 777 3900

Email: sacfrigol@frigol.com.br

Service: Monday to Friday, from 7am to 7pm, except holidays

COMMERCIAL HIGHLIGHTS



GROSS REVENUE

BRL 3.8 billion

+21% vs. 2021 (BRL 3.1 billion)



NET REVENUE

BRL 3.6 billion

+ 21% vs. 2021 (BRL 3 billion)



WE EXPORTED TO THE

25 countries

in 2022



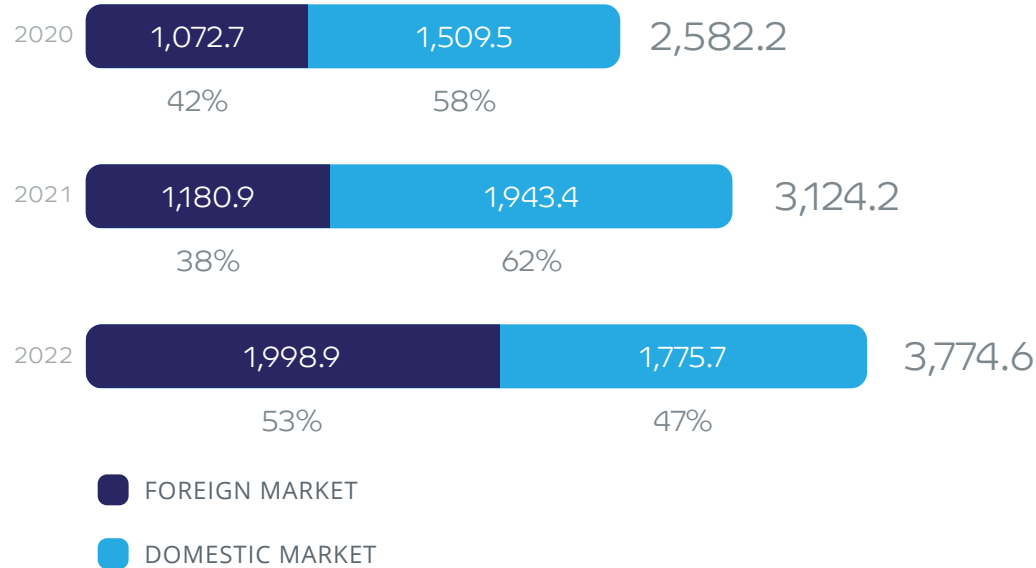
CLIENTS

7,940

served

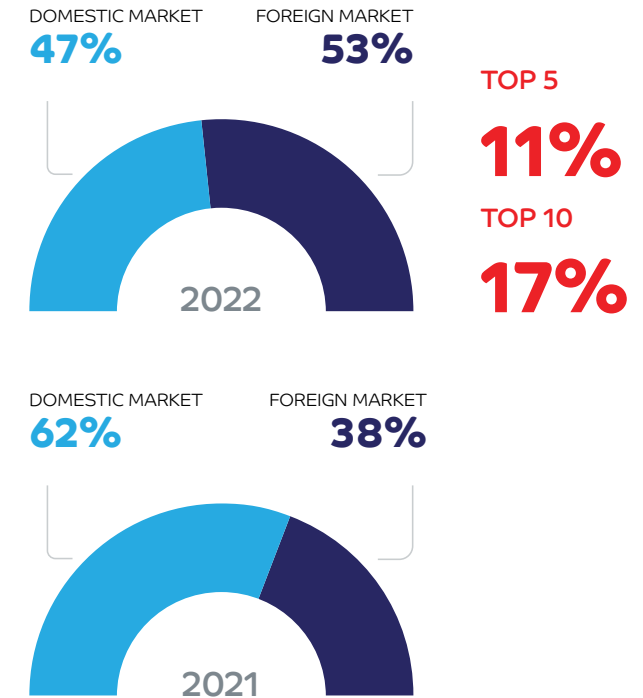
Gross revenue

BRL MILLION



CD Jandira/SP,
Friozem partnership

Share of net revenue



We grew more than 20% for the third consecutive year

Highlights of the domestic market

SALES (CATTLE)



138,370 t

-0.5% vs. 2021 (139,002 tons)

SALES (SWINE)



12,252 t

+46% vs. 2021 (8,420 tons)

SPECIAL LINES



9,993 t

+16% vs. 2021 (8,616 tons)



AÇOUGUE COMPLETO

50 stores

Açougue Completo FriGol

Working in partnership with supermarket owners, FriGol Açougue Completo is an initiative that proposes specialized consulting, training and action plan to improve from product exposure to end customer service.

The structure and operational processes are rethought, service and products are standardized. Beef and pork are delivered with preferential logistics, which results in fresher cuts with greater durability and quality. The establishment team is trained by specialized technicians to handle the meat correctly, with the best handling techniques, ensuring maximum use of the pieces and producing cuts in special presentations.

In 2022, in addition to 50 complete stores, another 1,795 establishments received pieces of the line, selected and to the point of cutting, which streamline the operation at the retailer's butcher shop, in addition to minimizing operational losses and waste, resulting in greater profitability for the customer – an increase of about 80% compared to 2021.

Andreia Rabbione, trade marketing and consumer analyst
Jhonnatas Florêncio, Açougue Completo's supervisor



Açougue
Completo FriGol



We kept high liquidity and low portfolio concentration. The company's five largest customers in the domestic market represent 11% of revenue and the ten largest, 17%

Highlights of the foreign market


We export to more than 60 countries, especially China and Israel. We continue with the strategy of multiplying the range of qualifications for new destinations, which have a high degree of demand regarding the quality, sustainability and origin of animal protein. In this line, in 2022, we became

qualified to export beef to Canada (reaching the North American market), Iran, the United Kingdom, Lebanon and Argentina. We started 2023 becoming qualified for Indonesia, and other qualifications are expected throughout the year, such as the United States and Malaysia.

In 2022, we had the largest volume exported in our history, with more than 60 thousand tons, 48% above the volume exported in the previous year

In exports to China, our main market, we achieved even better results, with 102% increase in revenue, jumping from USD 174 million to USD 351 million.

CHINA



53,989 t
USD 351,082 mi

+102% vs. 2021 (USD 174,087 million)


ISRAEL



3,322 t
USD 19,538 mi

-1% vs. 2021 (USD 19,829 million)

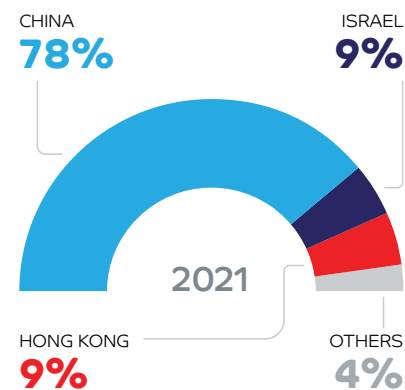
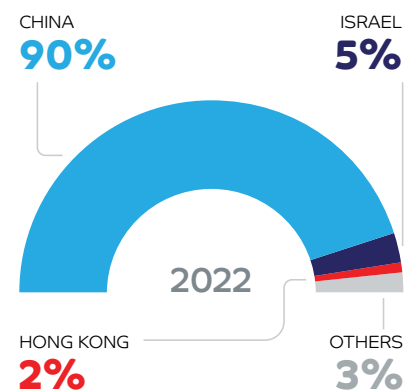
OTHER LOCATIONS



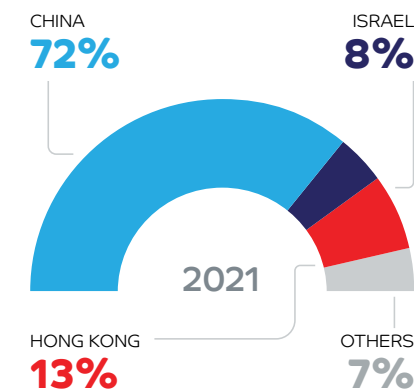
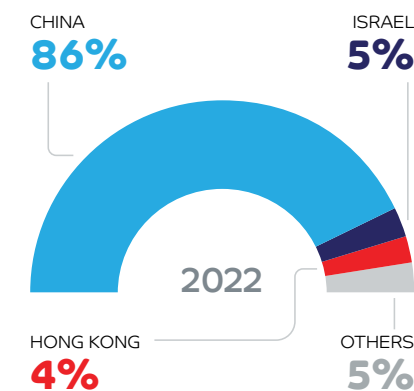
5,269 t
USD 17,109 mi

-41% vs. 2021 (USD 28,989 million)

Volume stake by country



Turnover by country



SUPPLY CHAIN MANAGEMENT AND TRACEABILITY

GRI 3-3: material theme management

Cattle breeders are our biggest partners in the journey for sustainability of our business. We also know that maintaining the quality and reliability on our products starts on supplier farms, as well as the prosperity of the entire value chain. We believe in these three pillars: sustainability, relationship and income. Therefore, we seek a relationship based on transparency, ethics and respect, which is based on our Code of Ethics, our Sustainability Policy and our Sustainable Origination Policy.

The requirements for cattle breeders include qualification through specific documentation and contracts with clauses related to Ethical Conduct and Corruption. The Sustainability Policy regards origination in the supply chain, requiring environmental documents, such as Rural Environmental Licensing (LAR), when applicable, and Rural Environmental Registration (CAR) of suppliers. The [Sustainable Origination Policy](#) establishes rules for the acquisition of animals for slaughter or fattening, considering social and environmental criteria.

We adopted Niceplanet's geomonitoring system for full control of the production chain. All documents are sent to the Platform for Socio-environmental Analysis and Monitoring of Direct Suppliers of Cattle and Swine, which uses artificial intelligence to generate accurate information regarding compliance with agreements and regulations. If there is no full compliance, the supplier is blocked. In 2022, we purchased from 1,277 suppliers (177 new) that were monitored in the socio-environmental parameters provided in our Policy and in line with the criteria of Imaflores's Boi na Linha Protocol.

GRI 308-1, 308-2

INDIRECT SUPPLIERS

In the coming years, one of the great challenges is to enable the monitoring of indirect suppliers. Our goal is to reach 100% by 2030, applying the same protocols addressed to direct suppliers, in all biomes and for all production units. However, we intend to anticipate for 2025 the mitigation of indirect level 1 deforestation, that is, that originated by suppliers of our direct suppliers.

In 2021, we started cross-checking information to identify deforestation of these business partners. The work developed with systems companies will allow the direct supplier to make its socio-environmental consultations and avoid purchases that are not in accordance with the protocols of sustainable livestock.

One of the obstacles of this project is in obtaining real data. Therefore, it is essential to access the information of the departments of agriculture and environment of each state.

We partnered with the National Wildlife Federation (NWF) and through Visipec Software. This joint work makes it possible to assist cattle breeders in their socio-environmental research, focusing on ensuring compliance and regularization when applicable.



FriGol Farm

Aerial view of São Felix do Xingu/PA Unit

FriGol Farm Project's goal is to act in a consultative manner with suppliers of animals for slaughter, demonstrating the socio-environmental criteria for monitoring in its herd, in order to ensure sustainable production. Our consultative work will involve animal welfare actions, but, mainly, it will provide knowledge related to socio-environmental criteria and the importance of adopting them throughout the chain. This means that it is not enough that this producer does not deforest, does not have work practices analogous to slavery,

embargoes from IBAMA or State departments, among other conducts, but that its supplier of animals for fattening is also adherent to these practices.

