

Sustainability Report

Environmental, Social and Governance

JBS 2020



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MISSION AND VALUES

GRI 102-16

Our mission

To be the best in all that we do, completely focused on our business, ensuring the best products and services for customers, a relationship of trust with our suppliers, profitability for our shareholders and the opportunity of a better future for all of our team members.

Our values

- > Availability
- > Determination
- > Discipline
- > Humility
- > Ownership
- > Simplicity
- > Sincerity

Our beliefs

- > Product quality
- > Focus on details
- > Take a hands-on approach
- > Our achievements are based on hard work
- > The right person in the right place
- > Passion for what we do
- > Attitude is more important than knowledge
- > Leaders must gain their team's trust
- > Lead by example
- > Focus on results
- > Work with people better than us
- > Belief makes the difference



MESSAGE FROM THE GLOBAL CEO

GRI 102-14, 102-15

“Feeding the world and people with the best there is and in an increasingly sustainable manner. That is our aspiration at JBS. This is what drives us on to overcome challenges and make a difference in the world. In 2020, facing unprecedented challenges we put people and the planet first, as the actions and initiatives we describe in this Sustainability Report show.

Sustainability is the foundation of our business strategy, and this focus led us to the achievements we will present in the following pages. A solid foundation on which it was possible, in 2021, to make our most significant commitment: to be Net Zero by 2040. We are going to achieve net zero greenhouse gas emissions by reducing direct and indirect emission intensities, while offsetting residual emissions.

It is a bold target, but we are certain it is achievable. We are going to invest US\$ 1 billion over the next ten years in initiatives to achieve this objective, of which US\$ 100 million will go to scientific research in the search for new solutions.

This new commitment reflects our trajectory and the fast and excellent way in which we operate. Every day, from breakfast to dinner, millions of families consume food produced by JBS around the globe. Throughout 2020, our global brands innovated to respond to and anticipate the changes in consumption, offering a diversified portfolio of products for the demands that arose in a rapidly transforming world.

The pandemic has been a massive demonstration of the resilience of our company and our entire global



Gilberto Tomazoni
Global CEO

Sustainability is the foundation of our business strategy. A solid foundation on which it was possible, in 2021, to make our most significant commitment: to be Net Zero by 2040

team – 250,000 team members, 145,000 in Brazil alone, which makes JBS the country's largest employer. Our teams showed courage and determination, continuing to perform their essential functions of feeding the world in a safe and responsible manner.

To stop producing was never an option, which is why we have boosted our investments in the health and safety of our team members, injecting R\$ 2.1 billion globally, with the emphasis on preventing COVID-19. We have adopted rigorous measures at all our facilities, and we have retained the consultancy of well-known infectologists and benchmark institutions that have supported us in building the protection protocol for our operations worldwide.

We have also supported the communities where we are located, with the programs "Hometown Strong", in The United States and Canada, and "Good Deeds Are Good" in Brazil, with a positive impact in hundreds

of cities. This work continues in 2021, always with the objective of leaving a long-lasting legacy.

Caring for people was what enabled us to deliver good financial results, even in an atypical year, which is essential for the long-term survival of our business.

But we have also made progress in our responsibility to the planet. In the following pages, you will get to know our sustainability program in a variety of areas that have received a total investment of R\$ 5 billion.

We have pushed ahead with renewable energy in all our operations, on the path to Net Zero 2040. Solar energy is arriving at our facilities, as well as electric trucks. JBS also has a high-profile position in the circular economy, like the production of biodiesel and organic fertilizer from the waste produced by our production process. Around 50% of the total waste generated by our global operations was recycled in 2020.

JBS has zero tolerance with deforestation. For more than 10 years we have been monitoring 100% of our suppliers. And in 2020, we took a major step to ensure a supply chain free from illegal deforestation at the suppliers of our suppliers: using blockchain technology, the Transparent Livestock Farming Platform will enable us to extend to them the socioenvironmental monitoring we impose on our suppliers.

With the JBS Fund for the Amazon, we have gone beyond our production chain by supporting sustainable social and economic development projects in the biome, benefiting smallholders and communities, promoting growth, innovation and technical training. The Company will invest R\$ 250 million over five years. Six projects have already been approved, and as partner investors join us we will be able to do even more.

We weathered a year like 2020 thanks to our people, our culture and our capacity to innovate. These have allowed JBS to operate in an excellent manner, growing, responding to new standards of consumption, setting ourselves apart and presenting consistent results year after year for our team members, clients, consumers, shareholders, investors and the community. Because a company will only truly prosper when the community where it is located prospers.

Gilberto Tomazoni
Global CEO

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

GRI 102-14, 102-15

Why sustainability guides our business

The year 2020 will be remembered as the one when more than ever before we had to overcome challenges and take on enormous responsibilities. At JBS, day in, day out, we demonstrated our mission of feeding the world with the best there is. We took care of our people, so that we could not only put food on the tables of millions of consumers, but also continue to grow through innovation, responding quickly to new demands and, as always, guided by the essence of our business strategy: sustainability, in every sense of the word.

When the whole world was trying to adapt to the radical transformations caused by the pandemic, our global

teams leapt into action to understand the change in consumer habits and adapt our portfolio. This was possible thanks to our simple and flexible way of working, with each business enjoying extensive autonomy in its market. Our agility ensured that our clients received the products they needed, while we were looking after all our stakeholders.

But this was only possible because, from the outset, our priority lay in protecting our team members from COVID-19 through investments amounting to R\$ 2.1 billion, to adopt strict measures that remain in force to this day around the world.



Jeremiah O'Callaghan
Chairman of the Board of Directors

The volume of R\$ 5 billion invested in sustainability actions unequivocally demonstrate our responsibility to the planet and to future generations

There was also clear sense of urgency in supporting the communities where we are located. We rolled out an unprecedented social responsibility program, the highlights being actions like Hometown Strong, in North America, and Good Deeds Are Good, in Brazil, investing a total of R\$ 700 million in actions that bequeath a legacy to hundreds of cities, especially where healthcare is concerned. The following pages will provide you with details about this program, of which we are very proud.

The strength of our operations, assured by caring for people and the planet, enabled us to maintain the pace of our investments, continuing to grow organically and with room for new acquisitions that made sense for our business.

At the same time, the data we are presenting in this report, especially the historical volume of R\$ 5 billion invested in sustainability actions, unequivocally demonstrate our

responsibility to the planet and to future generations. This was what drove us to assume the commitment to be Net Zero by 2040. This is an ambitious target, especially bearing in mind that we were the first global company in the food sector to assume something of this nature.

The Company's track record on environmental issues is very clear, as the content of our sustainability reports over the years demonstrates. Take the beef cattle supply chain, for example. JBS has for 10 years maintained a policy of zero tolerance of illegal deforestation, monitoring its suppliers using advanced technology to ensure respect for this and other socioenvironmental criteria. In 2020, we rolled out the Transparent Livestock Farming Platform, a block-chain technology tool that extends socioenvironmental monitoring to the suppliers of our suppliers. As the implementation of this platform advances, by 2025 we will have guaranteed zero illegal deforestation

in our entire production chain in every Brazilian biome where we operate: the Amazon, the Cerrado (Savannah), the Pantanal Wetlands, Mata Atlântica (the Atlantic Forest) and the Caatinga (semi-arid region) – something also unprecedented within the sector.

Last year, we also created the JBS Fund for the Amazon dedicated to supporting and financing initiatives aimed at the sustainable development of the Amazon Biome. We are going to invest at least R\$ 250 million in the first five years, with the target of reaching a total of R\$ 1 billion with contributions from partners. Six projects are already under way.

The year was also one of progress in the governance pillar. Since 2020, our Board of Directors has a majority of independent members, with women currently representing 20%. In addition, our Audit Committee became statutory last year.

Year after year, we have evolved in Compliance, with a well-structured area that has made JBS a benchmark in the market and worldwide. We have ensured a legitimate commitment to independence on this issue by having the area report directly to the Board of Directors. Today, we have seven Ethics Committees around the world, able to monitor the risks and opportunities for the future of the Company. Training, which now includes conflict of interest and antitrust issues, has been given to 100% of our team members, and is now being extended to contractors who are part of our value chain.

All these initiatives and investments on the social, environmental and governance fronts demonstrate our clear understanding that the perpetuity of our business depends on us being increasingly sustainable for all our stakeholders, including society.

Jeremiah O'Callaghan
Chairman of the Board of Directors

ABOUT THIS REPORT

With 250,000 team members driven by the purpose of feeding the world with the best there is, JBS takes excellence and innovation, every day, to many countries, through its products and services.

From the origin to the consumer's table, JBS' care goes beyond quality, food safety and economic-financial performance. Today, its entire strategy is designed based on the best sustainability practices so that its actions generate positive impacts for team members, suppliers, customers, society and the planet.

Reaffirming this commitment, JBS presents in its 2020 Sustainability Report the main actions on production, distribution and sale of its products in the various countries where it is present – Australia, Brazil, Canada, United States, Mexico, New Zealand and countries in Europe. [GRI 102-45](#)

The purpose of this document is to report on how the Company conducts business and carries out its mission of ensuring the best products and services for customers, a relationship of trust with

our suppliers, profitability for our shareholders and the opportunity for a better future for all of our team members. This is the tenth edition of this report. It follows the Global Reporting Initiative (GRI) Standards: core option. The reporting structure is indexed to the Sustainable Development Goals (SDGs) of the United Nations (UN) Global Compact. In order to increase transparency, for the first time, the Company has used the guidelines of the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD), the World Economic Forum (WEF) and the Integrated Report. [GRI 102-45, 102-52](#)

In line with its operations, JBS recognizes the importance of an open dialog with stakeholders across the many sectors of the production chain. That is why in 2019 it carried out a materiality process to revalidate its four priority topics: Animal welfare; Environmental stewardship; Product integrity; and Social responsibility (*read more on [Materiality](#)*). The document also gathers information on strategic solutions, quality, innovation, economy, productivity, competitiveness, sustainability and governance. [GRI 102-46, 102-47](#)



This report covers the activities of the companies from January 1st to December 31st, 2020, encompassing operations, business structure and responsible governance practices.

[GRI 102-50](#)

The accounting results follow the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board and audited by Grant Thornton. Brazilian production and environmental indicators (energy intensity - GRI 302-1; 305-1; 305-2; 305-4; 305-5 -, total water volume by source - GRI 303-1 and 303-3 - and effluents – GRI 303-2 and 306-1) were audited by SGS, the world's leading company in inspection, verification, testing and certification. [GRI 102-56](#)



Comments, suggestions, questions or criticisms can be sent to the e-mail annual.report@jbs.com.br, to the Investor Relations area, through the telephone +55 (11) 3144-4224 and e-mail ir@jbs.com.br or to the Sustainability area, by e-mail sustainability@jbs.com.br. [GRI 102-53](#)

SUSTAINABILITY AS A STRATEGY

The responsible use of natural resources is a condition for the sustainability of our operations and is part of who we are. Our success depends on promoting a diet that allows people to live in balance with the planet.

Meeting humanity's growing nutritional needs in a sustainable manner is a premise only not for our performance, but also for our entire business strategy.

Estimates by the United Nations (UN) indicate that the global population is expected to exceed 10 billion people by 2050. Sharing of our limited natural resources among so many is a challenge that is already beginning to redefine human behavior and, as a consequence, our food choices. That is why we work to offer consumers options that meet their nutritional needs and ethical expectations.

This requires looking beyond our operations. From the supply of raw materials to the disposal of packaging, we monitor the impact of our operations throughout the entire value chain. We make it a priority to reduce the environmental impact of the production chain, ensure animal welfare, protect and contribute to

the evolution of our team and build a legacy for society, inducing the socioeconomic development of the communities in which we operate.

We are agents of transformation. We innovate to transform the management of our waste into profitable businesses, combining the implementation of good environmental practices with the generation of jobs and income. In the Amazon, we support forest protection initiatives that promote the sustainable development of the local population.

As part of our social commitment, JBS pays attention to the needs of consumers and constantly innovates to provide them with an expanding broad product portfolio. Guided by innovation that meets health requirements, and combines nutrition and flavor, JBS's competitive differential is quality.

By connecting a purposeful business model to constant technological advances in the processing of animal and plant-based proteins, the Company offers consumers new food experiences.

Year after year, the Company strengthens its core business with

RELATIONSHIP BETWEEN STRATEGIC TOPICS AND SDGS*

This correlation also extends to the GRI disclosure items and is pointed out in the materiality, page 10, and the summary of indicators, starting on page 241.

ANIMAL WELFARE



ENVIRONMENTAL STEWARDSHIP



PRODUCT INTEGRITY



SOCIAL RESPONSIBILITY



* Sustainable Development Goals.

technological innovations, expansion of manufacturing units and acquisition of new businesses, in order to balance its financial health with the health of people and the planet.

The robust and transparent governance system we have built guarantees us the security of evolving in compliance with the highest international standards. With the

full support and engagement of the leadership, JBS runs one of the largest compliance programs ever seen in a private company.

The goal of taking the lead in the food sector requires consecutive investments in production, distribution and marketing. And it demands that we also lead the world's efforts towards a more sustainable production model.

MATERIALITY AND STAKEHOLDERS ENGAGEMENT




GRI 103-1, 103-2, 103-3

JBS developed a materiality matrix that prioritizes sustainability topics for the Company and its stakeholders. In 2019, these topics were revised, after consultation with internal and external stakeholders, and grouped into four new pillars that best represent the Company's global challenges: product integrity, social responsibility, environmental stewardship, and animal welfare, with its policies and outcomes.

To create this new matrix, a series of interviews was held with Company leaders from around the world and selected customers in Australia, Brazil, Canada, the United States and Europe over six months, based on the materiality process and studies updated in 2019. Based on this consensus-building methodology, items in the JBS materiality matrix are given equal weight and not prioritized. [GRI 102-21](#), [102-40](#), [102-42](#), [102-43](#)

JBS manages sustainability in alignment with the international scenario and UN's 17 Sustainable Development Goals (SDGs).

SUSTAINABILITY PRIORITIES GRI 102-44, 102-47

| Topics | Subtopics | Related disclosures | SDG* |
|---------------------------|---------------------------------|---|---|
| Product Integrity | Guarantee of origin | 416-1, FP5, FP6, FP7 417-3, FP8 |       |
| | Supplier relationship | 308-1, 308-2 414-1, 414-2 | |
| | | | |
| Social responsibility | Our people | 403-1, 403-2, 403-4, 403-5, 403-6, 403-7, 403-9, 403-10 |      |
| | Occupational health and safety | | |
| | Community | 203-1, 203-2 | |
| Environmental stewardship | Water and wastewater management | 303-3, 303-4, 303-5 |       |
| | Climate change | 305-1, 305-2, 305-3, 305-4, 305-5 | |
| | Energy | 302-1 | |
| | Waste and packaging | 306-1, 306-2 | |
| Animal welfare | Breeding | FP9, FP10, FP11, FP12 |   |
| | Transportation | | |
| | Production | | |

* Sustainable Development Goals.



Stakeholder communication channels

JBS extends several communication channels to its audiences in Brazil. There is the website of the Company and its brands, customer service channels, an ethics line, profiles on social media such as LinkedIn, Instagram and Facebook, communication channels with its team members, and with other stakeholders, such as customers, consumers, suppliers, investors and the press.

JBS 2030 GLOBAL GOALS



ENVIRONMENTAL

GHG EMISSIONS*



NET ZERO

Achieve Net Zero GHG emissions by 2040

30% REDUCTION

in GHG emissions from scopes 1+2 and GHG emission intensity compared to a 2019 baseline



US\$ 100 MILLION

invested in research and development projects to assist producers' efforts to strengthen and scale regenerative farming practices, including carbon capture and on-farm emissions mitigation technologies



US\$ 1 BILLION

invested in projects to reduce emissions from owned facilities



ELIMINATE

illegal deforestation from our Brazilian cattle supply chain – including the suppliers of our suppliers – in the Amazon and other Brazilian biomes by 2025 and advance traceability to assure deforestation-free supply chains across our global business

RENEWABLE ENERGY



REACH 60%

renewable electricity

WATER



15% REDUCTION

in water use intensity compared to a 2019 baseline

* Greenhouse gases.

