

## June 24, 2025

## STATEMENT ON EARTHSIGHT NGO REPORT

FriGol places sustainability at the core of its business strategy.

Regarding the report published on June 23, 2025, by the UK-based NGO Earthsight, FriGol clarifies that, when approached by the organization, it provided detailed responses to each of the claims presented, demonstrating that all cattle purchases are in full socio-environmental compliance.

Regarding the monitoring of direct suppliers, the company is signatory of the Conduct Adjustment Agreement (TAC) for Sustainable Livestock in Pará State, and follows the <u>Beef on Track Protocol</u>, developed by Imaflora, as the foundation for supplier monitoring. FriGol undergoes periodic independent audits, which are submitted to the Federal Prosecutor's Office in Pará (MPF-PA). In the last three consecutive audit cycles, the company achieved 100% compliance in cattle purchases from direct suppliers, <u>as confirmed by results publicly released by MPF-PA</u>, demonstrating that direct suppliers do not operate in deforested areas, Indigenous lands, or conservation units, and are not listed among organizations involved in slave labor.

In alignment with the Beef on Track Protocol, for the illegal deforestation criterion, analyses are conducted using a geomonitoring system in which georeferenced maps of supplying farms (based on the official Rural Environmental Registry – CAR) are entered and cross-referenced with the official PRODES Amazon/INPE datasets. These databases are continuously updated, and overlapping with deforestation polygons in satellite imagery is analyzed. Therefore, when an irregularity is identified in any protocol criteria, the property is blocked and cannot supply FriGol.

Socio-environmental monitoring is not limited to the Amazon biome. Since 2018, FriGol has implemented its monitoring protocol in all Brazilian states where it operates, meaning that it tracks 100% of its direct cattle suppliers across all biomes in which it is present: the Amazon, Cerrado, and Atlantic Forest. Furthermore, FriGol extends environmental and social transparency to all its fresh beef products, both domestic and export, through QRCodes on packaging. This protocol, developed at our Lençóis Paulista plant (and used at all units), was created in partnership with Ecotrace Solutions, using secure blockchain technology. Since the end of 2023, these QRCodes also indicate the biome of origin for animals.

Regarding direct suppliers, FriGol was the first meatpacker to adopt the <u>Voluntary Monitoring Protocol for Cattle Suppliers in the Cerrado</u>, in July 2023—even prior to its official release on April 22, 2024. The protocol is coordinated by Proforest, Imaflora, and the National Wildlife Federation (NWF).



**For indirect cattle suppliers**, FriGol also monitors 100% of First-Level Indirect Suppliers (i.e., those who sell cattle to our direct suppliers) in the state of Pará. This is done via the Visipec monitoring platform, developed by the NWF, following the GTFI Protocol, under the Working Group on Indirect Suppliers. In accordance with a request from Febraban (Brazilian Federation of Banks) to the beef sector, FriGol has made both its 2023 and 2024 monitoring results <u>publicly available on its website</u>.

FriGol has set a goal of mitigating deforestation related to indirect suppliers by 2030, with a strong commitment to achieve Level 1 mitigation by 2025.

We are committed to collaborating with sector institutions, supply chain actors, and public authorities to advance this agenda. We believe that, in the country with the largest cattle herd in the world, individual animal traceability for environmental and social criteria is essential to effectively curb deforestation across all links in the beef production chain.

Therefore, FriGol is actively working with the state of Pará, which is taking a pioneering role in becoming the first Brazilian state to implement individual animal monitoring with socio-environmental criteria.

In parallel, FriGol supports private sector initiatives for individual traceability and has adopted the <u>Primi Protocol</u> (Individual Traceability and Indirect Monitoring Program)., currently the only functioning protocol of its kind in the state of Pará.

Sincerely, FriGol S.A.