For this purpose, we will provide access to a socio-environmental analysis software to support monitoring. At the moment, we are developing the tools and in 2023 we will start the gradual implementation for our suppliers, giving all technical support and training for the use of the new technology.

Food quality and safety

GRI 3-3: material theme management

We have strict controls of production processes, meeting international protocols and the legal requirements of countries in which we are qualified. The work is coordinated by the Quality and Food Safety Department, responsible for guiding the procedures and audits. Some key pillars guide this process:

- **Food safety:** Guarantees products free of accidental or interclonal contaminants;
- **Quality:** Compliance with the sensory specifications of our products;
- **Authenticity:** Guarantees the large-scale production flow and values the origin of the product to be delivered to our consumers;
- **Legality:** Guarantees compliance with the legal requirements of the destination markets and their customers.

Our certifications and qualifications reflect the processes on the quality and safety of our products

Our Quality and Food Safety Policy provides for the continuous improvement of our processes and products, following legal requirements and standards of food quality and safety, in addition to ensuring the training of employees, partners and suppliers.

We have a quality management system that ensures the efficiency of processes. We work with a Recall Management program with a recall and incident team, which involves several internal and strategic areas of the company. In 2022, we had no product recalls in any of our business units. To assist in this management, we count on the [Quality and Food Safety Programs](#), which covers good manufacturing practices, laboratory analysis of products, traceability, supplier management, among others. **GRI 13.10.5 (sectoral)**

TRANSPARENCY WITH CUSTOMERS

GRI 3-3: material theme management

We have the strictest industrial and quality processes and we follow the legislation provided for and established in the regulations of the Ministry of Agriculture and Livestock (Mapa) to make our labels and packaging. It has information on the safe use, conservation and validity of the products, as well as handling and packaging instructions following the relevant legislation of the National Health Surveillance Agency (Anvisa). The outsourced products also have additional information about the producing institution.

GRI 417-1

In 2022, we did not record non-compliances regarding information and labeling of products, services and impacts on health and safety. **GRI 416-2, 417-2**

We also have transport data, in addition to information on quality, standard and technical data sheets of the products, to support our customers. In the packaging of the meat cuts, there is a QR code with information regarding the traceability of the cuts, from the farm responsible for raising the animal to the Unit in which the meat was processed and packaged.

INNOVATION

We develop initiatives regarding the classification of animals seeking transparency and quality of our products inserted in an increasingly demanding market. For such, we have invested in partnerships with startups and technology companies, recognized for creating innovative solutions. Other initiatives are in the area of protection regarding contamination, especially Covid-19, such as the redirection of the entire flow of plants, from the traditional way of how people transit on site, through the use of technology, such as facial recognition and temperature, among other essential aspects for the food industry.



CERTIFICATIONS AND QUALIFICATIONS

Our in natura beef and pork plants are certified in HACCP program, and the in natura beef plants in the global BRCGS Food Quality and Safety standard, with the units being audited by an independent certification body. The units were audited by an independent certification body and we achieved grade AA in Água Azul do Norte and São Félix do Xingu, and grade A in Lençóis Paulista.

We have two of the 35 Brazilian plants qualified to export beef to China and one of the most modern plants qualified to export from Brazil to Israel. We currently have 22 specific qualifications (South Africa, Albania, Saudi Arabia, Argentina, Canada, Chile, China, Cuba, Egypt, Hong Kong, Indonesia, Iran, Israel, Japan, Lebanon, Paraguay, Peru, United Kingdom, Ukraine, European Union, Uruguay and Venezuela).



LENÇÓIS PAULISTA (SP) – CATTLE

Beginning of Operations: 1992

Certifications: HACCP*, BRCGS* and PAACO**

Qualifications: South Africa, Albania, Saudi Arabia, Argentina, Canada, Chile, China, Egypt, Hong Kong, Japan, Lebanon, Paraguay, Peru, United Kingdom, Ukraine, European Union, Uruguay and Venezuela.



LENÇÓIS PAULISTA (SP) – SWINE

Beginning of Operations: 1992

Certifications: HACCP*

Qualifications: South Africa, Argentina, Cuba, Hong Kong, Paraguay and Uruguay.



ÁGUA AZUL DO NORTE (PA) – CATTLE

Beginning of Operations: 2004

Certifications: HACCP*, BRCGS*.

Qualifications: South Africa, Saudi Arabia, Canada, China, Egypt, Hong Kong, Indonesia, Lebanon, Paraguay, Peru, Ukraine, Uruguay and Venezuela.

* Certification in Quality, Safety, Legality and Authenticity of food.

** Certification in Animal Welfare.



SÃO FÉLIX DO XINGU PLANT (PA) – CATTLE

Beginning of Operations: 2013

Certifications: HACCP*, BRCGS*

Qualifications: South Africa, Saudi Arabia, Argentina, Canada, Egypt, Hong Kong, Iran, Israel, Lebanon, Paraguay, Uruguay, Venezuela.

Financial performance

GRI 3-3: material topic management, GRI 201-1, 201-2

Considered the best financial year in our history, 2022 is a result of the company's continuous growth. Gross revenue closed the year at BRL 3.8 billion, an increase of 21% compared to BRL 3.1 billion in the previous year. Factors such as price per tonne in exports, higher historical volume exported in August and favorable exchange rates contributed to this significant result.

The group's net revenue grew 21%, reaching BRL 3,574.4 million, against BRL 2,960.2 million in 2021. Deductions on gross revenue remained in line with the previous year, with a variation of 0.1 p.p., at 5.3%. The cost of products sold in 2022 totaled BRL 2,999.3 million, or 83.9% of net revenue. There was an increase of 13% in relation to the previous year, due to the greater number of animals slaughtered and the evolution of the price of cattle arroba. In addition, the inflationary impact on payroll, charges and benefits influenced this cost, partially mitigated by increased plant productivity and financial discipline.

EBITDA was another record reached in 2022, reaching BRL 250.8 million, which represents

a growth of 101% over the same period of 2021, with BRL 124.7 million. At the margin, there was an increase of 2.8 p.p., resulting from the reopening of the Chinese market and the consequent increase in sales to the country. Combined with this, the favorable impact of the exchange rate contributed to the increase in the company's margin.

Regarding expenses, the increase compared to 2021 was mainly caused by the increase in logistics costs, both in the domestic market, with followed increases in fuels, and in the foreign market due to the increase in international freight. In addition, there was an increase in the number of corporate employees, following the intention of grow with the best governance practices, and an increase in the provisioning of PLR/PRV, as a reward for goals and results achieved throughout 2022.

The net financial result of 2022 reached BRL 61.1 million, including exchange variation, representing a decrease in expenses of 16% when compared to the previous year and 34% compared to 2020, demonstrating the change in the company's debt profile and liquidity.

Both the cash balance and the debt balance increased in the period, with the maintenance of net debt and reduction of leverage.

Net income was BRL 132.9 million, an increase of 226% compared to 2021. Performance is particularly important in view of the challenges faced in the year, such as interest rate growth and rising world inflation, affecting global purchasing power.

Certain climatic conditions, such as drought, excess rainfall and storms pose risks to the company by impacting fields, crops, pasture and volume of available water, changing the conditions of livestock activity. If these changes are of catastrophic levels, they can cause immediate impacts of great magnitude on the cost of cattle arroba, the main component of our operating cost. If they are milder climate changes, but significantly change livestock farming conditions, they can cause short-term impacts (up to 2 years).

The likelihood of these risks materializing is remote for immediate impacts, and unlikely in the short-to-medium term. Their magnitude in increasing production costs is

partially mitigated organically and over time through market prices.

In addition, we have a Credit, Market and Liquidity Risk Management Policy, in which commodity market risks, such as risk on the cost of cattle arroba, are described, and risk management methods are detailed. These methods may include bilateral transactions with cattle breeders, exchange (BGI) and over-the-counter transactions with financial institutions.



GROSS REVENUE

BRL 3.8 billion

+21% vs. 2021 (BRL 3.1 billion)



NET REVENUE

BRL 3.6 billion

+21% vs. 2021 (BRL 3 billion)

DIRECT ECONOMIC VALUE GENERATED (BRL) GRI 201-1¹

	2022
Revenues	3,574,354

ECONOMIC VALUE DISTRIBUTED (BRL) GRI 201-1¹

	2022
Operating costs	2,999,274,000
Employee salaries and benefits	152,472,971
Payments to capital providers	101,209,000
Payments to government	126,702,000
Investments in the community	1,089,767
TOTAL	3,380,747,738

ECONOMIC VALUE WITHHELD (BRL) GRI 201-1¹

	2022
"Direct economic value generated" minus "Economic value distributed"	228,026,262

DISTRIBUTED ECONOMIC VALUE (%) GRI 201-1¹

	2022
Operating costs	88.72
Employee salaries and benefits	4.51
Payments to capital providers	2.99
Payments to government	3.75
Investments in the community	0.03
TOTAL	100.00

¹ This is the first year of collection of the GRI 201-1 indicator, therefore, there is no history of previous cycles.

GROSS DEBT
BRL 524.8 million

+99% vs. 2021 (BRL 263.5 million)

CASH
BRL R\$258.9 million

+167% vs. 2021 (BRL 97.0 million)

NET DEBT
BRL 265.9 million

+ 60% vs. 2021 (BRL 166.6 million)



Long-term operations

In 2022, we issued our first two Agribusiness Receivables Certificates (CRA). The funding in the market was BRL 210.6 million, showing the responsiveness of investors to our company. Thus, cash increased 167% to BRL 258.9 million, and we extended our debt, which in the previous year had an average term of 8.8 months to 20.4 months, repositioning it to 46% in the long term.

We significantly changed the capital structure and maintained one of the lowest leverage ratios in the sector, with 1x net debt/EBITDA.

NET SALES REVENUE (BRL THOUSAND)

	2022	2021	Δ 22/21	2020	Δ 22/20
Gross sales revenue	3,774,592	3,124,241	21%	2,582,210	46%
Non-sales taxes and deductions	(104,799)	(113,233)	(7%)	(147,842)	(29%)
Deductions and rebates	(95,439)	(50,759)	88%	(37,129)	157%
Net revenue	3,574,354	2,960,249	21%	2,397,239	49%
% of gross revenue	94.7%	94.8%	(0.1 p.p.)	92.8%	1.9 p.p.

COST OF PRODUCT SOLD (BRL THOUSAND)

	2022	2021	Δ 22/21	2020	Δ 22/20
Net operational revenue	3,574,354	2,960,249	21%	2,397,239	49%
Cost of products sold	(2,999,274)	(2,659,357)	13%	(2,113,333)	42%
% net revenue	83.9%	89.8%	(5.9 p.p.)	88.2%	(4.2 pp)
Gross profit	575,080	300,892	91%	283,906	103%
Ebitda Margin	16.1%	10.2%	5.9 p.p.	11.8%	4.2 p.p.

EBITDA

BRL 250.8 million

+101% vs. 2021 (124.7 million)

EBITDA MARGIN

7.0%

+2.8 p.p. vs. 2021 (4.2%)

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (BRL THOUSAND)

	2022	2021	Δ 22/21	2020	Δ 22/20
Sales expenses	(254,877)	(142,646)	79%	(133,835)	90%
% net revenue	7.1%	4.8%	2.3 p.p.	5.6%	1.5 p.p.
G&A Expenses	(99,978)	(62,921)	59%	(58,665)	70%
% net revenue	3.4%	2.1%	1.3 p.p.	2.0%	1.4 p.p.
Total expenditures	(354,855)	(205,567)	73%	(192,500)	84%
% net revenue	9.9%	6.9%	3.0 p.p.	7.5%	2.5 p.p.