For further information access [JBS website](#).



SOCIAL

PEOPLE



30% IMPROVEMENT
in the Global Safety Index
compared to 2019-2020
average baseline



CONTINUED PROVIDING
life-changing educational
and developmental
opportunities for team
members and their families

CONTINUED INVESTMENT IN
the towns where JBS
operates, boosting team
member, family, and
community well-being

ANIMAL WELFARE



**DEVELOP
A GLOBAL
SCORECARD**
and set 2030 goals

FOOD SAFETY AND QUALITY ASSURANCE



**DEVELOP
A GLOBAL
SCORECARD**
and set 2030 goals



GOVERNANCE

ETHICS



CONTINUE to use the Ethics Line, a
comprehensive and confidential reporting
tool, to assist management and team
members in working together to address
fraud, abuse, and other misconduct in the
workplace, with a focus on cultivating a
positive work environment

COMPLIANCE



CONTINUE to advance compliance with
all legal and regulatory obligations of the
Company in all jurisdictions in which it does
business, define and support a culture of
ethical business conduct for the Company
and its team members, and promote the
Company's Mission and Values



GLOBAL POLICIES

- > Animal welfare
- > Community Engagement
- > Deforestation-free Supply Chains
- > Environment and Biodiversity
- > Food waste mitigation
- > Human Rights
- > Packaging and recycling
- > Team member Health and Safety
- > Responsible Raw Material Sourcing
- > Water use
- > Diversity and Inclusion

ESG HIGHLIGHTS



FEEDING THE CHANGE IS OUR COMMITMENT.

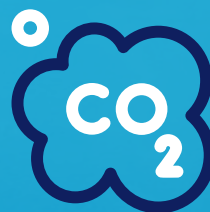
JBS assumes a **global commitment** to achieve net-zero GHG emissions by 2040



JBS **recognized by CDP as the best Brazilian company** in the Food, Beverage & Tobacco sector for its performance against Climate Change criteria. The company's score increased from B to A- from 2019 to 2020



In the 3rd edition of the Collier FAIRR Protein Producer Index, JBS was ranked among the **top 10 global companies with the best performance**, and advanced 8 positions in the global ranking from 2019 to 2020



JBS was once again listed as part of the Carbon Efficient B3 index portfolio

(ICO2 B3), which takes into account the Company's commitment to effectively manage its greenhouse gas emissions



ESG HIGHLIGHTS

ENVIRONMENTAL INDICATORS



**MORE THAN
85 MILLION**

hectares covered by our
monitoring system



19%
GHG EMISSION

intensity reduction (scope 1+2) –
2017 to 2020



4%
ELECTRICITY

use intensity reduction –
2017 to 2020



10%
WATER

use intensity reduction –
2017 to 2020



45%

use of renewable energy



The Company reused

**2.2
BILLION**

liters of water in 2020



**MORE THAN
R\$ 5 BILLION**
investment in
Global Sustainability



JBS S.A. announces offering of
US\$ 1.0 BILLION
in Sustainability-Linked
Senior Notes to reduce its
greenhouse gas emissions

ESG HIGHLIGHTS

SOCIAL INDICATORS



**R\$ 2.8
BILLION**

invested globally in actions to fight the COVID-19 pandemic



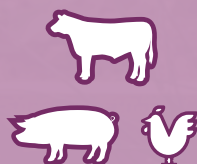
**IMPROVEMENT IN
ACCIDENT RATES**

in all businesses worldwide



**INCREASED
PRODUCTION OF
PLANT-BASED
PRODUCTS AROUND
THE WORLD,**

present in Europe, South America, North America and Australia



In **ANIMAL WELFARE**,
**29,000 TEAM MEMBERS
WERE TRAINED**

and R\$ 179 million were invested globally



**R\$ 733.5
MILLION**

invested in social actions around the world





ESG HIGHLIGHTS

ETHICS AND COMPLIANCE INDICATORS



**MORE THAN
146,000**
team members trained on the Code of Conduct and Ethics (including members of the Board of Directors and advisory committees)



**MORE THAN
42,000**
administrative and leadership team members trained in anti-corruption, conflict of interest and antitrust



**MORE THAN
2,900**
reports registered on the JBS Ethics Line



97%
adherence in compliance best practices audit



**INCREASE IN THE
NUMBER OF WOMEN**
on the Board of Directors

MAIN GLOBAL INDICATORS

GRI 102-7

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|--------------|--------------|--------------|--------------|--------------|
| ECONOMIC AND FINANCIAL INDICATORS (R\$ MILLION) | | | | | |
| Net operational revenue | 170,380.5 | 163,170.0 | 181,680.2 | 204,523.6 | 270,204.2 |
| Cost of goods sold | -149,066.7 | -139,397.7 | -155,340.1 | -172,577.2 | -224,985.9 |
| Gross profit | 21,313.8 | 23,772.2 | 26,340.2 | 31,946.4 | 45,218.3 |
| Gross margin | 12.5% | 14.6% | 14.5% | 15.6% | 16.7% |
| EBITDA | 11,286.9 | 13,415.9 | 14,849.8 | 19,881.1 | 29,554.6 |
| EBITDA Margin | 6.6% | 8.2% | 8.2% | 9.7% | 10.9% |
| Net profit | 233.6 | 534.2 | 25.2 | 6,068.4 | 4,598.3 |
| Net Margin | 0.1% | 0.3% | 0.0% | 3.0% | 1.7% |
| Net cash provided by investing activities | 3,649.0 | 2,426.4 | 1,742.7 | 5,854.5 | 7,833.1 |
| Net debt | 46,904.8 | 45,283.3 | 47,217.7 | 42,994.1 | 46,227.0 |
| Operational cash flow | 3,667.4 | 8,698.4 | 11,466.6 | 17,098.4 | 27,001.6 |
| Free cash flow | 18.4 | 2,092.0 | 4,545.6 | 9,502.7 | 17,795.0 |
| SOCIAL AND ENVIRONMENTAL INDICATORS | | | | | |
| Number of employees | 237,061 | 233,797 | 230,086 | 242,105 | 247,787 |
| Total GHG emissions (tCO ₂ e) – Scope 1 | 6,553,358.36 | 5,504,609.52 | 4,396,673.95 | 4,608,284.97 | 4,650,216.30 |
| Total GHG emissions (tCO ₂ e) – Scope 2 | 1,814,793.76 | 1,780,515.80 | 1,550,524.56 | 1,615,690.23 | 1,554,087.35 |
| Volume of water captured (thousand m ³) | 190,961.16 | 180,396.18 | 176,125.68 | 174,973.80 | 171,142.65 |
| Investments in environmental management and improvements (R\$ million) | 855,20 | 806,50 | 721,10 | 698,82 | 494,27 |

JBS around the world

IN THIS CHAPTER

- > GOVERNANCE AND RISKS
- > GLOBAL PERFORMANCE
- > STRATEGY
- > QUALITY AND FOOD SAFETY
- > INNOVATION

GLOBAL LEADERSHIP IN THE PROTEIN INDUSTRY

Over the past 20 years, JBS has consolidated itself beyond Brazil's borders, through a global platform diversified by geography and product types

With nearly 70 years of history, JBS is today one of the largest food producers in the world, operating in the processing of animal (beef, lamb, pork and poultry) and plant-based protein, and in the production of prepared and value-added foods. We are also a reference in businesses linked to the Company's production chain, such as leather, bio-diesel, collagen, personal hygiene and cleaning, natural packaging, solid waste management solutions, recycling, metal packaging and transport, among others. **GRI 102-1, 102-2**

The Company has more than 450 production units and commercial offices on five continents and in more than 20 countries, in addition to a workforce of approximately 250,000 team members – of which around 142,000 are in Brazil,

where it is the largest employer. This structure is capable of serving around 275,000 customers in approximately 180 countries on five continents. **GRI 102-6**

Its portfolio consists of dozens of globally recognized brands: Pilgrim's Pride, Swift, Just Bare, Seara, Moy Park, Primo, Friboi, Tulip, OZO. The Company includes the units JBS USA Beef, JBS USA Pork and Pilgrim's

Pride Corporation (PPC), in addition to the two Brazilian operations, JBS Brasil (which consolidates the production of beef, leather and new businesses) and Seara. **GRI 102-6**

Over the past 20 years, JBS has consolidated itself beyond Brazilian borders, through a global platform diversified by geography and product types. Today, revenue originating outside Brazil accounts

for approximately 85% of JBS' consolidated revenue. With an acquisition strategy that included Swift, Pilgrim's Pride, Swift Prepared Foods (formerly Plumrose) and Tulip Company, leading companies in their segments, among others, the Company has diversified and developed differentials to suit all consumer profiles, with high-value, innovative and quality products.



+ 250,000 TEAM MEMBERS
142,000 in Brazil GRI 102-8



275,000 customers served
in approximately **180 nations**



+ 20 COUNTRIES with
production platforms and sales offices



GOVERNANCE AND RISKS

The robustness of its corporate governance processes is part of the commitments of JBS, a publicly traded company whose shares are traded on B3, the Brazilian stock exchange. **GRI 102-5**

The Company is part of the Novo Mercado, the most demanding segment of the country's capital markets, and several indices related to governance and corporate responsibility. Thus, the Company meets or exceeds criteria, such as the protection of minority shareholders' rights and the presence of independent members on its Board of Directors – today, 55.5% of directors fall into this category, while the percentage required by regulation of the Novo Mercado is at least 2 independent directors or 20%, whichever is greater.

The Board of Directors is currently the main decision-making body of the Company, and has five committees dedicated to advising on relevant areas. Added to these structures there are the Global Compliance Department, the Executive Board, the Permanent Fiscal Council and

five strategic areas reporting directly to the Global CEO: Food Quality and Safety, Supplies, Human Resources, Marketing and the Center of Excellence and Innovation. In addition, the Brazilian and international units have their own CEOs, who report directly to the JBS Global CEO.

BOARD OF DIRECTORS

- > 9 members
- > 5 of whom are independent
- > 2 of whom are women

ADVISORY COMMITTEES OF THE BOARD

- > Socio-Environmental Responsibility Committee
- > Statutory Audit Committee
- > Financial and Risk Management Committee
- > Governance, Remuneration and Nomination Committee
- > Related Parties Committee

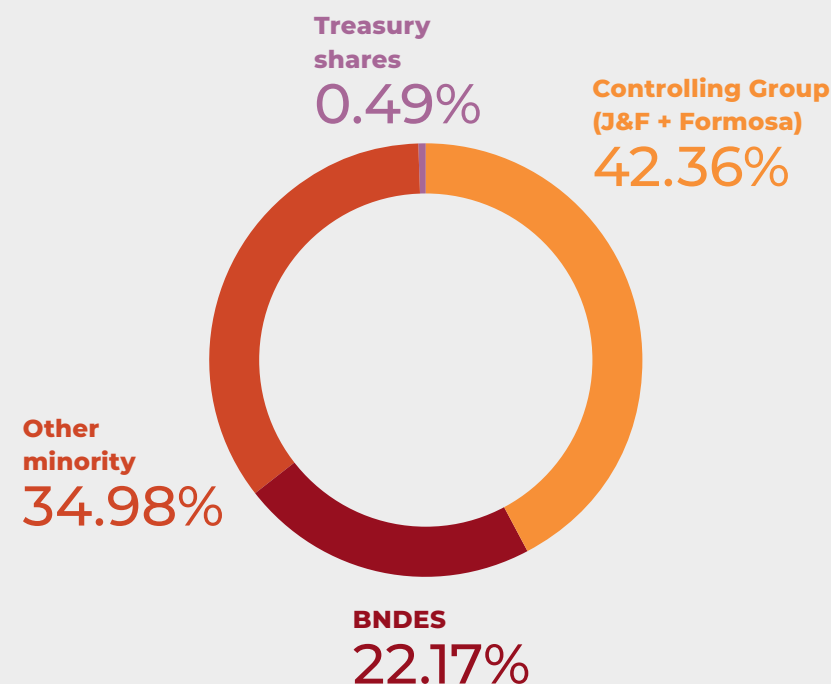
GLOBAL COMPLIANCE BOARD

EXECUTIVE BOARD

PERMANENT FISCAL COUNCIL

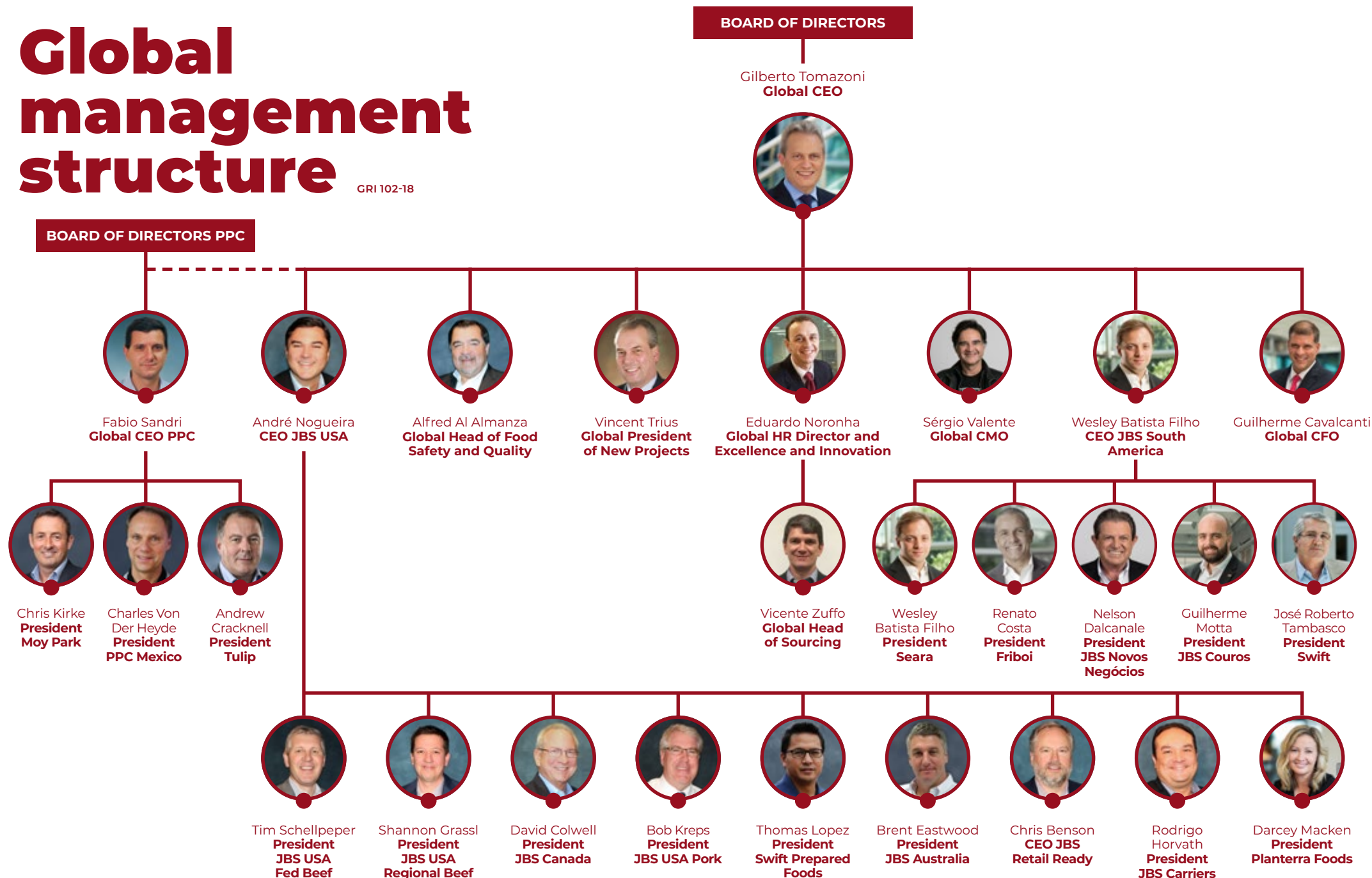
Shareholding and corporate structure

(on 12/31/2020)



Global management structure

GRI 102-18



RISK MANAGEMENT

The Risk Control Department is responsible for identifying, assessing, mitigating and monitoring the financial risks inherent to the Company's operations. Based on the guidelines of the Financial Risks and Commodities Management Policy, approved by the Board of Directors, the area also supports operational units in identifying and monitoring risks specific to their own activities, supported by specialist staff and specific systems. **GRI 102-29**

ATTENTION TO RISKS AND OPPORTUNITIES

The Company maintains a global risk management structure, with its own board and direct access to senior management, via an advisory committee to the Board. The focus is to monitor the variables and factors to which JBS is exposed in terms of finance – market, credit, liquidity – and non-financial, with a focus on socio-environmental topics. Climate change, for example, is part of the list of monitored risks.