EBITDA (BRL THOUSAND)

	2022	2021	Δ 22/21	2020	Δ 22/20
Net income (loss)	132,910	40,793	226%	10,005	1,228%
(+) Deferred Income Tax and Social Contribution	40,295	(12,442)	424%	(8,058)	600%
(+) Net financial result	61,104	73,110	(16%)	92,852	(34%)
(+) Depreciation and amortization	15,058	14,623	3%	21,472	(30%)
(+) Non-recurring expenses	1,410	8,620	(84%)	-	0%
Ebitda	250,777	124,704	101%	116,271	116 %
Ebitda Margin	7.0%	4.2%	2.8 p.p.	4.9%	2.2 p.p.

FINANCIAL OUTCOME (BRL THOUSAND)

	2022	2021	Δ 22/21	2020	Δ 22/20
Net income	(61,104)	(73,110)	(16%)	(92,852)	(34%)
% net revenue	1.7%	2.5%	(0.8 p.p.)	3.9%	(2.2 p.p.)

FINANCIAL EXPENSES (BRL THOUSAND)

	2022	2021	Δ 22/21	2020	Δ 22/20
Interest with financing	(34,469)	(29,300)	18%	(26,907)	28%
Interest on foreign exchange contracts	(26,101)	(15,744)	66%	(12,097)	116 %
Losses from investments in BM&F	(1,491)	(48)	3,006%	(3,302)	(55%)
Discounts granted	(10,031)	(14,465)	(31%)	(14,320)	(30%)
Others	(7,727)	(3,530)	119%	(3,497)	121%
Financial expenses	(79,819)	(63,087)	27%	(60,123)	33%
% net revenue	2.2%	2.1%	0.1 p.p.	(2.5%)	4.7 p.p.

NET INCOME (BRL THOUSAND)

	2022	2021	Δ 22/21	2020	Δ 22/20
Net income (loss)	13,910	40,793	226%	10,005	1,228%

NET INCOME

BRL R\$132.9 million

+226% vs. 2021 of (BRL 40.8 million)

NET PROFIT MARGIN

3.7%

+2.3 p.p. vs. 2021 (1.4%)

LEVERAGE

1.1×

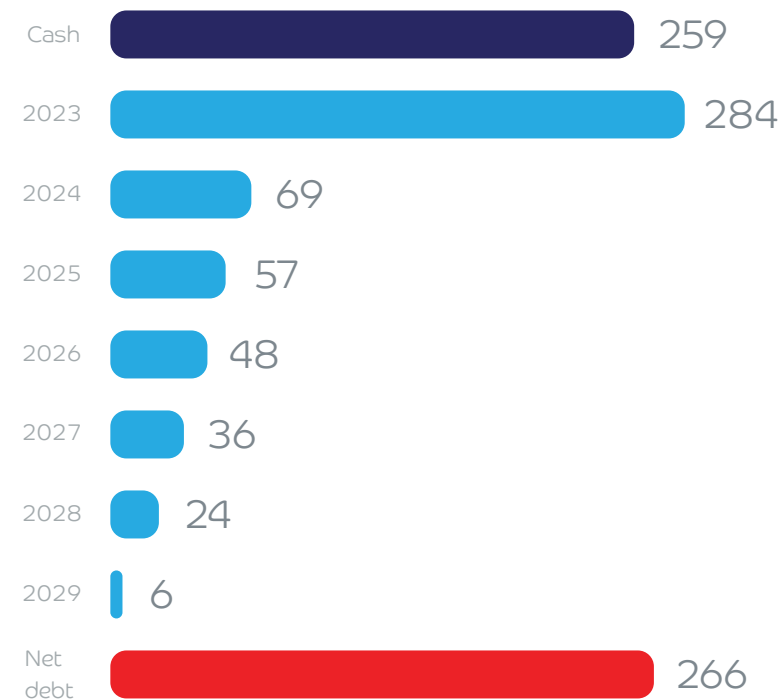
-0.2× vs. 2021 (1.3×)

FCO

BRL 16.2 million

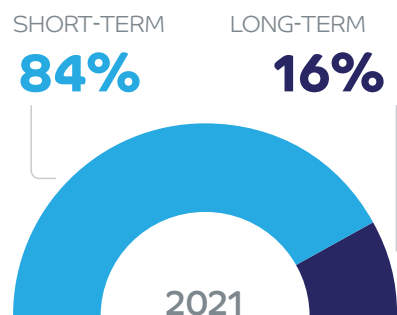
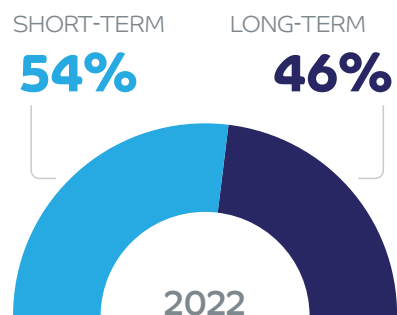
vs. 2021 (BRL 76 million)

Cash position and debt schedule

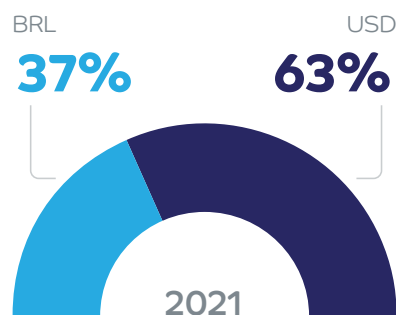
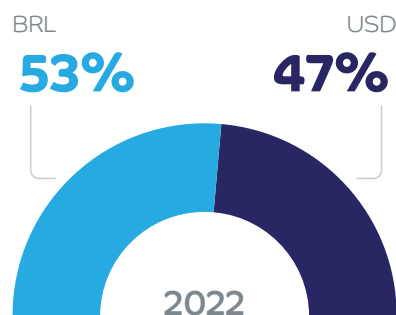


Debt breakdown

DEBT TERM



DEBT BY CURRENCY



DEBT (BRL THOUSAND)

	2022	2021	Δ 22/21	2020	Δ 22/20
Gross financial debt	524,817	263,512	99%	206,588	154%
Short-term	283,998	222,646	28%	152,872	86%
Long-term	240,819	40,866	489%	53,716	348%
(-) Availability	258,925	96,956	167%	54,889	372%
Net financial debt	265,892	166,556	60%	151,699	75%
Ebitda LTM	250,435	124,690	101%	116,271	115%
Net debt / EBITDA	1.1x	1.3x	(0.3x)	1.3x	(0.2x)
EBITDA / Exp. Financial	4.4x	3.4x	1.0x	2.9x	1.5x

2022 is considered the best financial year in the company's history, a result of many favorable factors



4

CARE FOR THE PLANET

Ruby Nelso Rubin,
Transportation Supervisor

Environmental management

We seek to make our sustainability agenda a process to advance our ambitions in a legitimate and structured way

One of the greatest challenges of the contemporary world is the production of food in a sustainable way for a growing world population. Aware of our responsibility to the planet, we have a series of policies, processes and initiatives that make up FriGol's environmental management. We use natural resources responsibly, incorporate innovations and best practices into operations and our value chain, in order to identify and mitigate environmental risks when necessary.

We adopt the pillars of sustainability and are aligned with the UN Sustainable Development Goals (SDGs 2030). These guidelines subsidize our management, which values the best socio-environmental and corporate governance (ESG) practices.



CONTROL OF ORIGIN

By placing sustainability at the heart of our strategy, we are committed to acquiring animals from properties that comply with environmental regulations and respect the biomes and biodiversity in which they are inserted. Our animals are predominantly from the states of São Paulo (37%) and Pará (60%) – which range from the Amazon biome to the Cerrado. We are signatories to the sustainable livestock protocol, undergo periodic audits and are in the final phase of implementing the Protocol for Voluntary Monitoring of Livestock Suppliers in the Cerrado, which has been developed by Proforest and Imaflora, with the contribution of FriGol in the development phase. The protocol contributes to the alignment of best socio-environmental monitoring practices for the purchase of products of bovine origin from this biome. The goal is to have it available in 2023.

Through our Sustainable Origination Policy, we have established socio-environmental criteria for the acquisition of animals for slaughter or fattening from eight pillars:

- 1 Preserve the environment;
- 2 Effectively protect the company and its exposure to environmental risks;
- 3 Analyze the risks of operations based on internal policies;
- 4 Protect the company's results;
- 5 Preserve social rights;
- 6 Proactively and continuously manage related environmental risks and origination of animals for slaughter or fattening;
- 7 Align the objectives of the teams responsible for the company's risk management process; and
- 8 Evaluate the effectiveness of the policies with the People and Sustainability Committee and the Board of Directors periodically.



We saw the results of our efforts in sustainability. In 2022, in the fourth audit cycle, the Federal Public Prosecutor's Office (MPF/PA) proved that 100% of our purchases of cattle from the Amazon biome from July 2019 to June 2020 were in socio-environmental compliance. In the first and second audit cycles, we had 17.39 and 18.72% irregularities, respectively. In the third cycle, we had 4.12% of non-compliance.

Among the criteria ensured, it is worth mentioning that direct suppliers are outside deforestation areas, indigenous lands or conservation units and from the list of organizations involved in slave-like work (*find the complete list in the box below*). **GRI 13.4.3 (sectoral)**

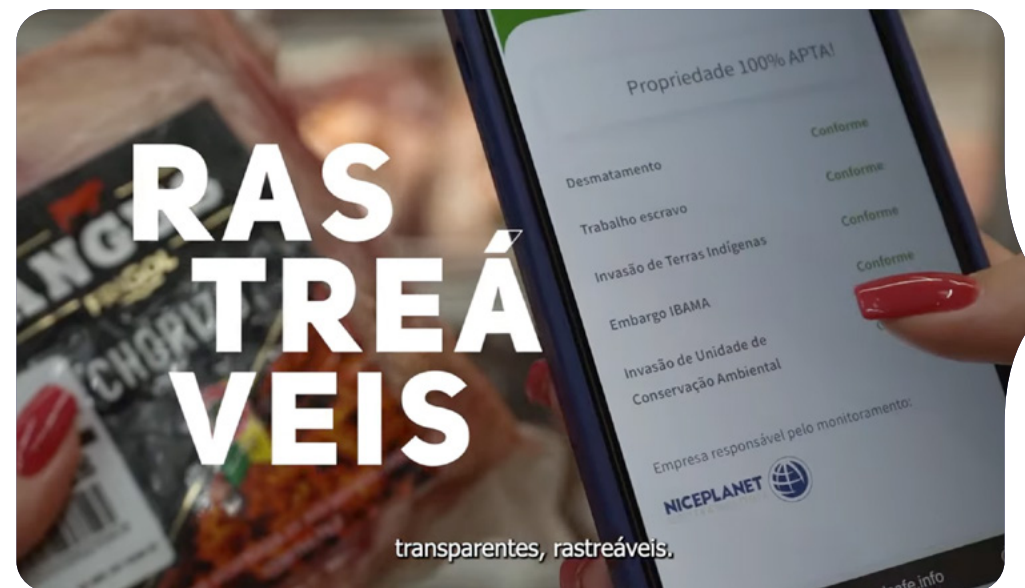


100% OF ANIMALS SCREENED

GRI 13.23.2 (sectoral)

We monitor 100% of the animals originated in all biomes where we operate. We bring traceability to the final consumer in the domestic and foreign markets through QR codes in 100% of products, in two languages (Portuguese and English). The monitoring of producers is conducted through the SMGeo platform, which evaluates the following criteria for properties and cattle breeders:

- Free from illegal deforestation, regardless of the biome where they originate;
- Free from invasion of indigenous lands, quilombolas or conservation units;
- Free from Ibama embargoes, and/or illegal deforestation published by the Departments of the Environment;
- Free from forced and/or slave labor;
- Free from child labor;
- CAR in regular situation and without changes in CAR limits;
- Presentation of the Rural Environmental Licensing (LAR) for properties above 3,000 hectares (mandatory for the State of Pará);
- Animal Transport Guide (GTA) issued subject to purchase operations.
- Index of animal productivity per hectare without exceeding 3 heads/ha and/or other future index published in the Monitoring Protocol for Amazonian Cattle Suppliers prepared by Instituto de Manejo e Certificação Florestal e Agrícola (Imaflora), applicable to the State of Pará. For confined and/or semi-confined properties, superior productivity is accepted as long as self-declaration with photos, evidence, geographical coordinates and owner's signature is issued.



Our suppliers have more than 1.4 million hectares of preserved area in Permanent Preservation Areas or Legal Reserve

BIODIVERSITY AND ECOSYSTEMS

GRI 3-3: material theme management

To create positive impacts, we promote the culture that we are all equally responsible. Thus, we are involved in projects allied to the conservation of forests and biodiversity, such as:

FIRE PROJECT - ACTIONS TO DECREASE BURNS (SÃO FÉLIX DO XINGU - PA)

In partnership with the NGO Amigos da Terra (AdT), we assisted the project with the preparation of guidance material and training of the civil brigade to act in the months of drought in the prevention and containment of fires. In addition to the support in the qualification of the teams, in 2022: the donation of four blowers to volunteer brigade members to assist in firefighting in the region and the awareness of the population about the problem of fires were carried out, aiming to reduce the incidence of fire and, thus, contribute to the improvement of the quality of life of the population of the municipality.

FOREST RESTORATION SYSTEM (SIRFLOR)

We supported the project, which provides for the creation and approval of a requalification *software* for livestock suppliers with some kind of environmental problem.

We act responsibly in the management of our supply chain and pay special attention to the supply of biomass. We require complete certification of the entire biomass consumed in our production process and in 2022 we implemented a biomass self-sufficiency project in our production units in Pará, with the completion of the planting of 280 hectares of eucalyptus, which, from six to seven years, will give biomass independence to the company, capturing carbon from the atmosphere and reducing emissions from biomass transport, which can reach up to 700 km of distance for resupply. **GRI 304-1, 304-2**



Farm Santo Expedito, Água Azul do Norte/PA



Partnerships that strengthen GRI 2-28

We believe that companies need to engage in the transformations they want to make and, therefore, we participate in groups and associations to strengthen our performance in the sector:

SUSTAINABLE LIVESTOCK AND DEFORESTATION REDUCTION

- **GTFI** – Grupo de Trabalho dos Fornecedores Indiretos (Indirect Suppliers Working Group)
- **GTPS** – Grupo de Trabalho da Pecuária Sustentável (Sustainable Livestock Working Group)

SECTORAL ASSOCIATIONS

- **Abiec** – Associação Brasileira das Indústrias Exportadoras de Carnes (Brazilian Association of Meat Exporting Industries)
- **União** Nacional da Indústria e Empresas de Carne (National Union of Meat Industry and Companies)



Environmental indicators

We act aiming at the optimization and rationalization of renewable and non-renewable natural resources

ENERGY MANAGEMENT

According to our Sustainability Policy, our operations are governed by the optimization and rationalization of renewable and non-renewable natural resources, including energy efficiency and fighting waste.

To achieve this purpose, since 2016, we have been acquiring in the renewable energy-free market. In 2022, 70% of our demand was covered by renewable sources. For 2023 and 2024, we acquired 100% renewable electricity. With this, we will meet our goal of using 100% of electricity from renewable sources two years ahead of the deadline set for 2025. We also started studies for contracting renewable energy self-production projects, solar or wind matrix.

BIOMASS

We seek biomass self-sufficiency in Pará, used in the production of steam for industrial units, through a planting project of approximately 280 hectares of eucalyptus, divided between the cities of Água Azul do Norte and São Félix do Xingu. The project began in 2021 and will provide 100% autonomy until 2028, in addition to contributing to the reduction of atmospheric emissions generated in the transport of firewood, which, in Pará, can reach a distance of 700 km. In the meantime, we purchase biomass of certified origin only.

EMISSIONS

GRI 3-3: material theme management

We are aware of the impact of climate change on people's lives and the conduct of our business and, for this reason, we seek to establish targets for reducing greenhouse gas emissions and are building our action plan to reduce our emissions. We made our first Greenhouse Gas (GHG) Inventory,

in Scopes 1, 2, with data for the year 2021, following the specifications of the Brazilian GHG Protocol Program. 2022 data are under construction and will be made available in the next report.

DIRECT GREENHOUSE GAS EMISSIONS (tCO₂ equivalent)¹ GRI 305-1

	2021
Generation of electricity, heat or steam	4,149.9
Physical-chemical processing	272,964.49
Transportation of materials, products, waste, employees and passengers	870.77
Fugitive emissions	0.43
Emissions from land use change	29,790.31
TOTAL GROSS CO₂ EMISSIONS	307,775.9

¹ The base year for reporting emissions data is 2021. 2022 inventory was not completed until the publication of this report. Gases included in the calculations: CO₂ (carbon dioxide); CH₄ (methane); and N₂O (nitrous oxide).

BIOGENIC CO₂ emissions (tCO₂ equivalent) GRI 305-1

	2021
	40,259.94

INDIRECT EMISSIONS FROM ENERGY ACQUISITION (tCO₂ equivalent)¹ GRI 305-2

	2021
	5,860.44

¹ Gas included in the calculations: CO₂ (carbon dioxide).

GHG EMISSIONS INTENSITY¹ GRI 305-4

	2021
Total GHG emissions (tCO ₂ equivalent)	313,636.33
Greenhouse gas emissions intensity (tCO ₂ equivalent/head slaughtered)	0.75

¹ Gases included in the calculations: CO₂ (carbon dioxide); CH₄ (methane); and N₂O (nitrous oxide). The types of GHG emissions included in the intensity rate are: direct (Scope 1) and indirect, from the acquisition of energy (Scope 2).



WATER AND EFFLUENT MANAGEMENT

GRI 3-3: material topic management

We conduct our business in a segment where, due to the extreme criteria of quality and hygiene, the use of water is essential. In this context, we generate effluents, which need to be treated. For this, we have in all our units Effluent Treatment Plants, which treat 100% of the water of the process used in the industry, returning it to the environment in accordance with the current legislation. Aware of our impact, we monitor the performance of water consumption in the production process and invest systematically in the treatment of effluents, and are constantly developing processes to produce using less water in our industrial process.

In the units located in Lençóis Paulista (SP), the water withdrawal is underground and we treat and release the water into the water body, close to the cattle unit. In the case of rendering plant and swine units, the launch is in the emissary of the industrial district and goes to the water body, all in line with the licenses approved by the responsible government agencies.

In Pará, the supply of the units is carried out by surface withdrawal (river water). The post-treatment release is made in a water body, also in line with the licenses approved by government agencies.

Before being released into water bodies, the effluents undergo internal and external analyzes (in a laboratory accredited at NBR ISO/IEC 17025) of quality parameters. The following are considered: presence of heavy metals, biochemical oxygen demand (BOD), chemical oxygen demand (COD), pH and presence of sedimentable solids, in order to meet the applicable legal requirements and the restrictions of the Operating License (LO) of the units and licenses.

Water quality control is essential in our activities and, for this, we follow the monitoring and compliance with the parameters of Brazilian legislation. FriGol is not inserted in areas of water stress, however, the targets were set in line with the UN SDGs in 2021. Our goal is to reduce water consumption by 15% per m³/head slaughtered by 2025. **GRI 303-1**

The zero waste culture has been internalized and has generated initiatives to reduce



Xingu River, São Felix do Xingu/PA



REDUCTION TARGET OF

15%

water consumption per
m³/head slaughtered by 2025

consumption. An example is the change in the sanitation system of the factories, which uses large volumes of water. We have detected the possibility of improvement and, through a partnership, we will pressurize the system and save the resource.

To ensure the standards established for the quality of effluent discharge, our units have Standard Operating Procedures and Work Instructions for Process Monitoring developed to meet the legal requirements for discharge. **GRI 303-2**

TOTAL VOLUME OF WATER COLLECTED IN ALL AREAS AND AREAS UNDER WATER STRESS, BY SOURCE (ML) ¹ GRI 303-3

Source		2020		2021		2022	
		All areas	Areas of water stress	All areas	Areas of water stress	All areas	Areas of water stress
Surface water	Fresh Water (≤1000 mg/l Total Dissolved Solids)	820.783		1,137.108		1,208	
	Other waters (>1000 mg/l Total Dissolved Solids)						
Groundwater	Fresh Water (≤1000 mg/l Total Dissolved Solids)	689.687		780.192		789	
	Other waters (>1000 mg/l Total Dissolved Solids)						
Marine waters	Fresh Water (≤1000 mg/l Total Dissolved Solids)						
	Other waters (>1000 mg/l Total Dissolved Solids)						
Produced waters	Fresh Water (≤1000 mg/l Total Dissolved Solids)						
	Other waters (>1000 mg/l Total Dissolved Solids)						
Water from third parties	Fresh Water (≤1000 mg/l Total Dissolved Solids)					0.16	
	Other waters (>1000 mg/l Total Dissolved Solids)						
TOTAL		1,510.47		1,917.3		1,997.16	

¹ There is no water intake in areas of water stress.



Our development is constant to produce using less water in the industrial process

TOTAL WATER DISPOSAL IN ALL AREAS AND AREAS UNDER STRESS, BY SOURCE (ML) ^{1 2} GRI 303-4

	2022
Shallow releases	1,052

1 This is the first year of indicator collection, thus, there is no history of previous cycles.

2 As priority substances for which effluents are treated, we have: phosphorus, ammoniacal nitrogen and biochemical oxygen demand (BOD).

TOTAL VOLUME OF WATER CONSUMED FROM ALL AREAS AND AREAS UNDER WATER STRESS¹ (ML) GRI 303-5

	2022
	All areas
Total water withdrawal (303-3)	1,997.47
Total water disposal (303-4)	1,052
Water consumption	945.47

1 In the previous cycle there was no collection of quantitative data of the indicator.

CHANGE IN WATER STORAGE IN MEGALITERS, IF WATER STORAGE HAS BEEN IDENTIFIED AS HAVING A SIGNIFICANT WATER-RELATED IMPACT (ML) GRI 303-5

	2022
Total water storage at the beginning of the reporting period	7.35
Total water storage at the end of the reporting period	7.35
Changes in water storage (ML)	0.00

Water quality control is essential to our activities

Xingu River,
São Felix do Xingu/PA



WASTE AND TAILINGS MANAGEMENT

GRI 3-3: material topic management, 306-1, 306-2

We have implemented a set of initiatives aimed at reducing, reusing and recycling as many materials as possible, as well as minimizing or eliminating waste to landfills. They include the reverse logistics of cardboard packaging and plastic materials made through the compensation of pasta for recycling, and the use of the residual by-products of animal slaughter for the production of meat and bone meal, as well as industrial tallow.