MAIN FINANCIAL AND SOCIO-ENVIRONMENTAL RISKS **GRI 102-30, 102-31**

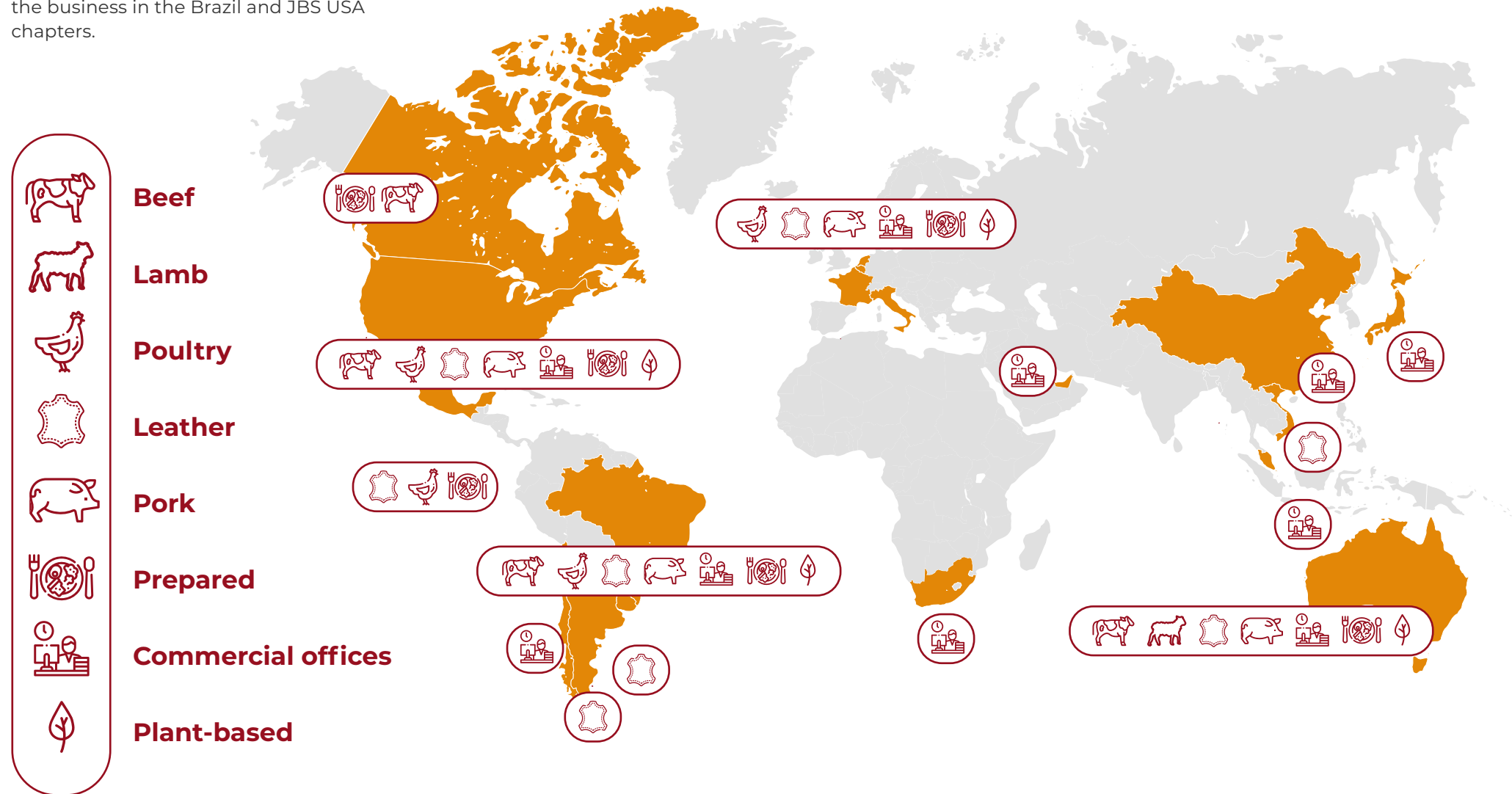
| Category | Type | Definition | Mitigation method |
|------------------------|------------------|--|--|
| Financial Risks | Market | Market Currency, interest rate and commodity price risks when price fluctuations could affect JBS businesses. | Exposure is mapped in real time. Hedging instruments, including derivatives, are used, subject to approval from the Board of Directors. |
| | Credit | The risk of default on accounts receivable, financial investments and hedge contracts. | Accounts receivable: portfolio is diluted and secure credit parameters are set (always based on proportionate limits, financial and operational ratios and credit agency queries). Financial transactions with financial institution counterparties: exposure thresholds are defined by the Risk Management Committee and approved by the Board of Directors, based on international rating agency classifications. |
| | Liquidity | The possibility of imbalances appearing between negotiable assets and enforceable liabilities that could affect the ability to fulfill future financial obligations. | Capital structure management focuses on immediate, modified liquidity metrics - i.e. cash on hand and financial investments, divided by short-term debt - and working capital, to maintain leverage for the Company and its subsidiaries. In 2019, a Liquidity Management Policy was published, establishing guidelines for the liquidity management process at the Company and its subsidiaries, in Brazil and abroad. |

| Category | Type | Definition | Mitigation method |
|--------------------------------|--------------------------|---|--|
| Social and environmental risks | Raw material procurement | The risk of purchasing raw materials from suppliers involved in deforestation, invasion of protected areas – such as indigenous land or environmental conservation units - use of child or forced labor or products that could pose a risk to consumer health. | <p>Cattle purchases: adopt and notify the market of the social and environmental criteria adopted for purchases and support for the use of best farming practices. In Brazil, supplier farms are monitored using a geospatial system capable of identifying non-conformities and barring raw material purchases from non-compliant suppliers. In 2020, the Transparent Livestock Farming Platform was launched, in an environment with blockchain technology. The tool allows JBS cattle suppliers to register their own suppliers with the aim of complying with the social and environmental criteria for raising cattle. (learn more here)</p> <p>Poultry and pork: the Company's integrated relationship with animal breeders assures the origin and quality of raw materials. Suppliers are visited periodically and are audited to ensure production practices are in line with the criteria established by JBS. (learn more here)</p> <p>Product quality: a global area dedicated to monitoring all production processes, which are audited internally by various regulators and customers to maintain high food quality and safety standards and remain eligible to serve all markets. (learn more here)</p> |
| | Climate change | Climate change can have a negative impact on the Company's businesses. Resources like water, electricity and animal feed (which is dependent on farming) are critical for production of raw materials (cattle, poultry, pork and lamb). Businesses can also be affected by new legislation and regulation in this area. | We monitor the environmental impacts from direct (industrial, logistics and shipping) operations, taking steps to minimize these impacts on the Company's own and its suppliers' operations. Monitoring involves taking a global inventory of direct and indirect GHG emissions using the international GHG Protocol methodology. The results of the inventory are published annually on the CDP platform. JBS also monitors indicators representing the volume of water and electricity used by its operations in order to optimize production processes and gradually reduce consumption. To reduce the impacts of its operations and create opportunities, the Company has an annual plan to invest in environmental improvements aimed at optimizing use of natural resources, water and waste, energy, recycling and other issues. Water risks were also mapped for JBS USA operations, with the help of the Aqeduct tool, from the World Resources Institute (WRI). (learn more here) |

GLOBAL PERFORMANCE

GRI 102-4, 102-6, 102-7

JBS has operations, brands or offices around the world. More details about the business in the Brazil and JBS USA chapters.



OUR BUSINESS DIVISIONS

JBS USA Beef

Largest beef company in the world, with production units in the United States, Canada and Australia, with fresh and ready-to-eat value-added branded products.

Where it operates:
USA, Canada, Australia and New Zealand
Team members:
around 37,000

JBS USA Pork

The world's second largest pork producer, with fresh high value-added branded products, such as pre-packaged and ready-to-eat meals.

Where it operates:
United States
Team members:
around 12,000

Pilgrim's Pride Corporation (PPC)

Listed on the NASDAQ, PPC produces and sells fresh chicken and pork, branded value-added prepared and pre-packaged foods. Its focus is on the North American, Mexican, Puerto Rican and European markets.

Where it operates:
United States & Puerto Rico, Mexico and Europe
Team members:
around 56,000



JBS Brasil

It comprises the assets and brands of beef, leather and related businesses in the country, with brands such as Friboi, Bordon, Swift and more than 10 businesses in biodiesel, collagen and ingredients, natural wrappings, hygiene and cleaning, waste management, metal packaging, transport, among others.



+ 55,000
Team members

Seara

With a broad product portfolio to serve all types of consumers, it is the market leader in frozen and plant-based foods, including high value-added businesses with a brand and a model that combines investment and innovation.



86,000
Team members

STRATEGY

Market leadership with business scale, quality, innovation and commitment of its human capital and geographic and segment diversification are among the competitive advantages that JBS has built throughout its history. Managed by an experienced, professional team with deep knowledge of the sector, the Company's premise is to serve markets with sustainable businesses capable of guaranteeing its leading role as a food Company. Its focus in the past recent years has been the acquisitions of established brands in relevant markets – such as the United States, United Kingdom, Australia and Brazil – and the assembly of platforms capable of supplying customers and consumers in countries with growing demand for food, such as China and Southeast Asian countries.

Today, JBS exports to around 180 countries, including fresh meat and high value-added prepared foods, meeting the needs of the most varied customer and consumer profiles, in addition to the most demanding markets in the world. Through brands such as Pilgrim's

and Seara, for example, it invests in increasingly valued segments of plant-based, organic and healthy foods. Innovation is also key at JBS USA – in 2020, the startup Planterra Foods was created, which launched a vegetable protein used in the OZO brand product line, also launched by the Company. These efforts reflect JBS' strategic objective of serving consumers' needs with healthy, tasty and high-quality products.

M&A

In 2020, acquisition movements were a high point in the United States, by the incorporation for the amount of US\$ 238 million of Empire Packing, a company specialized in ready-to-eat products and owner of the retail brand Ledbetter, and, in Brazil with the purchase of Bunge's margarine and mayonnaise assets in Brazil, through Seara. With these movements, JBS strengthens its presence with higher value-added and branded products in the North American market and, in Brazil, it takes second place in the margarine market, with a 35.5% market share.



ESG COMMITMENT

JBS' business strategy is in direct dialogue with social, environmental and governance criteria – a journey initiated by the Company more than a decade ago, with significant investments in concrete actions throughout its value chain.

The Company invests around R\$ 2 billion a year globally in sustainability issues. All these initiatives address JBS' constant need for transparency, control and accountability to the market regarding its sustainable practices in food production and purchase of animal protein.

Some of the main points in 2020 are the global commitments assumed by JBS, such as: Net Zero, to achieve net

zero emissions by 2040; the launch abroad of a Sustainability Linked Bond, linked to the Company's commitment to reduce greenhouse gas emissions; as well as acknowledgments related to ESG aspects (*read more in [ESG Highlights](#) on page 13*).

It is also important to mention the transformation of the Sustainability Committee into the Social and Environmental Responsibility Committee, led by the Chairman of the Board of Directors, promoting the ESG agenda among the Company's senior management. JBS also manages its impacts considering external agendas, with emphasis on the 17 Sustainable Development Goals (SDGs) of the United Nations and the 2030 Agenda.

QUALITY AND FOOD SAFETY

GRI 103-2, 103-3

In the more than 20 countries in which JBS operates, food safety and quality standards are under the supervision of the Global Food Safety and Quality Assurance Department, headquartered in the United States. The implementation of global strategies and procedures is the responsibility of teams specialized in Food Safety and Quality in each business unit.

All of the Company's units operate in accordance with the guidelines of a robust food safety and quality program, which brings together standards of operational procedures for sanitation, hazard analysis and critical control points and the implementation of technologies capable of monitoring, preventing and adjusting non-conformities.

The units still follow additional programs of good manufacturing practices; recall, with pre- and post-trace

capabilities to ensure that products and dates can be properly identified; certification of all livestock producers in compliance with local regulations and legislation; and annual certification pursuant to Global Food Safety Initiative (GFSI) standards. The teams receive training in food safety and quality systems at the time of hiring and specific periodic training. In addition to regular internal audits, annual independent audits are carried out at all production units in Brazil, the United States, Canada, Europe and Australia, and 86% of the operations in Mexico.

By meeting the global premises of food quality and food safety, all Company units, regardless of country of origin, are committed to providing the best products and services to their customers and consumers. To do this, they base their business on 10 practices:



- 1** Responsible marketing;
- 2** Transparency of structure and responsibilities;
- 3** Documented risk assessment;
- 4** Training and qualification of the team;
- 5** Certification audits;
- 6** Robust traceability;
- 7** Evaluation and development of suppliers;
- 8** Incident investigation and corrective actions;
- 9** Disclosure of quantitative indicators and targets;
- 10** Customer surveys.



In 2020, global quality management achieved outstanding results such as in Pilgrim's Pride, which reduced **non-compliance records** (NRs) by **9%**, complaints by **22%** and critical complaints by **17%**.

In Australia, Primo brand operations **reduced the complaints rate by 27%**, compared to 2019, and the result in food safety and regulation was 28% better compared to the previous year.



With a **US\$ 5 million investment** in food safety, E. coli prevalence in 2020 **reached the target** of less than 0.05% in Canada.



In the United Kingdom, in a satisfaction survey ranking carried out with retailers in the Food Safety/Quality category, the Company was in **7th place** in 2020, compared to the 10th position in 2019.



Investments in Food Safety and Quality



Trained team members

In 2020 there were no recalls involving Friboi, Seara or Swift products in Brazil.

INNOVATION

The Global Innovation Team (GIT) promotes the sharing of experiences between the business units of the five continents where the Company operates, which favors the sharing of innovative practices

Through continuous investments in research and cutting-edge technologies, the Company's innovative culture is present in the development of new products, in the monitoring of raw materials and in manufacturing operations.

To encourage teams and the exchange of experiences JBS created the Global Innovation Team (GIT) in 2018. In addition to leveraging JBS' competitive advantages, the GIT promotes the sharing of experiences between the business units of the five continents where the Company operates, which favors the sharing of innovative practices.

The Company also maintains the JBS Global Food Innovation Center, a partnership with Colorado State University (CSU). The center is a teaching and research unit aimed at improving food safety practices, meat sciences, animal welfare, developing education and training actions, and testing equipment.

Management tools also help assess the world's megatrends in food, such as reducing sodium and fat, serving smaller portions and offering special cuts, among others. JBS also created a methodology to monitor regional innovation processes and share the lessons learned globally, especially in the prepared food and brand value creation lines.

INNOVATION PLATFORM



FOR FAMILY AND FRIENDS:

foods that are easy to cook, making it easier to spend time with family and friends.

Examples: Reis da Grelha (Mexico), Zap Wings (England), ready-to-eat and canned products Bordon and Seara Al Fresco (Brazil).



HEALTHY PRODUCTS:

functional products with high standards of traceability and low social and environmental impact.

Examples: Just Bare and Naked Meats (USA) and Seara Nature (Brazil).



INDULGENCE AND SENSES:

high-quality foods that delight the senses and provide unique experiences.

Examples: 1953 Friboi, Swift Black and Seara Gourmet (Brazil).

PREPARE, COOK AND EAT:

products that are quick and easy to make, with high nutritional performance.

Examples: AdapTable (USA) and Pilgrim's (Mexico).





In 2020, global investments in innovation surpassed the **R\$ 113.4 millions** mark

Innovation in practice

Investments in research and technology, together with monitoring changes in consumption profiles, make JBS a pioneer in the development of innovative foods. These are highlights of some countries:

> **United States** – in 2020, the Company implemented the startup Planterra Foods and developed a portfolio of foods in the plant-based category, through the OZO brand. One of its differentials is the use of sources other than soy in the composition of the food, with results in more flavor and health compared to other products available on the market.

> **Australia** – with an investment of US\$ 3.9 million in R&D, among other innovations, the Australian operations increased the shelf life of 38 products by an average of 56%, reducing waste.

> **Europe** – in the Moy Park operation, approximately US\$ 2.9 million were invested in innovation and part of it was applied in several launches, such as the extension of the hamburger and meatball lines.

> **Mexico** – with a strategy focused on overcoming the challenges of food consumption in 2020, the Mexican operations reduced the time for product development by one month, with 17 retail launches.

> **Brazil** – Seara was the first large food company in the country to offer a complete line of 100% plant-based products – the Incrível Seara line. Seara currently has more than ten plant-based products in its portfolio, with launches scheduled for 2021.



Commitment to sustainability

**JBS has a mission to feed the world
in equilibrium with the planet**

IN THIS CHAPTER

- > PRODUCT INTEGRITY
- > SOCIAL RESPONSIBILITY
- > ENVIRONMENTAL STEWARDSHIP
- > ANIMAL WELFARE
- > ETHICS AND COMPLIANCE

COMMITMENT TO SUSTAINABILITY

GRI 103-2, 103-3

By seeking to generate and share value with society in everything it does, JBS' commitment goes beyond guidelines for reducing and mitigating the effects inherent to production operations and food sales. With focus on long-term results, investments in policies, innovations and programs promote positive impacts on team members, suppliers, customers, consumers, the community and the environment.

Sustainability governance is established by the Social and Environmental Responsibility Committee. To guide its sustainability and ESG management actions, the Company adopts tools such as the materiality matrix – which prioritizes and defines key topics according to the vision of its stakeholders (*read more on [p. 10](#)*).

More than **R\$ 5 billion** invested in sustainability worldwide in 2020

Sustainability priorities

GRI 102-44, 102-47

| Topics | Subtopics |
|--|---------------------------------|
|  Environmental stewardship | Water and wastewater management |
| | Climate change |
| | Energy |
| | Waste management and packaging |
|  Product integrity | Guarantee of origin |
| | Supplier relationship |
|  Social responsibility | Our people |
| | Team member health and safety |
| | Community |
|  Animal welfare | Breeding |
| | Transportation |
| | Production |

Product Integrity

Product integrity means respecting the highest food safety, quality and sustainability standards





GUARANTEE OF ORIGIN

GRI 103-2, 103-3

At JBS, product integrity means respecting the highest food safety, quality and sustainability standards. Therefore, the Company is committed to investing in enhancing operations, manufacturing and product supply, adopting social and environmental practices in its origin and certification of good practices, processes and routines by independent audits.

The Company is aware of its role as a benchmark in the value chain, which starts with the procurement of raw materials, which has a significant influence on the value chain, from raw material suppliers adopting good practices to the final quality of products. In this sense, JBS establishes a partnership relationship, encouraging and developing actions geared towards enhancing supplier management and practices, by working on two fronts: guarantee of origin and supplier relationships.

The acquisition of raw materials is based on the principles of responsible procurement, this means they are based not only on compliance with local regulations, but also in line with the most sustainable practices in the sector.

In Brazil, more than 90,000 livestock supplying farms are monitored every day, in the Amazon, Cerrado, Pantanal, Mata Atlântica and Caatinga biomes. The ranches are analyzed through satellite images, which prevents the purchase of animals raised in deforestation areas and indigenous lands protected by environmental laws.

In the United States and Canada, livestock suppliers must sign a statement indicating compliance with government regulations and animal welfare certification programs such as Beef Quality Assurance (BQA) or equivalent.

In Australia, a National Declaration of Suppliers (NVD) is required. In addition, before leaving the property

where they were bred the animals must be identified with a device approved by the National Livestock Identification System (NLIS).

The origin quality of poultry is guaranteed by the partnership between the Company and producers, which includes the supply of all inputs, technical and veterinary support. As for pork, in addition to working together with producers, purchases meet all legal requirements of the country of origin.

ALLIES OF THE FOREST

As part of the efforts to fight deforestation in Brazil, in 2020, JBS launched the Transparent Livestock Farming Platform to identify and monitor all links in the livestock supply chain by the end of 2025. Learn more in the chapter "Transparent Livestock Farming Platform", or on the website.

SUPPLIER RELATIONSHIP

GRI 103-2, 103-3

JBS understands that its relationship with suppliers is essential and relevant to the prosperity of the value chain. That is why the Company developed a series of actions to build closer relationships with its stakeholders that are based on confidence, respect, ethics and transparency.

With a regular dialog with its suppliers, especially in relation to matters related to respecting human rights and national and local labor laws, JBS has been a signatory of the National Pact to Eradicate Slave Labour since 2007, and has been a member of the Institute for the National Pact to Eradicate Slave Labour (InPACTO) since 2014.

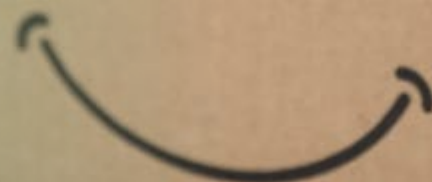
116,000 beef, lamb, poultry and pork suppliers around the world GRI 102-9

JBS practices and initiatives to play a leading role in the movement to promote a more diverse and inclusive society

Social responsibility

FAZER O BEM | **Faz Bem**

AUMENTANDO O MUNDO COM SOLIDARIEDADE



JBS is an important employer in several countries, especially in Brazil, Mexico, the United States and Australia. Aware of the role it plays in communities, whether creating jobs directly or indirectly, or as a relevant social investor, the Company strives to produce a positive impact on the qualification of the labor market, on the generation of opportunities, on social projects and in sponsorships, according to the demand of each location.

2020 was a challenging year for JBS given the scope of its social impact – from preserving the health of its team members to supporting the communities in which they live. JBS's focus was on adapting operations, understanding the needs of each country and investing in what was urgent and necessary to save lives.



OUR PEOPLE

GRI 103-2, 103-3

JBS maintains a global policy for the management, based on adherence to the organizational culture and the business mission

Present in more than 20 countries on five continents with direct operations (manufacturing or administrative), JBS maintains a global policy for the management of approximately 250,000 team members, based on adherence to the organizational culture and the business mission.

GRI 102-8

The diversity of ethnicity, culture, religion, languages and country of origin is a characteristic of the Company's workforce. In Europe alone, 89% are immigrants. In Brazil, the team includes team members from various countries, such as Senegal, Haiti and Venezuela, as well as traditional (indigenous) populations. In Canada, team members communicate in 100 languages and dialects. All foreign team members receive customized documents in their native language. In 2020, JBS employed more than 2,500 professionals from other countries. In 2020, JBS signed the Public Commitment for Racial Equity in

Brazil, together with several companies in the consumer goods sector.

In addition to this scenario, typical of a global company, JBS is committed to hiring and promoting the development of professionals regardless of nationality, gender, sexual orientation, gender identity or age, and to encouraging the inclusion of people with disabilities.

The Human Resources area operates regionally, respecting local laws and regulations, with support from corporate HR and the global head of the area. In addition to working to attract talent, local programs encourage the professional growth of its team members. In Brazil, the Valued Youth and in-house Talents programs (Jovens de Valor and Talentos Internos) for example, are the drivers of this policy, as well as the JBS without Borders Program (Programa JBS sem Fronteiras), which takes professional deboners to Canada.



BETTER FUTURES

As part of our Hometown Strong initiative, JBS USA and Pilgrim's U.S. are building the largest free college tuition program in rural America – Better Futures. Our team members and their child dependents have the opportunity to pursue their higher education dreams for associate degrees and trade certificates at community and technical colleges – tuition free.

We recognize and believe in the transformative power of higher education and the opportunities that come from education, coursework and technical skill training.

Better Futures removes a major financial barrier to college attendance and stands to become the largest free college tuition program in rural America. JBS USA and Pilgrim's advisors will also help team members – many from first-generation American families – navigate the application process, which can be a deterrence to people applying to college for the first time.

The Better Futures program provides meaningful investments in the

futures of our team members, their families and our communities.

At JBS USA, the highlights are the Leadership Warehouse, trainee and internship programs, and Tomorrow Fund – Pilgrim's Pride scholarship program. In addition to numerous community investment projects, JBS USA donated more than 22.4 million (4 oz.) servings of food in 2020. We partner with local food banks and community kitchens to provide fresh meat and poultry produced in nearby facilities.

The value of dialogue between managers and teams encourages interpersonal relationships, providing opportunities for possible improvements. In the US, in addition to different professional growth and appreciation initiatives, JBS maintains the Open Doors Policy, which encourages team members to present to their supervisors or the HR area any problems that may affect the general work environment. With this policy, it is possible to identify issues related to remuneration, benefits, working hours, safety and relationships with leaders.

TEAM MEMBER HEALTH AND SAFETY

GRI 102-11

The priority in team members health and safety was reinforced with COVID-19's prevention actions at units in all countries. As soon as the authorities confirmed that we were facing a global pandemic, a Crisis Committee was formed to evaluate the operation, composed by the top leadership of JBS, which resulted in a global action protocol, adapted by regional crisis committees, in accordance with norms and demands of each country. The elaboration of the protocol had the assistance of Hospital Einstein and of infectologists, in Brazil; and the hiring of epidemiologists, in partnership with Colorado State University (CSU) and the University of Nebraska, in the United States. The strict monitoring of protocols and the global exchange of experiences allowed for adaptations and improvements, ensuring that the demands of the administrative, operational and commercial units were met, maintaining the Company's essential activity as a food supplier.

In order to help fight the spread of the virus and maintain the production and distribution of food, JBS

invested around R\$ 2.1 billion in health and safety measures to protect its workforce.

Hundreds of procedures and policies were implemented to provide a safe working environment for teams, such as: temperature control; additional PPEs; application of safe distancing measures, including staggered shifts and installation of partitions on the production floor and in common areas; control testing of team members; contact tracking; and implementation of ultraviolet sanitization technologies at plants across the United States. In Canada, a total of 233 out of 265 action plans were completed to help team members stay safe during the COVID-19 pandemic. In Europe, the reinforcement and continuous update of the measures adopted globally also counted with the effective participation of the leadership teams; trips were reduced and there was strict control of visitor access. Since the beginning of the pandemic, JBS has maintained ongoing partnerships with epidemiologists and medical experts to evaluate its protocols.



PREVENTIVE AND CORRECTIVE MANAGEMENT

GRI 103-2, 103-3

To ensure the well-being and physical integrity of its direct and indirect team members, JBS invests in the prevention and correction of non-compliances. This priority strategy is aimed at eliminating accidents and offering safe working conditions, including individual and collective protective equipment, improving conditions for performing tasks and training programs and campaigns.

Several local health and safety programs address principles ranging from strict compliance with local laws and awareness of each team members responsibility to continuous improvement of machinery and equipment.

The main safety indicators are continuously monitored, with daily, weekly and monthly assessments, which allows quick and efficient decision-making. This process makes it possible to monitor the evolution of the indicators of frequency and severity rates, pointing out actions for improvement. Action plans and investigation of pending legal non-conformities identified in safety inspections are also monitored, as well as indicators of mandatory training for each role.



Find out more

See the health and safety indicators for the entire Company in the respective business **chapters**



In 2020:

Approximately **R\$ 3.4 billion** invested globally in health and safety

149,700 participations in training on the subject



In 2020, JBS expanded and reinforced investments in communities, in particular, due to the fight against the COVID-19 pandemic. The actions were developed regionally, to meet the real needs of each location, investing in projects with a lasting impact, going far beyond the emergency issues related to the global epidemic.

JBS USA and Pilgrim's are committed to investing US\$ 50 million to support the communities where they operate through the Hometown Strong program. By the end of 2020, more than US\$ 27 million had been approved for projects in the United States and Canada. The program goes beyond pandemic emergency relief. The goal is to

provide significant investments in projects that will have a lasting impact for generations to come, from education and recreation to health and social services.

In Brazil, the initiatives ranged from the donation of tests and food to those that left important legacies to the communities, such as the construction of hospitals and investments in scientific research, in addition to the renovation of medical clinics, equipment donation and new beds in public hospitals. With an investment of R\$ 400 million, the actions were carried out through the Good Deeds Are Good (Fazer o Bem Faz Bem) program. In 2021, the actions continued with other important donations.



The significant reduction in the use of natural resources in production processes is, at the same time, a goal and a practice at JBS

Environmental Stewardship



ENVIRONMENTAL MANAGEMENT

GRI 103-2, 103-3

JBS is committed to taking the lead in the challenge of feeding a growing global population, which is expected to reach the 10 billion mark in 2050, according to estimates by the United Nations (UN). A responsibility that requires efficient operations capable of minimizing the environmental footprint.

To achieve continuous reductions in environmental impact and reaffirm its commitment to producing quality food, JBS sets goals in its Management System, at all facilities, referring to lower of consumption of water, energy and emission of greenhouse gases.

JBS' Environmental Management System, based on ISO 14001 specifications and internally audited, allows compliance with various requirements and supports continuous

improvement in impact management. Several indicators have been adopted to assess environmental and sustainability issues at the production units, such as water usage, effluent generation and analysis, energy consumption, steam generation, waste generation, transportation, gas coolants, production data and indicators of greenhouse gas emissions, among others. This allows for oversight of plant performance, relating it to the goals for reducing consumption and waste generation.

JBS USA has made several commitments related to the intensity of the use of natural resources and the generation of emissions, and in 2020 they had reached the target by the end of the year. The Company achieved most of its goals – learn more in the JBS USA chapter, or here.



**R\$ 494.2
million
invested in
environmental
management at
JBS operations
worldwide in 2020**

WATER AND WASTEWATER MANAGEMENT

GRI 103-2, 103-3

JBS reiterates its commitment to the sustainable use of water as a priority at all units and develops strategies and projects to ensure maximum efficiency in the use and reuse of this resource. The Company also manages the supply risk, in order to guarantee water supply at its production units.

Effluent treatment is fundamental for the success of the business. The liquid effluents resulting from the production process are duly treated

and undergo a process to comply with legal requirements. All effluent is treated, either internally or by the public system.

The main indicators measured are water catchment, by source, the volume of reused water and the volume of effluent generated and its disposal, by source. The performance indicator used is water consumption per ton of product, an indicator of intensity.



More than R\$ 160 million invested in water and wastewater treatment in its operations in 2020

More than **2.2 billion** liters of water were reused in the Company's operations around the world

JBS guaranteed that 84% of the volume of water collected and used in its industrial processes is **safely returned to the environment with the proper quality**

Water catchment by source (m³)

GRI 102-48, 303-3, 303-5

| | 2018 | | 2019 | | 2020 | |
|-----------------|--------------------|--------|--------------------|--------|--------------------|--------|
| Surface water | 53,495,030 | 30.35% | 44,424,349* | 25.94% | 44,630,606 | 26.08% |
| Groundwater | 55,727,941* | 31.61% | 57,677,295* | 33.67% | 56,957,299 | 33.28% |
| Utility company | 10,668,979 | 6.05% | 68,940,053* | 40.25% | 69,323,367 | 40.51% |
| Rainwater | 158,451 | 0.09% | 125,783 | 0.07% | 117,437 | 0.07% |
| Other sources | 56,197,022* | 31.89% | 115,805 | 0.07% | 113,939 | 0.07% |
| Total | 176,247,423 | | 171,283,284 | | 171,142,648 | |

*Data changed in relation to the last report.

Volume of wastewater generated and treated by final disposal method (m³)

GRI 102-48, 303-4, 306-1

| | 2018 | | 2019 | | 2020 | |
|-----------------|--------------------|-------|--------------------|-------|--------------------|--------|
| Water body | 72,165,406 | 49.1% | 79,381,191 | 52.3% | 80,543,434 | 55.8% |
| Fertigation | 20,282,399* | 13.8% | 21,400,018* | 14.1% | 14,108,413 | 9.8% |
| Utility company | 49,505,829 | 33.7% | 46,749,741 | 30.8% | 49,791,061 | 34.5% |
| Other sources | 5,019,789* | 3.4% | 4,200,791* | 2.8% | 1,319 | 0.001% |
| Total | 146,973,424 | | 151,731,741 | | 144,444,227 | |

*Data changed in relation to the last report.