We also installed an Environmental Management System, as well as the Solid Waste Management Plan (PGRS), in which we describe the actions related to waste management, covering aspects related to minimization in generation, segregation, packaging, identification, collection and transportation, storage, treatment and final disposal. Thus, we seek to avoid impacts of soil and water contamination.

Waste management in the units is in charge of the Environment department. In impact management, we adopt tools such as Reduce, Reuse, Recycle, Refuse and Rethink (5Rs). All waste with the potential for recycling is reused. The goals related to the topic include to encourage the application of post-consumer recycled materials in

packaging and reduce 30% of the volume of waste destined for landfill by 2025.

Recyclable solid waste such as paper, cardboard, plastic, glass and scrap are generated in the warehouse, administrative areas, maintenance, among other places. We have collection points for these materials spread throughout the operating units, duly identified. Periodically, the waste is destined for recycling or is donated, thus combining environmental and socioeconomic thinking. As for non-recyclable waste, such as those of organic origin, from cafeterias or solid sanitary waste from the administrative area, they are collected by qualified companies and sent to a landfill.

Hazardous solid waste, such as oils, used filters and expired chemicals, are stored in identified drums and subsequently sent for environmentally appropriate disposal by qualified companies, pursuant to the environmental legislation and requirements. On the other hand, health services, from an outpatient clinic, are stored in a specific shelter and identified as infectious material, to be sent to the final destination.

Waste specifically from the production process are specified risk materials (SRM), such as sludge, rumen content and spoil.



From left to right: **Claudio Fusco** and **Valter Silva**, Effluent Treatment operators, and **Flavia Bongiovanni**, Environment supervisor

Waste removed after slaughter is packed in a closed bucket and sent to a Class II landfill or incinerated in plants where this solution is possible. The sludge and rumen content are extracted in the Waste Water Treatment Plant, composted and used as fertilizer.

The units of Pará have difficulties in finding companies that collect and dispose the waste, making the management become

expensive, since we have to dispose the waste to certified landfills in other states.



REDUCTION TARGET OF

30%

in the volume of waste destined for landfill by 2025.



Virtuous circle

Residual by-products from the slaughter of animals, such as remnants of trimming, bones and discarded viscera, are sent to the meat rendering plant, which turns them into raw material for other industries, such as soap and feed. The rumen of the animals is destined for composting and becomes fertilizer for use in pastures and crops.



POST-CONSUMER PACKAGING

One of our major challenges is in relation to the reverse logistics of post-consumer waste. As it is a complex operation, which involves the production chain to the final consumer, it is currently unenforceable operationally, being carried out by offsetting the masses in Recycling Credit Certificates. Our units in the state of São Paulo already achieve the goals through this auction system, which is unique in the country.

We have initiatives focused on decreasing and reusing as many materials as possible

TOTAL WASTE GENERATED BY COMPOSITION (t)¹ GRI 306-3

Category	Type (additional information)	2022 Quantity generated (t)
Contaminated	Dangerous	9.13
Sludge	Not dangerous	2,927.84
SRM	Not dangerous	394.72
Non-recyclable	Not dangerous	379.97
Recyclable	Not dangerous	339.38
Health service waste	Dangerous	0.35
Rumen	Not dangerous	15,075.30
Metal scrap	Not dangerous	99.01
TOTAL		19,225.70

¹ This is the first year of indicator collection, thus, there is no history of previous cycles. The 2022 data were compiled by measuring the volume and weighing the loads and by estimates relating the number of buckets removed and assumptions made.

TOTAL WASTE DIVERTED FROM DISPOSAL, BY COMPOSITION, IN METRIC TONS (t)¹ GRI 306-4

COMPOSITION	2022
Paper, cardboard, plastics, scrap, cooking oil, waste oils, drums, rumen, sludge, <i>pallets</i> and electronic waste	18,457.01
TOTAL	18,457.01

¹ This is the first year of indicator collection, thus, there is no history of previous cycles. The 2022 data were compiled by measuring the volume and weighing the loads and by estimates relating the number of buckets removed and assumptions made. None of the waste generated was avoided in the calculation of the indexes.



Effluent treatment plant, Cattle Unit, Lençóis Paulista/SP

TOTAL WASTE DIVERTED FROM DISPOSAL, BY RECOVERY OPERATION, IN METRIC TONS (t) GRI 306-4

		2022		TOTAL
		Within the organization (<i>Onsite</i>)	Outside the organization (<i>Offsite</i>)	
Non-Hazardous Waste	Preparation for reuse	12,321.91	5,689.62	18,011.53
	Recycling		438.39	438.39
	Other recovery operations			
	TOTAL	12,321.91	6,128.01	18,449.92
Hazardous waste	Preparation for reuse			
	Recycling		7.09	7.09
	Other recovery operations			
	TOTAL		7.09	7.09
TOTAL waste not destined for final disposal		12,321.91	6,135.10	18,457.01

TOTAL WASTE FOR DISPOSAL, BY COMPOSITION, IN METRIC TONS (t) ¹ GRI 306-5

COMPOSITION	2022
SRM (Specific Risk Material), Health Service Waste and Class I Waste	768.69
TOTAL	768.69

¹ This is the first year of indicator collection, thus, there is no history of previous cycles. The 2022 data were compiled by measuring the volume and weighing the loads and by estimates relating the number of buckets removed and assumptions made.



Cattle Unit,
Água Azul do Norte/PA

TOTAL WASTE FOR DISPOSAL, BY OPERATION, IN METRIC TONS¹ (t) GRI 306-5

		2022	
		Outside the organization (Offsite)	TOTAL
Hazardous waste	Incineration (with energy recovery)		
	Incineration w/o Energy Recovery	0.35	0.35
	Landfill	2.03	2.03
	Other disposal operations		
	TOTAL	2.38	2.38
Non-Hazardous Waste	Incineration (with energy recovery)		
	Incineration w/o Energy Recovery		
	Landfill	766.3	766.3
	Other disposal operations		
	TOTAL	766.3	766.3
Total waste for disposal		768.68	768.68

¹ There was no final disposal of waste onsite

Animal welfare

GRI 3-3: material theme management

We are committed to ensure good practices of animal welfare (BEA) in our operations. For this, we have a set of rules gathered in our Humanitarian Slaughter and Animal Welfare Program, to ensure the protection of animals during the stages of pre-slaughter and slaughter and, by extension, the quality and safety of our products.

We follow the main recommendations related to the topic, such as those of the Ministry of Agriculture, Livestock and Supply (Mapa), Steps Program, the World Society for the Protection of Animals (WSPA); as well as the best references, such as the five fundamental freedoms of animals, organized by the independent advisory body Farm Animal Welfare Council (FAWC). These are:



1 Physiological Freedom

Guarantee conditions that prevent hunger, thirst and malnutrition

2 Psychological Freedom

Guarantee conditions that avoid fear and distress

3 Environmental Freedom

Guarantee conditions that avoid physical and thermal discomfort

4 Health Freedom

Guarantee conditions that avoid pain, injuries and diseases

5 Behavioral Freedom

Guarantee conditions that allow normal expressions of behavior

Priscila Silva,
Animal Welfare supervisor

SUPERVISOR
CORPORATIVO DE
BEM-ESTAR ANIMAL



We have developed a program to consultatively assist our suppliers on issues related to animal welfare. They are:



Non-use of antibiotics and growth promoters



Traceability



Feeding of animals



Vaccination



Preservation of vegetation, soil and water



Free from pain, injury or disease



Animal Care Best Practices



Free from discomfort



Free from thirst, hunger and malnutrition



Free to express their normal behavior

We also went through Map audits and certifying bodies. The ministry audits take place at least every three years and aim to verify the degree of compliance of each plant, ensuring its qualifications and operation, taking into account the Animal Welfare control element.

This protection work is governed by FriGol Animal Welfare Policy, which has four main topics:

- Practice respect for all animals, avoiding unnecessary suffering with those destined for slaughter in the company;
- Constantly promote the procedures for the welfare of the animals received, respecting the laws and producing quality products for customers;
- Increase partnership with livestock suppliers; and
- Assist in the management practices on the properties, in the search for the best animals.



Another tool to support our partners in matters such as handling, boarding, transporting and unloading animals is the [Animal Welfare Manual](#). In turn, the Continuous Improvement Manual, offered to producers and drivers, includes guidelines related to best agricultural practices. All employees and third parties involved in any practice with animals receive training from the quality team responsible for the animal welfare of each plant, with at least annual recycling on the subject.

In addition to all *on-site* operations and training, during 2022, video cameras were installed for monitoring, at strategic points, in all cattle units to remotely evaluate the development of animal welfare practices and policy. By 2023, we intend to deploy the equipment in the swine units. We also implemented the Animal Welfare Committee in 2022, which had the participation of all industrial managers (top management of each unit).



All employees and third parties dealing with livestock receive animal welfare related training

Maguari Farm,
São Felix do Xingu/PA

CERTIFICATION TARGETS

In 2022, we achieved the goal of implementing the Professional Animal Auditor Certification Organization (PAACO), which brings together transport and humanitarian slaughter standards at our cattle unit, in Lençóis Paulista (SP). We are working to be certified at our other cattle and swine units by 2025.

MEDICINES AND VACCINES

To preserve the safety and quality of our products, we have adopted some controls regarding the use of medicines and vaccines in animals. As soon as the cattle arrive at the business units, we analyze the guarantee letters, a document that indicates the medicines given to the herd, evaluating the application and grace period, as well as their legality in the domestic and foreign markets. We also follow the annual reports issued by Mapa, through the National Plan for the Control of Residues and Contaminants, so that we can ensure that our suppliers are not involved in abusive drug practices. And we offer producers and carriers the booklet on vaccines, developed by the corporate technical area responsible for animal welfare.



5

RELATIONSHIP WITH PEOPLE

Matheus da Silva,
Production Coordinator

Frigol team

The positive transformation in the structure of the top management and internal processes that we are experiencing provided, in 2022, the management of people who received special attention with emphasis on the reformulation of the Human Resources department and the arrival of the executive manager of People and Culture, as well as the success of #AquiTemSegurança program, with the *slogan* "Safety is non-negotiable".

The meatpacking production process uses workforce intensively. In this scenario, the concern with the development, safety and quality of life of our employees is of the utmost importance in our strategy. And the challenge is even greater taking into account the heterogeneity of people who are part of the staff, in terms of training, origin and culture. We believe that success is the sum of many people's talents.

Our relationship is based on care and seeks to reconcile interests, through guidelines based on ethics and socio-environmental responsibility, gathered in our Code of Ethics and in our Sustainability Policy. To strengthen transparency in our relationships and governance, we launched the Related Party Transactions and Conflicts of Interest Policy in 2022.

In 2022, our team increased from the previous year, from 2,570 to 2,727 employees, of which 161 are from the corporate unit. They are hired for an indefinite period to work full-time. Currently, 100% of employees are covered by individual or collective bargaining agreements. **GRI 2-7, 2-30**

To promote engagement and dissemination of FriGol's culture, we implemented dialogue channels with our employees, respecting the local culture. An example is the launch of Corporate TV, with content available to all units, connecting with people. We also raise awareness campaigns for the internal audience and communications on topics of interest, as national campaigns such as Pink October (prevention of breast cancer) and Blue November (prevention of prostate cancer).