CLIMATE CHANGE

GRI 103-2, 103-3

For the last 11 years, JBS has conducted an annual GHG emissions inventory, according to the international GHG Protocol methodology and has published its global inventory on the Brazil GHG Protocol's Public Emissions Registry Platform and on the CDP.

JBS monitors and accounts for its operations' GHG emissions and reports them within scopes 1, 2 and 3.

In 2021, the Company has committed to achieve net zero greenhouse gas emissions across its entire value chain, reducing the intensity of direct and indirect emissions and offsetting all residual emissions. The Company will provide an action plan, supported by science-based targets, consistent with the criteria established by the Science-Based Targets initiative (SBT) – see more at the [link](#).

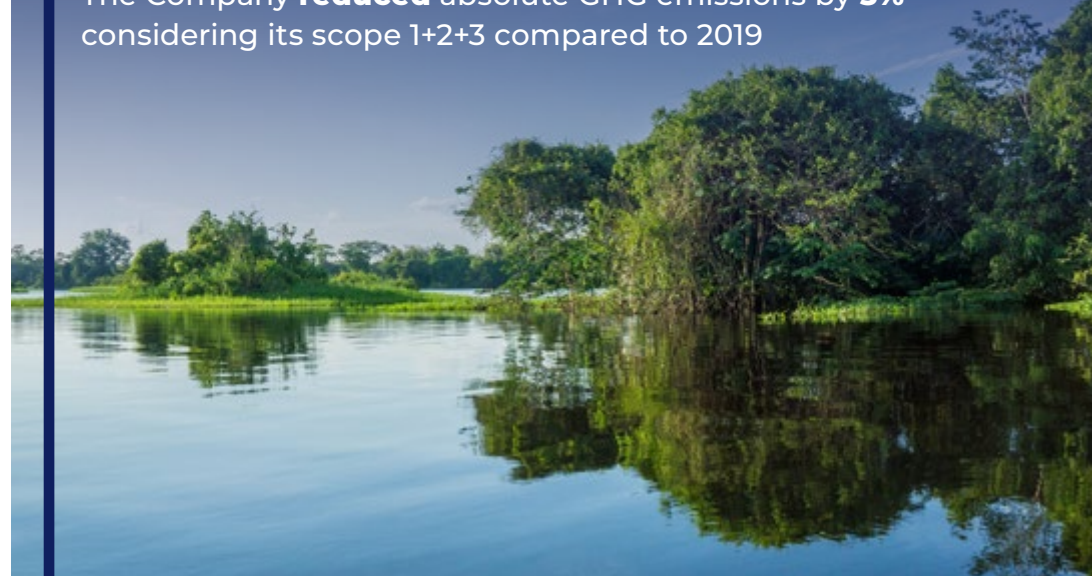


In addition, JBS issued US\$ 1.0 billion in Sustainability-Linked Unsecured Senior Notes in the international market, linked to the Company's commitment to reduce greenhouse gas emissions. JBS' Sustainability-Linked Bond structure is in line with its sustainability strategy, outlined by the Net Zero 2040 Commitment, also announced in 2021. The ISS ESG agency was the SPO (independent opinion, Second Party Opinion) in the financial operation while the syndicate consisted of the banks Santander, Barclays, Bradesco BBI, BTG Pactual, Mizuho and XP.

The main indicators measured are emissions under scopes 1, 2 and 3. The performance indicator used is the emission of tons of CO₂e per ton of product, an indicator of intensity.

The Company **reduced** its scope 1 + 2 GHG emissions by intensity by **19%** compared to 2017 GRI 305-4

The Company **reduced** absolute GHG emissions by **5%** considering its scope 1+2+3 compared to 2019



GHG emissions by scope (tCO₂e)

GRI 102-48, 305-1, 305-2, 305-3, 305-5

| | 2018 | 2019 | 2020 |
|-------------|------------|------------|-----------|
| Scope 1** | 4,396,674* | 4,608,285* | 4,650,216 |
| Scope 2*** | 1,550,525 | 1,615,690* | 1,554,087 |
| Scope 3**** | 704,850 | 930,672 | 704,850 |

*Data changed in relation to the last report.

**Emissions from the Company's own fleets, fuels used to generate energy or heat in operations, effluent treatment ponds, and enteric fermentation from animals on its own feedlots and farms, among others.

***Indirect energy emissions from sources over which the Company has no operational control or is indirectly responsible. This involves the use of electricity.

****Indirect emissions resulting from third-party fleets, commercial air travel, waste decomposition on third-party property, among others. Emissions in this scope are therefore considered to be emissions over which the Company has no operational control or is indirectly responsible.

ENERGY

GRI 103-2, 103-3

JBS invests in adopting the best practices related to energy consumption. The Company is aware of its responsibility to use renewable energy as a contribution to reducing emissions in its value chain. This is a priority item in the management of both the Company's emissions and eco-efficiency, and it has defined a strategy and the resources for implementing it.

The main indicators measured are electricity consumption, direct energy consumption and percentage of direct renewable energy used. The performance indicator used is the consumption of electricity per ton of product, an indicator of intensity.

Energy matrix (GJ)

GRI 302-1

| Direct energy | 2018 | 2019 | 2020 |
|---------------|------------|-------------|------------|
| Total | 67,804,702 | 70,806,354* | 71,399,186 |
| Renewable | 47% | 45% | 45% |
| Non-renewable | 53% | 55% | 55% |

*Data changed in relation to the last report.

The Company reduced by 4% the use of electricity, by intensity, in relation to 2017

In 2020, the Company used 45% renewable energy, encompassing mobile and stationary sources of electricity, repeating the performance for 2019

In 2020, JBS' investment in energy efficiency projects worldwide reached **R\$ 29.5 million**



WASTE MANAGEMENT

GRI 103-2, 103-3

Waste management is practiced at every JBS unit around the world, based on a commitment to reduce waste generated, appropriately dispose of it reduce the amount of waste sent to landfills at all times costs, in accordance at all times with current laws in the countries where it operates.

For JBS, packaging represents a fundamental part in the protection and safety of food, from processing to consumption. For this reason, the Company encourages returning packaging to the production chain, in an effort to contribute to recycling and diminish the impact of landfill disposal.

HIGHLIGHTS

- > JBS reused around **95,000 tons** of waste for energy generation
- > More than **984 million** tons of waste generated by the Company were also reused, representing approximately **50.6%** of the total waste generated

- > The volume of waste sent to landfills **declined by 5 percentage points**, from 21% to 16%



Waste generated in operations (t) GRI 306-2

| Waste disposal | 2018 | | 2019 | | 2020 | |
|---------------------------------------|------------------|--------|------------------|--------|------------------|--------|
| Total volume of waste - non-hazardous | 2,161,720 | 98.65% | 2,144,269 | 98.50% | 1,924,909 | 98.91% |
| Total volume of waste - hazardous | 29,542 | 1.35% | 32,707 | 1.50% | 21,306 | 1.09% |
| Total volume of waste | 2,191,262 | | 2,176,976 | | 1,946,215 | |
| 1. Company landfill | 23,534 | 1.07% | 19,261 | 0.88% | 9,4638 | 0.49% |
| 2. Third-party landfill | 304,087 | 13.88% | 469,614 | 21.57% | 320,258 | 16.46% |
| 3. Composting | 645,907 | 29.48% | 588,655 | 27.04% | 627,570 | 32.25% |
| 4. Incineration | 14,274 | 0.65% | 13,289 | 0.61% | 24,636 | 1.27% |
| 5. Recycling | 377,462 | 17.23% | 304,952 | 14.01% | 217,199 | 11.16% |
| 6. Energy reuse | 111,986 | 5.11% | 121,764 | 5.59% | 95,174 | 4.89% |
| 7. Cogeneration | 38,834 | 1.77% | 54,873 | 2.52% | 44,738 | 2.30% |
| 8. Fertigation (Farmland) | 584,400 | 26.67% | 527,199 | 24.22% | 522,879 | 26.87% |
| 9. Other | 90,778 | 4.14% | 77,369 | 3.55% | 84,300 | 4.33% |

JBS respects and supports responsible animal husbandry, based on their fundamental freedoms

Animal welfare



ANIMAL WELFARE



GRI FP10, FP11

The commitment to ensuring animal welfare is among the priorities of JBS' global agenda, respecting the demands of customers, consumers and society and the precepts of valuing life. The Company's operations are benchmarked to best practices and, are in line with the five fundamental freedoms of animals, as defined by the Farm Animal Welfare Council (FAWC). The Company creates partnerships with producers around the world to ensure they abide by this agenda, while also maintaining specialized species-specific teams that adopt constantly revised techniques and encourage producers to provide the animals with the best treatment.

Five fundamental animal freedoms

- 1. Freedom from hunger and thirst**
- 2. Freedom from discomfort**
- 3. Freedom from pain, injury or disease**
- 4. Freedom to express normal behavior**
- 5. Freedom from fear and distress**



At all processing units, multidisciplinary teams are responsible for ensuring compliance with the policies and procedures required by animal welfare programs, for preparing and improving the Company's practices and for drawing up technical specifications for mandatory adoption by suppliers. Any violations of the JBS Animal Welfare Program (Programa de Bem-estar Animal) by team members or suppliers may result in disciplinary processes that could lead to termination of employment or contracts to supply raw materials.

In the United States, Brazil and Canada, those responsible for Quality Assurance are specialized in humane handling and hold certification issued by the Professional Animal Auditor Certification Organization (PAACO). In Australia, certification is provided by the Australian Animal Welfare Certification System (AAWCS).

All operations comply with local laws and technical standards, as well as the principles of animal freedom and humane slaughter. For commercial reasons, JBS adopts religious guidelines that respect the cultural characteristics and diversity of the markets in which it operates.

JBS is constantly working to reduce the use of antibiotics in animals throughout the supply chain. Currently, they are given only in cases of need, always following veterinary recommendations. Antibiotics are not routinely used preventively in production; they are only used as needed and pending an assessment by veterinarians. Use of medications is registered and tracked throughout both the integrated chains and the Company's. **GRI FP12**



INDICATORS AND AUDITS

JBS's animal welfare programs are assessed using key performance indicators (KPIs), audited by both internal teams and independent consulting firms, as well as by customers in the domestic and foreign markets. Most are focused on practices that exceed those required by current laws, indicating JBS's commitment to adopting best practices. There are also certification audits, such as Global GAP and Certified Humane, applied to Seara units, the National Feedlot Accreditation Scheme (NFAS), for Australian operations, and PAACO, at JBS USA and Friboi operations.

At JBS USA, there is a goal of achieving scores of 90% or better in animal welfare assessments conducted in integrated operations. The Company will adopt a global animal welfare scorecard.

MANAGEMENT

The Company monitors the animal control and welfare process at all stages, from breeding, through transportation to production. It is important to emphasize that practices such as cloning and genetic engineering are not adopted in the JBS supply chain. In addition, the Company does not use any type of hormone, in accordance with Brazilian laws.

BREEDING

Breeding is a fundamental step in monitoring animal welfare practices. Each protein chain abides by best local practices, in line with their particularities.

TRANSPORTATION

Animals are transported by specialized and trained drivers using Company or third-party vehicles designed to promote animal welfare. This procedure prevents injuries and minimizes animal stress during transportation, from departure to arrival. There are pre-established maximum transport distances and duration times, while resting feeding and watering procedures also apply according to established intervals. Drivers receive training in safety procedures in the event of emergencies while transporting animals.

PRODUCTION

The Company constantly invests in improvements to its facilities, acquiring of the best equipment available on the world market and in the training of specialized teams at production units to monitor the animals and ensure their well-being, from their arrival and reception until they are forwarded for processing. Performance at all stages is regularly assessed and audited, internally and externally, using specific metrics.

FIND OUT MORE

Learn more about the practices carried out by the businesses in their respective chapters



**R\$ 179 MILLION
INVESTED in animal
welfare programs**



**28,941 TEAM
MEMBERS TRAINED**

JBS monitors, evaluates and improves compliance throughout the operation to ensure an ethical and fair environment



Ethics and Compliance

ETHICS AND COMPLIANCE

GRI 102-17, 102-46 | 103-2, 103-3

JBS works to ensure an ethical and fair environment in all its processes. To that end, operations in all markets follow the guidelines of the Global Compliance Department that reports directly to the Board of Directors, and which is responsible all processes, policies, channels and programs that encourage ethics and good conduct in the Company's operations and relations. In 2020, the global Anticorruption Policy was launched and the Code of Conduct and Ethics was reviewed, incorporating new themes and guidelines, as well as the careful analysis of all commercial relationships, sponsorships, donations and transactions of a social nature at JBS.

At JBS, ethics and compliance are perceived as assets. Since 2017, the Company has maintained an independent global department, reporting directly to the Board of Directors. 2020 was an important year for reiterating senior management's commitment to continuous improvement and the effectiveness of the implemented processes.

The JBS Code of Conduct and Ethics is a global document and consolidates

all guidelines related to integrity and good corporate governance practices. The document, which is available in Portuguese, English, Italian, French and Spanish, guides team members on how to act in accordance with the Company's principles and values, emphasizing the acceptable conduct and behavior required by JBS. In 2020, the Code was improved, both with the inclusion of new topics and with the revision of the language, which has become even clearer and more direct. Additionally, the Company also improved its Code of Conduct for Business Partners, by re-emphasizing of issues related to sustainability and animal welfare. **GRI 102-16**

The Global Compliance Department has two subordinated leaderships, headquartered in Brazil and the United States, with teams responsible for processes such as risk assessment, third-party due diligence, analysis of conflicts of interest, training and communication actions. There are six ethics committees that implement the guidelines in the particularities of each business and specific areas. Since 2017, the Always Do It Right (Faça Sempre o Certo) program has directed actions and investments through eight pillars:



| | |
|-------------------------------------|--|
| 1. Risk Assessment | 5. Controls |
| 2. Leadership and Governance | 6. Training and communications |
| 3. Policies and Procedures | 7. Third-party due diligence |
| 4. JBS Ethics Hotline | 8. Assessment, oversight and discipline |

COMPLIANCE FOR SUPPLIERS

JBS works side by side with a diverse set of suppliers, ranging from small family farms to large multinational companies that provide equipment and services to different facilities. Relationships are based on integrity and on the Code of Conduct for Business Partners. The document's guidelines ensure that suppliers remain aligned with the business standards adopted by the Company. GRI 102-16

The code consolidates issues related to human rights, forced labor, freedom of association and collective bargaining, equal employment opportunities, occupational health and safety, environmental issues and business integrity (anticorruption and combating bribery).

Access the Code in its global version [here](#).



FIND OUT MORE

Learn more about the Compliance program at this [link](#)

ESG HIGHLIGHTS OF THE YEAR GRI 102-25, 205-2

> Launch of the **Global Anticorruption Policy**;

> Evaluation of the Compliance program by an independent external audit, with **a 97% adherence** to the best practices;

> Review and improvement of the **Codes of Conduct and Ethics and the Code of Conduct for Business Partners**;

> **Training cycle on specific Compliance topics** (Anticorruption and Antitrust and Conflict of Interests) – more than 40,000 team members trained;

> Training on compliance for **more than 190,000 team members** worldwide on the Code of Conduct, the Conflict of Interest Policy and the Anticorruption Policy;

> Hiring Deloitte consultancy for improvements and updates to the due diligence software, to further enhance the third-party reputational assessment process – **more than 27,000 reputation analyzes carried out**;

> Online third-party training on the **2020 Code of Conduct for Business Partners**;

> Extensive communication through **Compliance News**.

COMPLIANCE IN THE MARKETS

USA: Privacy Policy Review and Update.

Brazil: Conflict of Interest Survey with approximately 1,200 team members (including presidents, directors and managers), focusing on identifying and dealing with conflict situations to mitigate possible risks. Evaluation of the Compliance program by an independent external audit, with 97% adherence to best practices.

Australia: creation of the Modern Slavery Working Group and implementation of the Supplier Code of Conduct, including standards for investigating and mitigating risks related to any form of slavery practices.

Europe: adoption of Pilgrim's Code of Conduct, Insider Trading Policy and Conflict of Interest Policy.

FINANCIAL AND OPERATING RESULTS

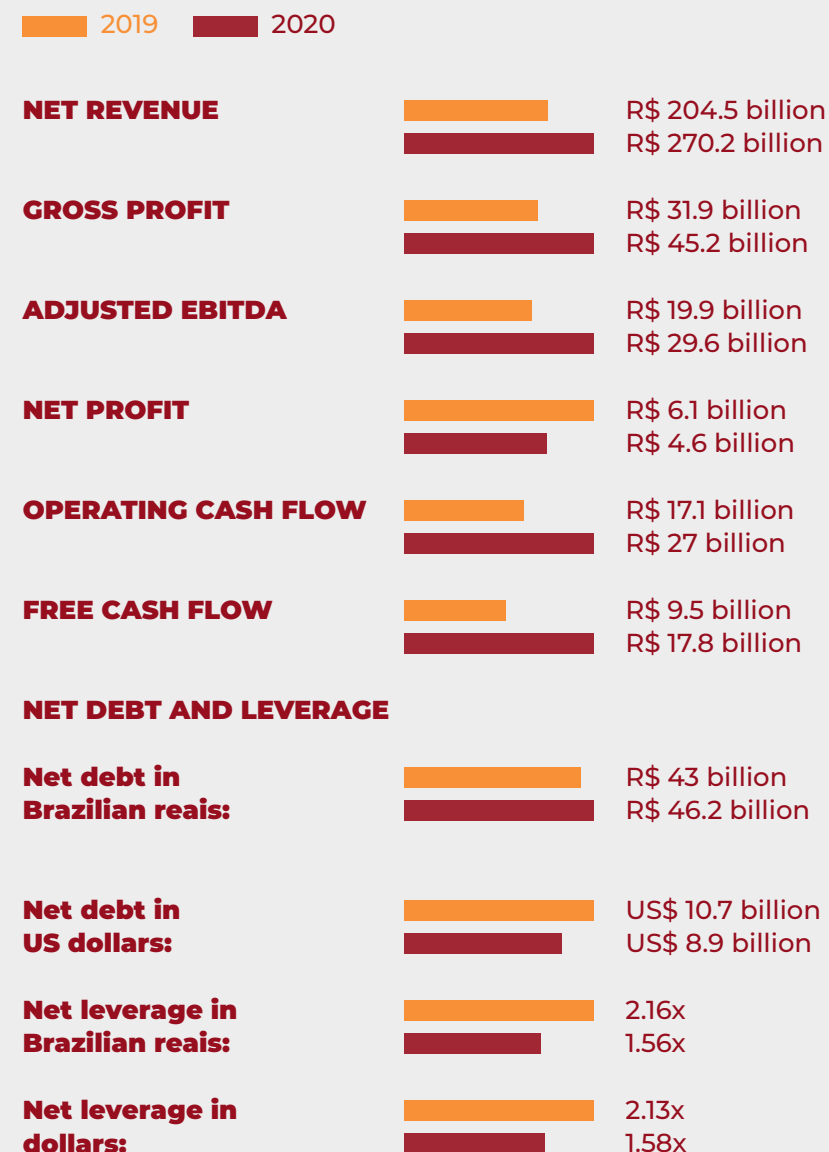
Outstanding performance in a challenging year

Despite the challenging scenario generated by the impacts of COVID-19 in 2020, JBS' proactive, resilient and innovative posture, supported by the dedication of its team members around the world, combined with its diversified business model, enabled the Company to achieve historical consolidated results in the period. Net revenue was R\$ 270.2 billion, EBITDA was R\$ 29.6 billion and free cash flow reached R\$ 17.8 billion.

Low leverage, combined with strong free cash flow, enabled strategic acquisitions – such as Empire Packing's case-ready production units and Bunge's margarine business – organic growth with expansion of production capacity, reduction of net debt in dollars and a solid return to shareholders, with the payment of dividends and share buybacks.

Financial strength allowed JBS to continue investing in people and communities. Its investments prioritized the commitment to social responsibility, allocating more than R\$ 2.8 billion in safety measures for the team members and support for communities in fighting the pandemic.

JBS also maintained its constant investments in research and development, with R\$ 38 million invested globally, prioritizing innovation and adaptation to new consumer habits, with the objective of consolidating itself as a company with high value-added products. This is always based on the precept that, at JBS, sustainability is what guides the business strategy.



JBS in Brazil

We feed the world with the best

IN THIS CHAPTER

- > 2020 HIGHLIGHTS
- > PROFILE
- > OUR BUSINESS
- > VALUE CHAIN
- > CUSTOMERS AND CONSUMERS
- > QUALITY AND FOOD SAFETY
- > INNOVATION
- > PARTNERSHIPS AND ASSOCIATIONS

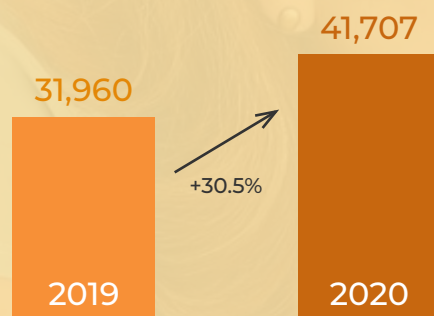
FINANCIAL HIGHLIGHTS

BRAZIL PERFORMANCE

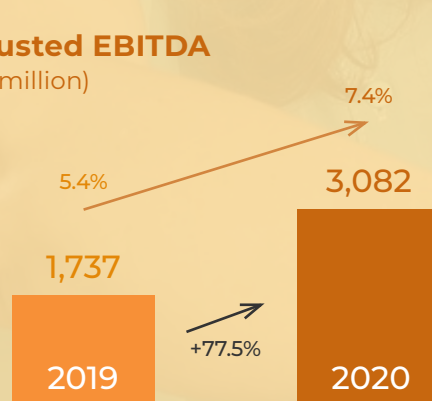
GRI 102-7

JBS Brasil

Net Revenue
(R\$ million)

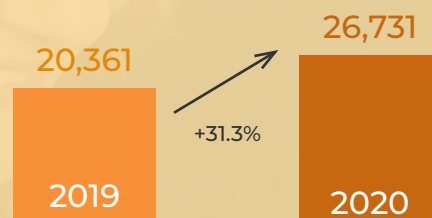


Adjusted EBITDA
(R\$ million)

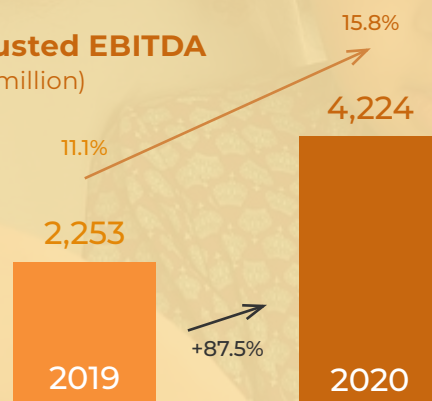


Seara

Net Revenue
(R\$ million)



Adjusted EBITDA
(R\$ million)



ESG HIGHLIGHTS

ENVIRONMENTAL INDICATORS



**R\$ 387.6
MILLION**

were invested in
environmental management



**1.6 BILLION
LITERS**

of water were reused



738,900
tons of reused waste



**Transparent Livestock
Farming Platform**, which uses
blockchain technology and will
allow unprecedented advances
in the traceability of the cattle
production chain



80%

of the energy consumed
by JBS comes from
renewable sources



9.2%

reduction of scopes 1 + 2
emissions since 2016



55.7%

of the total waste generated
was destined for recycling,
composting, energy reuse
and cogeneration



430,000

decarbonization credits (CBios)
were issued by JBS Biodiesel

ESG HIGHLIGHTS

SOCIAL INDICATORS

GRI 102-7



**R\$ 6.5
MILLION**

invested in human
resources



220,463 training and
professional development
sessions



COMPLIANCE

Online training for livestock
farmers and training
for integrated
poultry and pork producers



25.2%

is the representation
of women in
leadership positions



R\$ 400 MILLION

in donations to fight
COVID-19 pandemic



ACTIONS IN

310

municipalities in 26 states
and the Federal District,
impacting more
than 77 million people



R\$ 469.5 million

invested in occupational health
and safety



In 2020, **there were**
no product **recalls** for
Friboi, Seara and Swift brands



ESG HIGHLIGHTS

ETHICS AND COMPLIANCE INDICATORS



115,702

team members trained in the Code
of Conduct and Ethics



20,386

team members trained in
Conflict of Interest



21,228

team members trained in
Anticorruption



683

team members trained in
Antitrust Practices

PROFILE

Operations in Brazil are conducted by JBS Brasil – Friboi, Swift, JBS Couros and JBS Novos Negócios – and Seara

Friboi and Swift offer the domestic and foreign consumer markets a diversified portfolio of foods, consisting of fresh, frozen and prepared meats, with leading brands in their markets and recognized for their excellence and innovation. As it has an integrated value chain, with a focus on the circular economy, the Company strengthens its value-adding strategy by operating in businesses related to its core business. JBS Couros is a global leader in the segment and operates in Brazil, Argentina, Uruguay, Vietnam, Germany, Italy, the United States and Mexico. Through JBS Novos Negócios, raw materials from the Company's other operations are transformed into products with high added value, such as biodiesel, collagen and food ingredients, pharmaceutical inputs, items for personal hygiene and cleaning, and natural

wrappings. It also offers services and products that complement the JBS value chain, such as metallic packaging, trading, environmental management and recycling solutions, and transportation services ([read more on Our Businesses](#)).

GRI 102-1, 102-2, 102-6

Seara is a food company whose strategic pillars are Quality and Innovation. Currently, it has more than 1,500 products around the world. It is the second largest producer and exporter of chicken and pork in Brazil, and operates in the segments of frozen and fresh protein, prepared foods, margarine and mayonnaise. Its production supplies both the Brazilian and foreign markets, with emphasis on Asia, the Middle East and Europe, in retail and food service, as well as cash & carry and e-commerce, with more than



151.4 million consumers and 213,000 corporate customers [read more on Our Businesses](#). **GRI 102-2, 102-6, 102-7**

JBS Brasil and Seara, headquartered in São Paulo (SP), base their operations on innovation and best practices in food quality and safety and sustainability, in line with ESG aspects. **GRI 102-3**

In 2020, companies faced the challenge of the fulfilling their responsibility to protect their more than 142,000 team members, families and more than 100 communities from the effects of the COVID-19 pandemic. The solid structure and capillarity of its businesses enabled the Company to weather the pandemic while at the same time sustaining its core business: feeding people around the world. **GRI 102-7, 102-8**



Global presence

JBS S.A., controller of JBS Brasil and Seara, is a multinational company recognized for its global role in the food sector. The largest company in the protein sector, JBS has more than 450 production units and commercial offices in over 20 countries. The Company has a diversified product portfolio, with dozens of strong and recognized brands in Brazil and abroad, such as Swift, Friboi, Seara, OZO, Pilgrim's Pride, Just Bare and Primo, serving more than 275,000 customers in approximately 180 countries around the world (*read more on JBS around the world*).

GRI 102-2, 102-6, 102-7

Governance

JBS Brasil and Seara adhere to the governance practices determined by their parent company. The governance structure is formed by the Board of Directors with a majority of independent members, the Global Compliance Department, a permanent Fiscal Council, a Statutory Audit Committee and other advisory committees to the Board of Directors, that deal with issues that are strategic for the Company: Socio-Environmental Responsibility; Financial and Risk Management; Governance, Remuneration and Nomination and Related Parties. There are also five strategic areas reporting directly to the Global CEO: Food Safety and Quality, Sourcing, Human Resources, Center of Excellence and Innovation, and Marketing* (*read more on [p. 20](#)*). **GRI 102-5**

* In early 2021, a new global marketing structure was created and the Chief Marketing Officer reports directly to the Global CEO.

OUR BUSINESSES

GRI 102-2, 102-4, 102-6, 102-7

Friboi



Friboi products are present in **150 countries**

FRIBOI

A beef processor, focused on fresh and value-added products, it offers foods that serve a wide variety of consumer profiles and needs. It is present in over 150 countries and it is the most exported Brazilian beef brand around the world. Its production units are distributed in the main livestock regions of the country, which guarantees broad access to raw material.

Leader in the Brazilian beef market, the company runs its business based on the guarantee of origin, quality and safety of the food delivered to the consumer, from animal welfare to the final product, adopting best sustainability practices throughout its value chain.