EMPLOYEES BY GENDER AND REGION GRI 2-7

Region	2022		Total
	Men	Women	
Lençóis Paulista (Corporate)	100	61	161
Beef meatpacking (Lençóis Paulista)	714	310	1,024
Beef meatpacking (Água Azul do Norte)	517	251	768
Beef meatpacking (São Félix do Xingu)	388	190	578
Pork meatpacking (Lençóis Paulista)	81	36	117
Rendering plants (Lençóis Paulista)	37	2	39
Farms	27		27
Distribution Centers	13		13
TOTAL	1,877	850	2,727

EMPLOYEES BY EMPLOYMENT CONTRACT AND GENDER GRI 2-7

Type of contract	2022		Total
	Men	Women	
Permanent	1,877	850	2,727
Temporary			
TOTAL	1,877	850	2,727

José Andrade,
InventoryAnalyst



EMPLOYEES BY EMPLOYMENT CONTRACT AND REGION¹ GRI 2-7

Region	2022	
	Permanent	Total
Lençóis Paulista (Corporate)	161	161
Beef meatpacking (Lençóis Paulista)	1,024	1,024
Beef meatpacking (Água Azul do Norte)	768	768
Beef meatpacking (São Félix do Xingu)	578	578
Pork meatpacking (Lençóis Paulista)	117	117
Rendering plants (Lençóis Paulista)	39	39
Farms	27	27
Distribution Centers	13	13
TOTAL	2,727	2,727

EMPLOYEES WITHOUT WORKLOAD GUARANTEE BY GENDER AND BY REGION¹ GRI 2-7

Region	2022		Total
	Men	Women	
Lençóis Paulista (Corporate)	35	14	49
Beef meatpacking (Lençóis Paulista)	21	6	27
Beef meatpacking (Água Azul do Norte)	21	7	28
Beef meatpacking (São Félix do Xingu)	22	5	27
Pork meatpacking (Lençóis Paulista)	3	1	4
Rendering plants (Lençóis Paulista)	2		2
Farms	2		2
Distribution Centers	2		2
TOTAL	108	33	141

From left to right:
Ediniran Teixeira, refiller;
José Andrade, Inventory analyst;
Deise dos Santos, refiller

¹ The company has no temporary employees.

¹ Employees with supervisor, coordinator and manager positions were included, as they are considered positions of trust, without timecard control.



Our team of employees increased 6.10% compared to the previous cycle

EMPLOYEES BY EMPLOYMENT TYPE GRI 2-7

Employment type ¹	2022		
	Men	Women	Total
Fulltime job	1,877	850	2,727
TOTAL	1,877	850	2,727

¹ FriGol has no part-time work contracts.

EMPLOYEES BY TYPE OF EMPLOYMENT ¹ BY REGION GRI 2-7

Region	2022	
		Total
Lençóis Paulista (Corporate)	161	161
Beef meatpacking (Lençóis Paulista)	1,024	1,024
Beef meatpacking (Água Azul do Norte)	768	768
Beef meatpacking (São Félix do Xingu)	578	578
Pork meatpacking (Lençóis Paulista)	117	117
Rendering plants (Lençóis Paulista)	39	39
Farms	27	27
Distribution Centers	13	13
TOTAL	2,727	2,727

¹ FriGol has no part-time work contracts.

APPRENTICES

In 2022, the number of apprentices increased significantly compared to the previous year, from 8 to 63, due to hiring through the partnership with the Company-School Integration Center (Centro de Integração Empresa-Escola - CIEE), for the development of a Meat Industry course to foster knowledge in factory processes and create career opportunities in the meatpacking industry. **GRI 2-8**

Professionals are committed to our attitudes and our culture

From left to right:
Railane Bispo,
Suelen Silva and
Suelem Rodrigues,
 apprentices in the Industry



WORKERS BY JOB CATEGORY AND GENDER¹ GRI 2-8

	2022		
	Men	Women	Total
Apprentices	31	32	63 ¹
Trainees			
Third-parties	68	45	113 ²
TOTAL	99	77	176

¹ Apprentices hired through Legião Mirim Masculina, Legião Mirim Feminina, CIEE and Senai, from all branches of the company, were considered.

² The index includes employees of outsourced ordinances and the company's gut room.

TALENT ATTRACTION AND RETENTION

We value our employees and, therefore, we believe that a welcoming and productive work environment needs to be linked to a culture that values the development of people, their safety and well-being. Thus, we have established a series of initiatives for continuous improvement of working conditions, with support teams for better integration and audit of the environments for performing the duties.

We seek to attract talent from the local community, causing a positive impact in the regions where we operate, and foster internal selection processes to value the company's employees. The salaries and benefits package (health and dental plans, life insurance, food tickets, agreements with pharmacies, among others) comply with the best market practices. **GRI 401-2**

The administrative team was trained on how to improve the use of time, communication, among others. Our goal is to reduce the levels of absenteeism and *turnover* that in the meatpacking industry are higher compared to other segments. In 2022, the rate of dismissals was 0.46. The highest incidence of

dismissals is of young people up to 30 years of age, mostly from the North region, an area with greater difficulty in retaining labor.

GRI 401-1

For our employees to plan for the future and grow in their career, we provide student assistance, with a 30% refund for training courses related to the company's activities or English courses. **GRI 401-2**

In 2022, we introduced the social assistance project in plants. In each unit, a professional seeks to understand the needs of employees to address solutions. The most frequent are issues related to social/economic vulnerability, health problems in the family and emotional aspects. We understand that this assistance has a direct impact on the well-being of employees, positively affecting their lives inside and outside the company.



DEVELOPMENT INCENTIVE

In 2022, we provided different training to our employees, including the top management, such as:

Food quality and safety

Aims to work on the standardization of sampling processes with collection of carcass and swabs (material for microbiological tests).

Microbiology course of animal products

The group focused on topics such as microorganisms, environmental monitoring, quality and food safety.

2022 QSA Week

Series of activities for employees of all units focused on the culture of food quality and safety and animal welfare.



Wellington Silva, financial manager, started at the company in 2001 as an administrative assistant

FriGol Leadership DNA

Comprised by a learning path that will extend until mid-2023. About 200 managers, from plant leaders to corporate managers, will participate in the training.

I am a leader, I am an example

Aimed at supervisors, leaders and industrial coordinators, the objective is to bring employees closer to leadership.

Leaders meeting

Quarterly meeting of directors and leaders to share results and align plans for the future of the company.

Coffee with the President

Meeting held to bring together leaders of FriGol's culture.

NEW HIRES BY AGE GROUP ¹ GRI 401-1

	2020		2021		2022	
	No.	Percentage	No.	Percentage	No.	Percentage
Under 30 years	800	62%	1,067	8%	899	66%
Between 30 and 50 years old	446	36%	473	42%	502	41%
Over 50 years	32	18%	17	14%	42	28%
TOTAL	1,278	47%	1,557	61%	1,443	53%

¹ Data for the years 2020 and 2021 this indicator was calculated for the alignment with the requirements of the GRI standard.

TURNOVER BY AGE GROUP¹ GRI 401-1

	2020		2021		2022	
	No.	Percentage	No.	Percentage	No.	Percentage
Under 30 years	717	55%	1,048	79%	778	58%
Between 30 and 50 years old	569	45%	669	6%	447	37%
Over 50 years	76	42%	49	42%	31	21%
TOTAL	1,362	5%	1,766	69%	1,256	46%

¹ Data for the years 2020 and 2021 this indicator was calculated for the alignment with the requirements of the GRI standard.

NEW HIRES BY GENDER GRI 401-1

	2022	
	No.	Percentage
Men	927	49%
Women	516	61%
TOTAL	1,443	53%

TURNOVER BY GENDER GRI 401-1

	2022	
	No.	Percentage
Men	830	44%
Women	426	5%
TOTAL	1,256	46%

NEW HIRES BY REGION GRI 401-1

	2022	
	No.	Percentage
Lençóis Paulista (Corporate)	68	42%
Beef meatpacking (Lençóis Paulista)	327	32%
Beef meatpacking (Água Azul do Norte)	503	65%
Beef meatpacking (São Félix do Xingu)	452	78%
Pork meatpacking (Lençóis Paulista)	48	41%
Rendering plants (Lençóis Paulista)	21	54%
Farms	17	63%
Distribution Centers	7	54%
TOTAL	1,443	53%

TURNOVER BY REGION GRI 401-1

	2022	
	No.	Percentage
Lençóis Paulista (Corporate)	29	18%
Beef meatpacking (Lençóis Paulista)	318	31%
Beef meatpacking (Água Azul do Norte)	432	56%
Beef meatpacking (São Félix do Xingu)	411	54%
Pork meatpacking (Lençóis Paulista)	39	33%
Rendering plants (Lençóis Paulista)	17	44%
Farms	8	56%
Distribution Centers	2	56%
TOTAL	1,256	46%

COMPENSATION OF THE SENIOR OFFICERS

Compensation policies for members of the Board of Directors and senior executives are linked to objectives and performance in relation to managing the organization's impacts on the economy, the environment

and people. Criteria such as financial results; individual performance; and the incentive to retain talent are taken into account. **GRI 2-19**

COMPENSATION OF THE TOP MANAGEMENT¹ (R\$) GRI 2-19

DISTRIBUTED	2022
Fixed remuneration	The Fixed and Variable Compensation Policies determine criteria regarding salaries and bonuses that the employee can receive, thus, for the formation of the criteria, the policy considers information on positions, salaries and bonuses. It is a People Management tool that works as a professional recognition system, provides adequate compensation and transparency in relation to what employees must do to evolve professionally within the company, also contributing to the retention of talents.
Variable remuneration	There is a short-term variable compensation policy for top management, an annual bonus based on EBITDA performance (trigger), collective and individual goals. There is also a long-term compensation plan linked to the company's value gain.
Severance pay	Not applicable
Remedies	Not applicable
Retirement benefits	Not applicable

¹ Index corresponds to the new GRI book (2), therefore, there is no data from the previous cycle.

DIVERSITY AND INCLUSION

Our commitment is to promote actions that value differences with a focus on people's development. In the past years, we have advanced in promoting gender equality in our staff, with emphasis on the inclusion in 2021 of three women on the Board of Directors, composed of seven members. We ended 2022 with 31% of women in the workforce. We do not allow any kind of discrimination, whether racial, religious, weight, disability, social origin or sexual orientation.

We also have job openings for People with Disabilities (PwD) in regions where we have operations. In 2022, our staff had 2,727 employees, 51.4% self-declared black (sum of browns + blacks), 35.6% white and 13% not informed.



Nandy Aguiar,
Export Manager

Occupational health and safety

GRI 3-3: material theme management

In occupational safety, we delivered the best year in the company's history. With defined goals and indexes, according to the methodology and references of the International Labor Organization (ILO), we work to identify and mitigate existing risks through processes, which includes the use of personal protective equipment (PPE), awareness of the risks in the operation of plants, training focused on occupational health and safety and inspection. **GRI 403-1**

All employees and third parties have guaranteed access to the Specialized Service in Safety Engineering and Occupational Medicine (SESMT). The team has specialized technical staff, who work at different times to facilitate access for all employees. In addition, we have active members of the Internal Accident Prevention Commission (Cipa) and comply with regulatory standards, ordinances, technical instructions and legislation applicable to the promotion of safety, health and well-being of employees. **GRI 403-1, 403-3, 403-4, 403-5, 403-6**

In case of incidents and/or accidents, a committee formed by employees, SESMT professionals, people management, employee representative, Production and Maintenance Management initiates an investigative process to stratify information, identify possible causes and propose corrective and control measures to avoid new occurrences. **GRI 403-2**

To mitigate workplace risks, we work on prevention and perform ergonomic analyses and adjustments of workstations and environments, breaks according to legislation, occupational gymnastics, functional adjustments and physiotherapy sessions. In 2022, no deaths due to occupational diseases were reported. **GRI 403-10**

Our employees are guided to act in the prevention of accidents and risk conditions

Security is non-negotiable!