MAIN BRANDS

Friboi

1953
Friboi
A EVOLUÇÃO DO PALADAR



Maturatta
Friboi

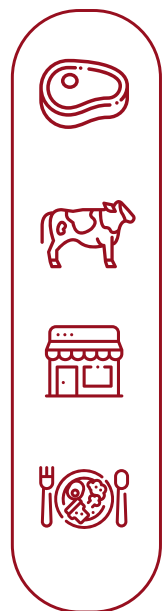


FRIBOI

Map of operations



40,200
team members

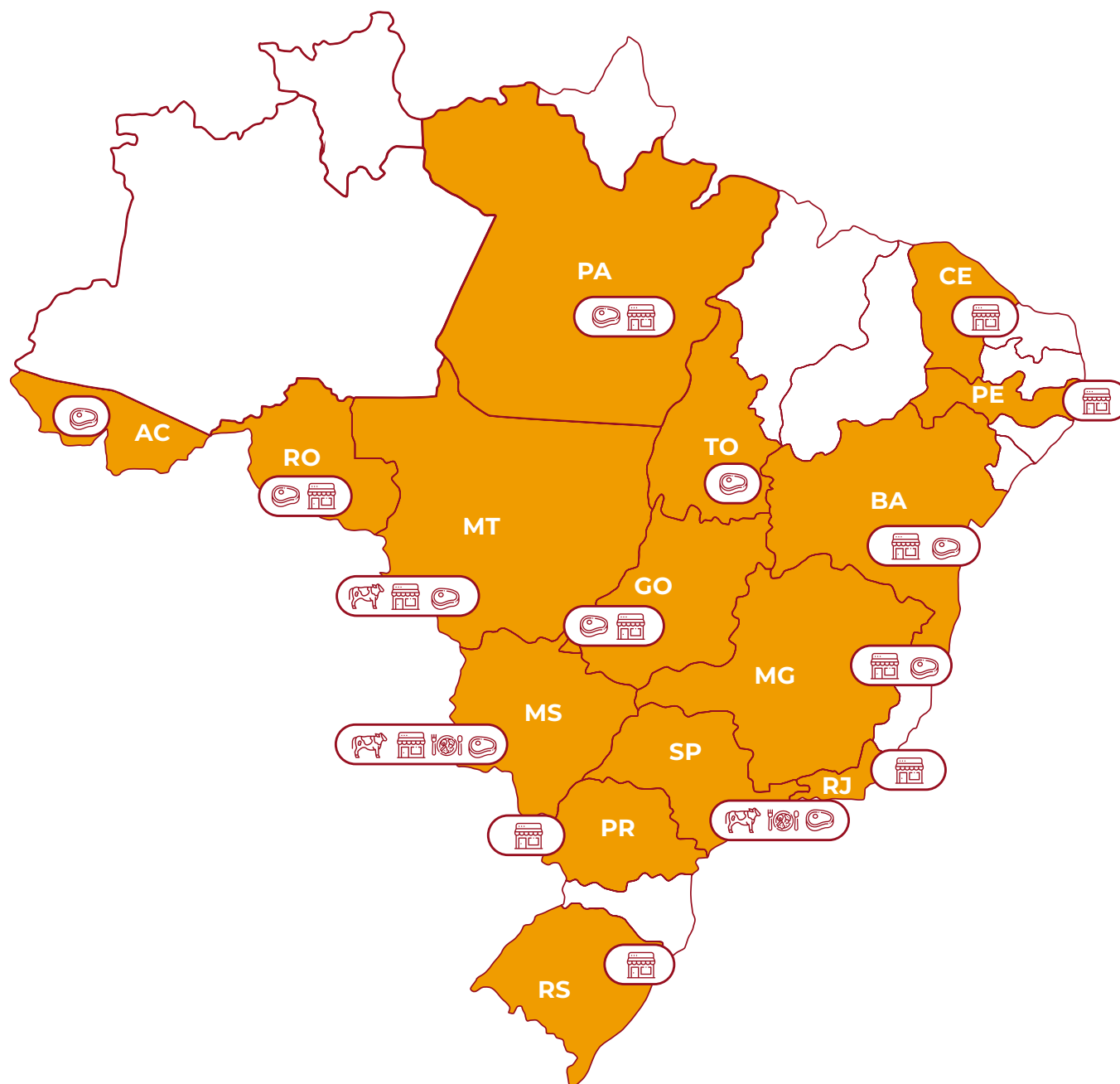


37 cattle processing units

06 feedlots

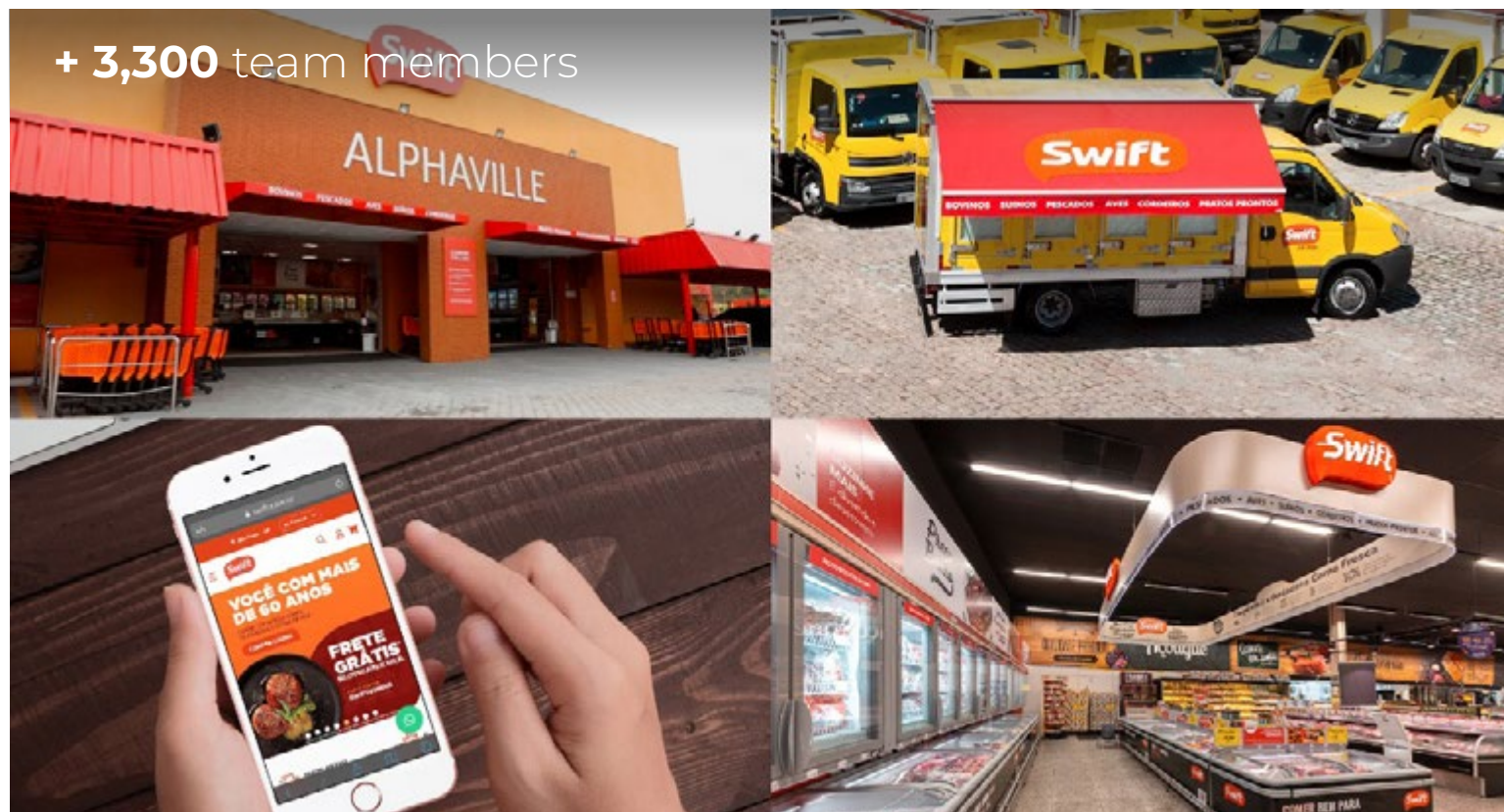
17 distribution centers

07 prepared foods units





+ 3,300 team members



SWIFT

Swift, a benchmark brand in the quality of frozen food products, has the mission of changing how around the world people consume and purchase protein. With selected items and an innovative freezing process that guarantees the characteristics of the fresh product, making it more tender, tasty and succulent, the brand has a portfolio of nearly 500 products, including beef for everyday grilling, sustainability certified fish, pork, lamb, poultry, ready-to-eat dishes, + 3 snacks, side dishes, vegetables, desserts, seasonings for grilling, and more, in more than 400 points of sale, especially within partner retailers, in addition to mobile and online shops.

In 2020, the brand began its expansion in the country by opening four own stores and eight stores at partner retailers in Brasília (DF). Until then, the brand was only present in the state of São Paulo.

Swift has a comprehensive control system across its production chain, from selecting raw material to strict temperature controls in production and transport to the display at points of sale, which guarantees standardization and excellence in its service.

In 2020, Swift also developed several actions related to sustainability (read more on [Social Responsibility](#) and [Environmental Stewardship](#)).

MAIN BRANDS





JBS COUROS

As the world's largest leather processor, it produces material in wet blue, wet white, semi-finished and finished segments, for the automotive, furniture, footwear and leather goods sectors.

The business unit, which has a Global Research and Development Center in Arzignano, Italy, invests in technology and innovation to develop products with greater added value, which offer more versatility and allow greater use of material by customers, in addition to creating pioneering concepts in sustainable production.

JBS Couros launched Leather ID, in 2019, the first global platform for the traceability of leather production ([learn more here](#)), a tool that provides access to information from the origin on the farm to the final product and is used by more than 1,300 customers ([read more on Innovation](#)).

In 2020, Kind Leather, which was developed in Brazil in 2019, and whose technology allows the use of the raw material in its entirety, had its high sustainability proven by a Life Cycle Assessment (LCA) study, introducing the brand to the market for sports shoes.

In 2021, JBS Couros also launched a leather with **JBS V-Block** technology that inactivates the SARS-Cov-2 virus that causes COVID-19. The leather receives an additive with silver microparticles in its coating, which has antiviral action and is indicated for surfaces that may be constantly exposed to the virus.

JBS Couros is present in eight countries: Brazil, Argentina, Uruguay, Vietnam, Germany, Italy, United States and Mexico.



The business unit makes continuous investments in technology and innovation

MAIN BRANDS



JBS COUROS

Map of operations



7,500
team members



20 production units



6 commercial offices



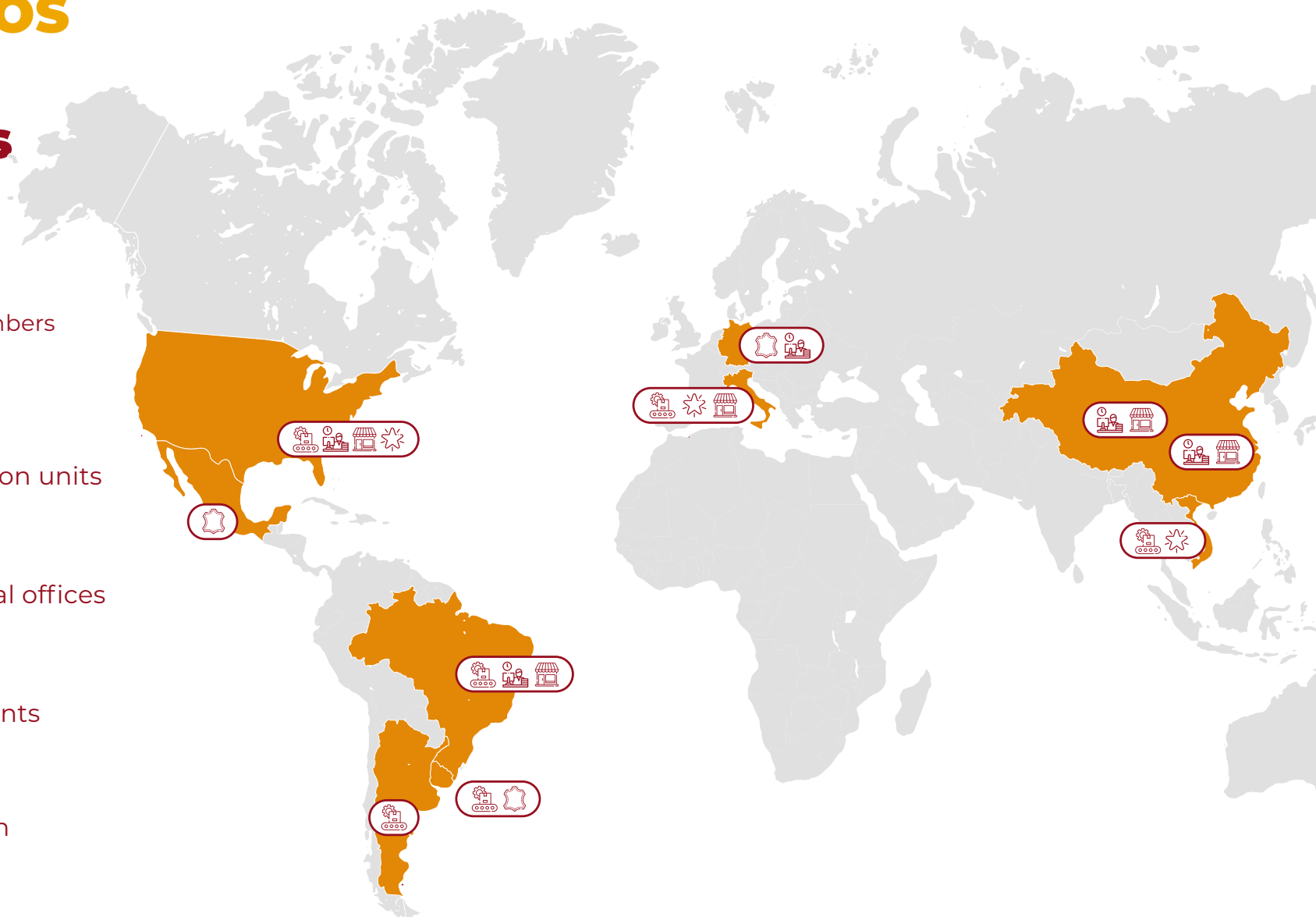
3 cutting plants



5 distribution centers



3 showrooms





This business unit plays a leading role in the value chain from the point of view of sustainability and is a pioneer in the closed cycle of industrial waste reuse. Together, the 10 units of JBS Novos Negócios transform raw materials from other company operations into products with high added value, as well as operating with related businesses, such as metallic packaging and transportation. In this way, JBS promotes innovation, efficiency and sustainable practices, fostering the circular economy.

LEARN MORE

Visit the [website](#) to learn more about JBS Novos Negócios units and the initiatives that transform by-products and residues from the processing of animal protein into products with high added value, in addition to others related to the reduction of residues and emissions, and recycling.



It manages and treats recyclable and non-recyclable post-industrial solid waste, tracking its lifecycle and providing for correct disposal, in addition to producing new plastic products and recycled resins from waste.



It is the world's largest verticalized producer of biodiesel made from beef tallow and used cooking oil, and the first in Brazil qualified to sell credits obtained through Renovabio (CBios), a Brazilian government program aimed at reducing emissions based on the obligations undertaken in the Paris Agreement.



It is the largest producer of natural cattle-based casings in the world and a supplier for the largest food manufacturers in Brazil and abroad.



Largest producer of soaps and hand soap in the B2B segment, serving the biggest hygiene and beauty brands in Brazil and abroad. In 2020, it began investing in the production of special soaps with different properties, fragrances and formats.



Previously known as JBS Embalagens Metálicas, this unit produces tin plate cans for foods such as pre-cooked meats (luncheon meat), fish, vegetables and tomato-based products, as well as aluminum and tin plate aerosols for the cosmetic and chemical market, with more than 20 packaging options.



Focused on animal welfare and a reference in the transport of live animals, it serves JBS and other customers through 39 branches located throughout Brazil. It has its own fleet of 1,100 trucks, tracked via satellite. It also operates in the container, dry and refrigerated cargo segments, as well as leather.



Focused on the production of inputs for the pharmaceutical industry, it supplies raw material for research centers, molecular development, gene therapies and vaccines, as well as producing culture media for export laboratories.



It is one of the largest producers of functional bovine collagen for the food industry and offers innovative solutions in protein-based ingredients to serve different types of segments: sausages, breads, dairy products, among others. With global operations, it exports to over 40 countries.



It sells raw materials in the food, hygiene and cleaning, fuel, pharmaceutical and cellulose segments. It offers vegetable oils, animal fats and chemical products, among others. It has storage tanks in the main ports in Brazil, handling more than 300,000 tons of products per year.



Acquires of new vehicles for JBS companies and sells of used trucks and trailers. Vehicles are resold every three years with excellent guarantee of origin for the final consumer.

2020 HIGHLIGHTS

In 2020, in addition to expanding its existing operations, the Company made important advances, with emphasis on:

JBS Ambiental

Structured the product and new applications R&D area, while expanding its operations in the circular economy. One example is the development of Green Flooring, which recycles a type of plastic generated waste from its operations, transforming this it into civil construction material. Multilayer packaging shavings (PVDC), a plastic used for raw vacuum-packed products that are difficult to recycle, are now used to manufacture interlocking floor panels, suitable for application in outdoor environments, such as pavement patios.



JBS Novos Negócios is preparing to operate in two new segments: fertilizers and collagen peptides and gelatin

Collagen peptides and gelatin

It began the construction of a new factory in the city of Presidente Epitácio, in the hinterland of São Paulo. The unit will be a reference in sustainability, involving, among other steps, conscientious management of all natural resources. The plant is expected to open in 2022 (see *more on the [website](#)*).



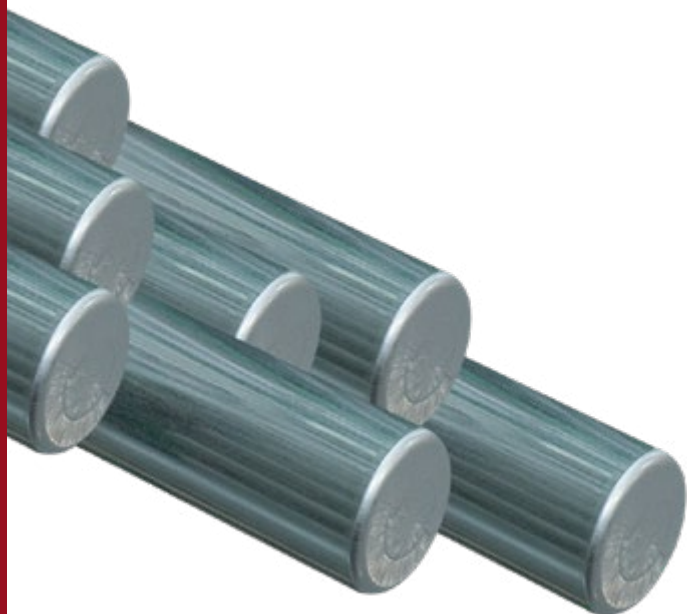
Fertilizers

It began the construction of the Company's first unit of special, organomineral and organic fertilizers in Guaíçara, in the hinterland of São Paulo, whose raw material will be organic waste from 26 JBS facilities. The business unit is expected to be inaugurated in the second half of 2021.



Zempack

The company entered the aluminum aerosol cans sector, with fully automated production, at a new unit in Guaíçara (SP), which is the most modern in the world and focused on industry 4.0. The new factory also produces steel aerosol cans (tin plate).