To highlight the importance of the preventionist culture as the main tool for accident reduction, we created #AquiTemSegurança Program in 2022, with the slogan "Safety is non-negotiable". The initiative expresses the strategic focus that the health and safety of employees represents to FriGol and encourages employees and third parties to act in the prevention of accidents and risk conditions. There are guidelines, based on targets for reducing safety indicators, which reach the teams through campaigns, training, SIPAT, implementation of Golden Rules (which establish clear procedures and requirements for the main existing risks), communication mechanisms and specialized professionals and focused



José Carlos de Souza, deboner

on meeting the needs of employees (occupational safety technicians, psychologists, social workers, among others). This type of mechanism and organization chart allows employees to claim their needs and express themselves freely.

We organize integration training provided by SESMT professionals for all employees, visitors and third parties. The goal is to instruct them about internal policies and procedures, covering the need for training for machine and equipment operations, procedure and requirements for carrying out risk work. To perform risk work, the organization requires its employees to issue a risk work permit (ATR).



Evandro Justino, welder

#AquiTemSegurança program focused everyone's efforts and paid off. To raise employee awareness and engagement, the company has committed to draw three Renault Kwid cars, one for each city where it has a production unit. To participate, it was necessary to achieve excellent safety indexes during the year. The success of the campaign is reflected in the numbers. In 2022, we had the lowest rate of accidents, days of leave and accidents with leave in our history, with a reduction of 51%. Draws were made in January 2023.

NUMBERS AND PERCENTAGES OF EMPLOYEES¹ GRI 403-8

2022

	Employees		Workers who are not employees but whose work and/or workplace is controlled by the organization	
	No.	Percentage	No.	Percentage
Total number of individuals	2,727	100%	220	100%
Individuals covered by an occupational health and safety management system based on recognized legal requirements and/or standards/guidelines	2,727	100%	220	100%
Individuals covered by an occupational health and safety management system based on legal requirements and/or recognized standards/guidelines, which has been internally audited	2,727	100%	220	100%
Individuals covered by an occupational health and safety management system based on legal requirements and/or recognized standards/guidelines, which has been audited or certified by an external party	2,727	100%	220	100%

¹ All active workers, fixed third parties, plus the average of temporary third parties were considered.

OCCUPATIONAL ACCIDENTS GRI 403-9

2022

	Employees	Workers who are not employees but whose work and/or workplace is controlled by the organization
Number of worked hours	4,998,337.58	580,800
Base number of hours worked (200,000 or 1,000,000)	1,000,000	1,000,000
Number of fatalities due to work-related injuries		
Rate of fatalities resulting from work-related injuries		
Number of serious work-related injuries (excludes fatalities)*	4	1
Work-related serious injury rate (excludes fatalities)	0.8	1.72
Number of registered occupational injuries (includes fatalities)	4	1
Rate of registered work-related injuries (includes fatalities)	0.8	1.72

Community relations

In the social area, we seek to foster the generation of income in communities where we are inserted, generating ties with our employees and their families and establishing partnerships for regional development. On the environmental front, our initiatives aim to guarantee the origin of our raw material, preserve the environment and mitigate the environmental impact of our activities.

We recognize our role as an agent to foster regional development, and to address the needs of the communities in which we operate, we support the economic, social and environmental strengthening of the environment.

To evolve on the subject, in 2021, we hired a specialized company to identify the main needs, based on the Human Development Index (HDI), of the cities Lençóis Paulista (SP), Água Azul do Norte and São Félix do Xingu (PA). Based on this study, we formulated our Private Social Investment Policy in 2022. It has the guidelines for supporting and encouraging local projects

related to the municipalities in which we are inserted, aligned with the SDGs, prioritizing job and income generation, human and social assistance, climate protection (with reforestation and water projects), food and quality education.

This policy guided our performance in 2022, as the amount of more than BRL 1 million allocated to social projects through tax incentives and donations laws.

The choice of projects is made with the support of a committee comprised by representatives from various areas of the company. Those selected are also accompanied by the social assistance team of each unit.



We want to positively influence people's daily lives by collaborating for a better quality of life

INCENTIVE PROJECTS

Percentages of the company's Income Tax (IR) in 2022 were allocated to the Municipal Fund for Children and Adolescents (Fundo Municipal da Criança e do Adolescente - FUMCAD) of the three cities where we have plants and to the Municipal Fund for the Elderly (Fundo Municipal do Idoso - FMID) of Lençóis Paulista.

We also highlight the cultural and sports projects that received support and will be developed in 2023:

A.ventura de Ler

Six exhibitions of a traveling library with dramatized reading and storytelling to the citizens of Lençóis Paulista and Água Azul do Norte. In addition to poetry meetings with presentation of local and reference artists in the cities. At the end of the show, the books will be donated to the cities.

Jovens Talentos

With this project in Lençóis Paulista, young people between 6 and 17 years old will enjoy nine months of a core of futsal. As an extension of the project, Água Azul do Norte will have a partnership with the municipality with donation of materials to develop futsal and compensation of professors for six months.

Sempre Vôlei

Led by former player Dodô, the project in Lençóis Paulista will be supported by FriGol to continue training young people to improve in professionalization of the sport.

Moda Inclusiva

Held in Água Azul do Norte and São Félix do Xingu, the project will conduct sewing workshops to train visually impaired people for the labor market, focusing on the production of fashion for this same audience. At the end of the workshops, the sewing machines will be donated to the city halls.

Escola Mágica Project

It will bring magical art presentations to São Félix do Xingu, addressing topics related to climate and environmental protection with a playful language and aimed at all audiences.

In addition to the contributions via tax incentives law, in Lençóis Paulista, Frigol makes monthly donations to Associação de Pais e Amigos dos Excepcionais (Apae), Hospital Nossa Senhora da Piedade, Casa Abrigo Amorada and Associação do Jardim Primavera, which operates with activities aimed at children from the region next to our plant, who participate in various activities, such as guitar lessons, sports and dances.

In addition, we carry out a series of specific support for various social initiatives in the cities where we operate.

Roraima Project

Held in partnership with the United Nations High Commissioner for Refugees (UNHCR), the project consists of aggregating Venezuelan refugees to work in our plants in the state of Pará. We offer housing, assistance and training for six months for them to settle permanently in the country. In 2022, we benefited 40 refugees in the program.

We allocate more than BRL 1 million to social projects through tax incentive laws and donations

In 2022, we also supported the Youth Congress, of the Lidera Jovem Institute, in Lençóis Paulista. Two days of events were held with the attendance of 300 adolescents dedicated to activities and debates stimulating the establishment of life projects.

Skate em Ação

We started supporting the project aimed at children and adolescents, which promotes social inclusion through sport in 2022, from an internal campaign on Volunteer Day, by which employees told their volunteering stories. The message of one of our employees, deboner Rangel Henrique da Silva Norato, from the cattle unit of Lençóis Paulista, stood out. A skater in his spare time, Rangel created the social project, which has already been awarded in competitions. With this testimony, the partnership was established through the donation of T-shirts, skateboards and equipment to the participating children and adolescents.



Rangel Norato, deboner and creator of the Skate em Ação Project



The selection of projects is made with the support of a committee comprised by representatives from various areas of the company

The specific actions include the support for proposals for the dissemination of health care, such as the fifth Cavalgada Rosa, the celebration of volunteer day, with actions to fight hunger in all plants through the distribution of food in needy neighborhoods in the municipalities where we are located; and the collection of toys in December, which resulted in 800 toys donated to entities of Leãois Paulista, Água Azul do Norte and São Félix do Xingu.

Our social performance also included initiatives of national relevance, such as participation in Teleton (a fundraising event held by AACD in partnership with SBT television network); support to the clinical hospital of Botucatu School of Medicine (SP) during McDia Feliz campaign.



Photo: Rogério Pallatta/SBT

Featured culture

We supported Associação Lençoense de Incentivo à Cultura (Alic) in a project for the Teatro Municipal Adélia Lorenzetti. In 2022, as a result of this partnership, 49 shows were presented with free admission, contributing to bring more

than 20,000 people to the theater. The program was curated aiming at the diversity of attractions, with performances of music, dance, theater, circus and storytelling, both erudite and popular.



RELATIONSHIP WITH STAKEHOLDERS

GRI 2-29

STAKEHOLDERS	ENGAGEMENT AND RELATIONSHIP ACTIONS	MAIN CONCERNS RAISED
Collaborators	Through communication channels (Corporate TV, email marketing, murals), actions to prepare leadership for people management, training, safety dialogue meetings, internal health and safety campaigns, President's Café with managers, Leaders' Meeting.	Improve organizational climate; increase team commitment, productivity and efficiency; increase retention and reduce absenteeism. Strengthen FriGol's purpose in feeding people's lives with food quality and safety.
Local communities	Promoting and supporting projects in cities; maintaining an open door policy to listen to the needs of the local community. In this sense, in 2022, we hired a specialized company to outline our private social investment policy, based on criteria such as the HDI of the cities where we operate and, from there, we made private social investments in projects in these cities.	Contribute to the social and environmental development of the company in the communities surrounding the company's areas of operation; promote transparency and publicity of the results achieved by the company's private social investment programs and projects; increase the company's role in these regions, attract local talents and workers to work in the company.
Cattle farmers	Through good service and relationship, standardized slaughter for better supplier satisfaction, frequent communication, participation in events and fairs in the sector.	We believe in win-win relationships and want to generate value relationships with our livestock suppliers. In addition, they are our biggest partners for the offer of high quality products to our customers and for the evolution of sustainable livestock farming in Brazil.
Clients	Through phone contact, email, text messages.	Foster business transactions, develop the relationship in search of business opportunities.
Consumers	For point-of-sale communication, social media, local radio and television media, barbecue events.	Increase the knowledge and trustworthiness of FriGol, raise the positive perception of products.
Press	Upon constant communication, especially through <i>press release</i> about the main actions of the company and performing face-to-face or online service to journalists who seek us to be sources of information (interviews granted by CEO and directors).	Through journalistic articles, make the company better known and admired; increase the positive perception of the company and create reputational capital.
Market/Investors	Although not publicly traded, FriGol positions itself as if it were a listed company, having an Investor Relations area on our website, where we publish the audited financial statements, quarterly income statements, video of results commented by the CFO; and we also send this and other relevant information via email to our investor base. In addition, our executives participated in events in the agribusiness sector, financial events and, in 2022, held <i>roadshows</i> in search of investments for the issuance of the first two CRA (Agribusiness Receivables Certificates).	Keep relationships and attract potential new investors who believe in our work, strengthening FriGol's name with an increasingly positive perception in the financial and capital markets.
NGOs and Working Groups	We actively participate in working groups that aim to promote sustainable livestock farming in Brazil, such as the Sustainable Livestock Working Group and the Indirect Suppliers Working Group, and we are partners of NGOs working in the socio-environmental area that aim to reduce deforestation (NGO Amigos da Terra).	Position FriGol as a company committed to sustainability; take an active role in the discussion of the main topics of the sector.
Sectoral associations	Being an associate, board member and actively participating in events and trips organized by associations to represent the animal protein sector.	Be aligned with the main issues of the sector, exchange information with other relevant players and have an active participation in decision-making. In addition, attend fairs, congresses, international missions and other events promoted by associations.

GRI Content Summary

How to use	Frigol S.A. reported in accordance with the GRI Standards for the period from January 1 to December 31, 2022.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sectoral Standard(s)	GRI 13: Agriculture, Aquaculture and Fisheries 2022

GRI 2: GENERAL DISCLOSURES 2021

Content	Location	Omitted Requirement(s)	Reason	Explanation	GRI Sectoral Standard Ref No.
2-1 Organization details	8, 9				
2-2 Entities included in the organization's sustainability report	3, 8				
2-3 Reporting period, frequency and contact point	3				
2-4 Restatements of information	3				
2-5 External assurance	This report has not undergone an external audit.				
2-6 Activities, value chain and other business relationships	8, 23, 25				
2-7 Employees	55, 56, 57				
2-8 Workers who are not employees	57				
2-9 Governance structure and composition	14				
2-10 Nomination and selection of the highest governance body	16				
2-11 Chair of the highest governance body	16				
2-12 Role of the highest governance body in overseeing the management of impacts	16, 18				
2-13 Delegation of responsibility for managing impacts	16, 21				

Content	Location	Omitted Requirement(s)	Reason	Explanation	GRI Sectoral Standard Ref No.
2-14 Role of the highest governance body in sustainability reporting	16, 17				
2-15 Conflicts of interest	19				
2-16 Communication of critical concerns	17, 21				
2-17 Collective knowledge of the highest governance body	17				
2-18 Evaluation of the performance of the highest governance body	16				
2-19 Remuneration policies	60				
2-20 Process to determine remuneration	17				
2-21 Annual total compensation ratio				The company considers this information to be confidential.	
2-22 Statement on sustainable development strategy	4, 5, 11				
2-23 Policy commitments	19				
2-24 Embedding policy commitments	8, 19				
2-25 Processes to remediate negative impacts	8, 19, 21				
2-26 Mechanisms for seeking advice and raising concerns	20				
2-27 Compliance with Laws and Regulations		There are no significant cases with material relevance to the company in the period.			
2-28 Membership associations	41				
2-29 Approach to stakeholder engagement	3, 12, 66				
2-30 Collective bargaining agreements		29 employees, from farms in Pará and CD in SP, do not have collective bargaining agreements. They therefore follow the agreement of other employees who participate in the same geographical region.			

MATERIAL TOPICS

GRI standard/ other source	Content	Location	Omitted Requirement(s)	Reason	Explanation	GRI Sectoral Standard Ref No.
GRI 3: Material Topics 2021	3-1 Process to determine material topics	3, 12				
	3-2 List of material topics	3, 12				
[Food quality and safety]						
GRI 3: Material Topics 2021	3-3 Management of material topics	31				13.10.1
Consumer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories		Every product developed is evaluated according to legislation and nutritional information that impacted people's lives, in the same way as it happens for products already developed, due to legislation that can be changed.			13.10.2
Consumer Health and Safety 2016	GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	31				13.10.3
GRI 13: Agriculture, Aquaculture and Fisheries 2022	Sector 13.10.4 Food safety		In 2022, the volume of 659,428,400 kg of bovine carcasses was purchased from Frigorífico Masterboi SIF 2437. However, in that period, the production plant was implementing the International Standard BRCGS Food and, only in January 2023, it was audited and achieved the certification of the said Standard of quality, safety, legality and authenticity of the products, with the maximum possible grade (AA). Also in 2022, the volume of 309,252,800 bovine carcasses were purchased from Frigorífico Frialto SIF 4490, however, this establishment does not have any international certification to date.			13.10.4
GRI 13: Agriculture, Aquaculture and Fisheries 2022	Sector 13.10.4 Food safety	31				13.10.5
[Supply chain management and traceability]						
GRI 3: Material Topics 2021	3-3 Management of material topics	30				13.23.1
Environmental evaluation of suppliers 2016	GRI 308-1 New suppliers that were screened using environmental criteria	30				

GRI standard/ other source	Content	Location	Omitted Requirement(s)	Reason	Explanation	GRI Sectoral Standard Ref No.
Environmental evaluation of suppliers 2016	GRI 308-2 Negative environmental impacts in the supply chain and actions taken	30				
GRI 13: Agriculture, Aquaculture and Fisheries 2022	Sector 13.23.2 Traceability of the production chain	In 2022, 659,428,400 kg of bovine carcasses were purchased from Masterboi slaughterhouse and 309,252,800 kg from Frialto; both do not have international certification in animal health and welfare. 40				13.23.2
GRI 13: Agriculture, Aquaculture and Fisheries 2022	Sector 13.23.3 Traceability of the production chain	The percentage of certified source volume according to internationally recognized standards that tracks the path of products through the supply chain is zero due to the lack of such standards in the industry.				13.23.3
GRI 13: Agriculture, Aquaculture and Fisheries 2022	Sector 13.23.4 Traceability of the production chain			This type of tracking does not apply to the company's business.		13.23.4
[Biodiversity and ecosystems]						
GRI 3: Material Topics 2021	3-3 Management of material topics	41				13.3.1/13.4.1
Biodiversity 2016	GRI 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	41				13.3.2
Biodiversity 2016	GRI 304-2 Significant impacts of activities, products and services on biodiversity	41				13.3.3
Biodiversity 2016	GRI 304-3 Habitats protected or restored	FriGol's properties are still undergoing georeferencing to quantify the areas and consequently request the licenses and prepare regularizations, if necessary. The service has already been started and will extend in the year 2023, so no information is yet available.				13.3.4
GRI 13: Agriculture, Aquaculture and Fisheries 2022	Sector 13.4.3 Conversion of natural ecosystems	40				13.4.3

GRI standard/ other source	Content	Location	Omitted Requirement(s)	Reason	Explanation	GRI Sectoral Standard Ref No.
[Climate change]						
GRI 3: Material Topics 2021	3-3 Management of material topics	43				13.1.1.
Emissions 2016	GRI 305-1: Direct (Scope 1) GHG emissions	43				13.1.2
Emissions 2016	GRI 305-2 Energy indirect (Scope 2) GHG emissions	43				13.1.3
Emissions 2016	GRI 305-3 Other indirect (Scope 3) GHG emissions	Scope 3 is not mandatory, therefore, the study was not carried out in the first GHG inventory.				13.1.4
Emissions 2016	GRI 305-4 GHG emissions intensity	43				13.1.5
Emissions 2016	GRI 305-5 Reduction of GHG emissions			As only the first Greenhouse Gas Emissions Inventory was prepared in 2021, we do not have comparative figures to prove the reductions.		13.16
[Data privacy and security]						
GRI 3: Material Topics 2021	3-3 Management of material topics	21				
Client Privacy	GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	21				
[Water and effluent management]						
GRI 3: Material Topics 2021	3-3 Management of material topics	44				13.7.1
Water and Effluents 2018	GRI 303-1 Interactions with water as a shared resource	44				13.7.2
Water and Effluents 2018	GRI 303-2 Management of water discharge-related impacts	44				13.7.3
Water and Effluents 2018	GRI 303-3 Water withdrawal	45				13.7.4
Water and Effluents 2018	GRI 303-4 Water discharge	46				13.7.5
Water and Effluents 2018	GRI 303-5 Water consumption	46				13.7.6

GRI standard/ other source	Content	Location	Omitted Requirement(s)	Reason	Explanation	GRI Sectoral Standard Ref No.
[Transparency with customers]						
GRI 3: Material Topics 2021	3-3 Management of material topics	31				13.26.1
Economic performance 2016	GRI 201-1 Direct economic value generated and distributed	33, 34				13.22.2
Anti-corruption 2016	GRI 205-1 Operations assessed for risks related to corruption	<p>Of the five operations evaluated with risk of corruption, all were submitted to risk assessments related to the theme, 100%.</p> <p>The ERM was prepared with EY internal audit, in which corporate risks were identified in the face of acts of corruption and the impact that this risk has on the company.</p> <p>As it is a matter restricted to senior management, the risks that refer to this topic will not be addressed.</p>				13.26.2
Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	<p>There were no cases confirmed or identified through the Whistleblowing Channel, a tool to handle all complaints received, including acts of corruption. There was also no public prosecution related to corruption filed against the organization in the period covered by the report.</p>				13.26.4
Anti-competitive Behavior 2016	GRI 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No lawsuit for anti-competitive behavior, trust practices and monopoly were filed.				13.25.2
Marketing and Labeling 2016	GRI 417-1 Requirements for product and service information and labeling	31				
Marketing and Labeling 2016	GRI 417-2 Incidents of non-compliance concerning product and service information and labeling	31				
[Health, well-being and safety]						
GRI 3: Material Topics 2021	3-3 Management of material topics	61				13.19.1
Employment 2016	GRI 401-1 New employee hires and employee turnover	58, 59				

GRI standard/ other source	Content	Location	Omitted Requirement(s)	Reason	Explanation	GRI Sectoral Standard Ref No.
Employment 2016	GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	58				
Occupational Health and Safety 2018	GRI 403-1 Occupational health and safety management system	61				13.19.2
Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation	61				13.19.3
Occupational Health and Safety 2018	GRI 403-3 Occupational health services	61				13.19.4
Occupational Health and Safety 2018	GRI 403-4 Worker participation, consultation, and communication on occupational health and safety	61				13.19.5
Occupational Health and Safety 2018	GRI 403-5 Worker training on occupational health and safety	61				13.19.6
Occupational Health and Safety 2018	GRI 403-6 Promotion of worker health	61				13.19.7
Occupational Health and Safety 2018	GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships				Program in the planning phase and subsequent implementation. Currently we do not control/audit companies whose workers are not employees and whose work and/or workplace are not controlled by the organization, but the impacts on these are directly linked to the organization by business relationships.	13.19.8
Occupational Health and Safety 2018	GRI 403-8 Workers covered by an occupational health and safety management system	62				13.19.9
Occupational Health and Safety 2018	GRI 403-9 Work-related injuries	62				13.19.10
Occupational Health and Safety 2018	GRI 403-10 Work-related ill health	61				13.19.11

GRI standard/ other source	Content	Location	Omitted Requirement(s)	Reason	Explanation	GRI Sectoral Standard Ref No.
[Waste and tailings management]						
GRI 3: Material Topics 2021	3-3 Management of material topics	47				13.8.1
Effluents and waste 2020	GRI 306-1 Waste generation and significant waste-related impacts	47				13.8.2
Effluents and waste 2020	GRI 306-2 Management of significant waste-related impacts	47				13.8.3
Effluents and waste 2020	GRI 306-3 Waste generated	48				13.8.4
Effluents and waste 2020	GRI 306-4 Waste diverted from disposal	49				13.8.5
Effluents and waste 2020	GRI 306-5 Waste directed to disposal	50				13.8.6
[Animal welfare]						
GRI 3: Material Topics 2021	3-3 Management of material topics	51				13.11.1
GRI 13: Agriculture, Aquaculture and Fisheries 2022	Sector 13.11.2 Animal Welfare		The volume purchased from suppliers does not have international certification in animal health and welfare.			13.11.2



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