JBS Biodiesel

It began construction of its third factory, in Mafra (SC), enabling the business to double its production to 1 billion liters per year. With two plants authorized to participate in the country's new policy to reduce greenhouse gas emissions, the company issued 430,000 decarbonization credits (CBios) in 2020.



JBS Transportadora

A reference in the transport of live animals, it created Uboi, an innovative service for transporting cattle between farms, feedlots, auctions and processing units. Uboi enables the participation of small, medium and large farmers in a qualified system of animal transport, contributing to the growth of the food sector's production chain (*read more on [Innovation](#)*).



JBS NOVOS NEGÓCIOS

Map of operations



5,000
team members



JBS Ambiental
1 operation, 11 branches



JBS Biodiesel
2 factories



Zempack
3 factories



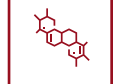
JBS Natural Casings
2 factories, 34 branches



JBS Higiene & Limpeza
1 factory



JBS Transportadora
1 operation, 39 branches



Novaprom
1 factory



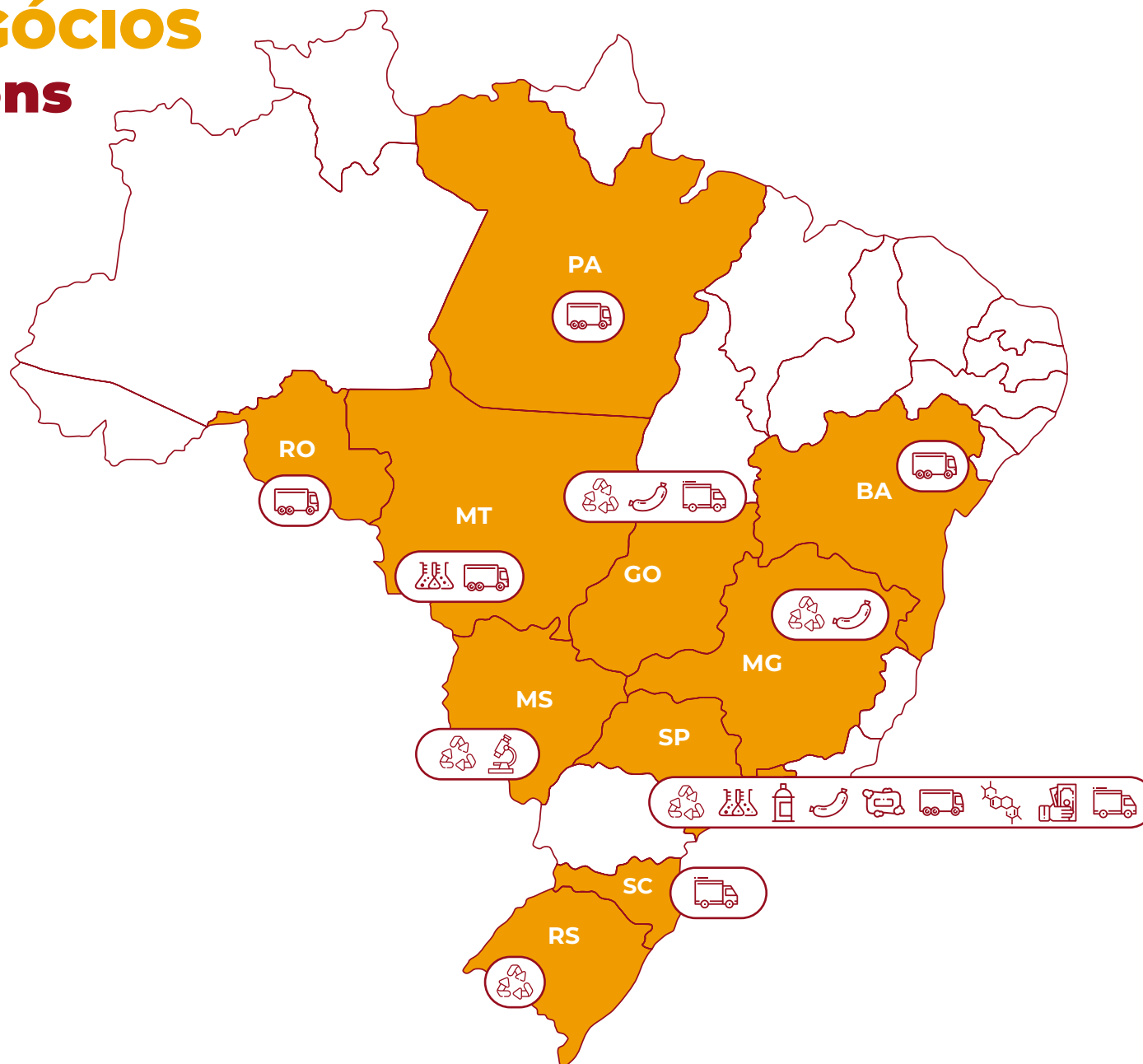
JBS Trading
1 operation



TRP Seminovos
1 operation, 3 branches



Orygina
1 factory





SEARA

Market leader in the frozen and plant-based (vegetable protein-based products) categories, Seara has Quality and Innovation as its strategic pillars to feed Brazil and the world with practicality and health, meeting nutritional needs and serving different consumer profiles.

Seara has an extensive portfolio of fresh poultry and pork products and prepared, processed and frozen foods. In 2020, the company continued its portfolio diversification strategy by launching more than 200 products within its categories – surpassing the 187 launched in 2019 – prioritizing higher value-added items, with new options for plant-based products as well as the traceability of the Seara DaGranja product line.

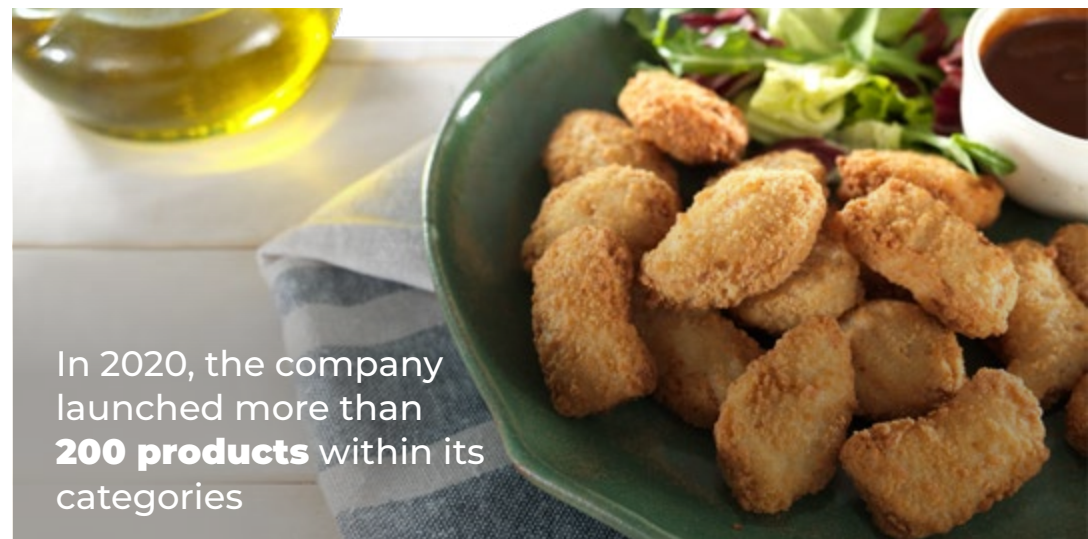
The brand Seara, for the first time in its history, figured among the Top 20 in the ranking of those most chosen by Brazilians, according to Kantar's Brand Footprint Brasil Panel, the result of solid work in quality, innovation and branding.

One of the highlights for 2020, is the launch of the first organic Christmas poultry in Brazil, Fiesta Orgânico. The free-range birds are hormone-free and receive a quality feed made up of 100% organic GMO-free grains and enriched with vitamins and minerals. The product comes already seasoned and with a thermometer, with and is succulent and tender. Fiesta Orgânico also received the IBD certificate – the largest certifier of organic products in Latin America – and a traceability QR Code, can see stages of breeding and food and production.

GRI 102-10, 102-48, 102-49

In 2020, Seara acquired the margarine and mayonnaise assets of Bunge Alimentos, taking second place in the Brazilian margarine market, with a 35.5% market share. The acquisition adds value to the company's portfolio with seven strong brands: Delícia, Primor, Gradina, Salada, Ricca, Cremosy and Cukin. Seara already owned the Doriana and Delicata brands. The company incorporates three factories – in São Paulo (SP), Gaspar (SC) and Suape (PE) –, strategically positioned in the Southeast, South and Northeast regions, respectively, allowing distribution throughout the national territory. Around 1,200 team members were also incorporated.

GRI 102-10, 102-48, 102-49



In 2020, the company launched more than **200 products** within its categories

MAIN BRANDS



SEARA

Map of operations



86,000
team members



30 poultry processing units



8 pork processing units



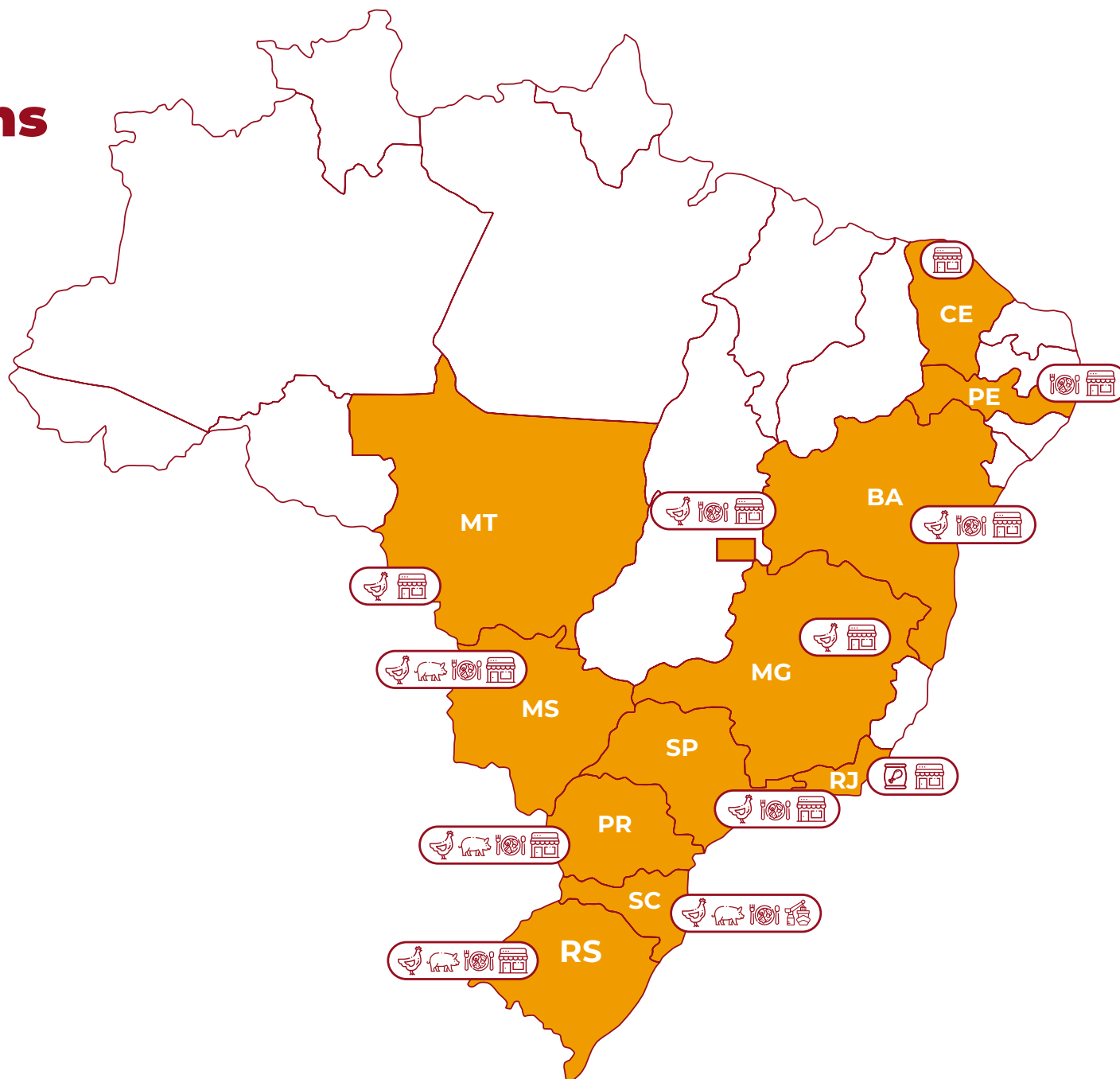
23 prepared foods units



16 distribution centers



1 port (Itajaí – SC)



VALUE CHAIN

JBS' commitment to sustainability and the quality of the products that reach the consumer's table requires efficiency and continuous innovation from the beginning to the end of the value chain: from suppliers and producers to customers and consumers. The composition of the Company's supplier portfolio follows guidelines that ensure safety in the raw material and input purchase process. The investment at the beginning of the chain is focused on traceability and technical support for producers, while at the end of the process, product differentials continue to be guaranteed through customer support programs.

LEARN MORE

Further information about the environmental actions of each chain is available in [Environmental Stewardship](#)

BEEF

GRI FP9

JBS acquires cattle from third-party producers, not having its own farms. Of the total cattle produced in Brazil, approximately 75% are wholly raised on pastureland. The remaining 25% spend most of their life living in pastures, until around 2.5 to three years of age, and then are sent to finishing farms for a period of 90 to 120 days.

The Company maintains a constant relationship with around 30,000 livestock farmers in Brazil. To strengthen and enhance the relationship with its suppliers, JBS also establishes long-term contracts and develops programs that involve periodic visits, distribution of content and sharing of information ranging from nutritional issues to animal welfare ([read more on *Customers and Consumers*](#) and on [Animal Welfare](#)).



In this respect, Friboi launched the Grade 10 Farm (Fazenda Nota 10) program in 2020, which engages a management consulting service to multiply good production practices. The project encourages the evaluation of farm productivity indicators, management of strategic information, assistance in decision-making and training of the teams that work on the properties, with the aim of strengthening the business ([see more in the link](#)).

After purchase, the animals are transported from the farms or feedlots to the cattle processing units. JBS Transportadora is responsible for transporting the animals, which guarantees compliance with the Company's animal welfare guidelines.

The Company's entire production procedures follow strict sanitary quality and food safety standards. To certify compliance with the requirements, in 2018 Friboi implemented the Supply Chain Seal ([see more in the link](#)). Fresh products do not receive any type of preservative and are vacuum packed, which guarantees a longer shelf life. JBS has a specialized system for the adequate storage and distribution of its products, ensuring the maintenance of the quality of all its foods.

Friboi's products are easy to find, from small markets to major retail chains, in addition to serving the foreign market. At the time of purchase, the consumer has access to information about the origin of the product by scanning the QR Code printed on the packaging.

POULTRY AND PORK

GRI FP9

After going through stages of genetic selection, incubation and reproduction, poultry and pork are reared on integrated producer farms. Seara is responsible for animal nutrition. Thus, the feed is prescribed by nutritionists and produced in its own factories to meet all growth and health needs at of the animals every stage of life.

The Company uses specialized transportation to bring animals from the field to the plant, following the tenets of animal welfare.

All production procedures adhere to strict standards of sanitary quality and food safety, as well as in storage and distribution.

Seara's products are on shelves ranging from from small markets to large retail chains, in addition to being exported to 190 countries.

In 2020, the Origin project improved the traceability process to provide customers and consumers with the history of products in the Seara DaGranja range, by scanning a QR Code on the packaging.



LEATHER

The differential of the leather produced by JBS begins with access to raw material. Originating in the Company's animal protein processing operations, so the origin of the skins can be securely traced (*see more in the [link](#)*).

This practice adds value to the final product sold to its customers: automobile, furniture, footwear and leather goods manufacturers. The skins are worked by trained professionals and preserved until the moment of transport to the production sites, without using sodium chloride. In the tanneries, the treatment of the leather involves strict control of the use of chemical substances. The processing, 100% from green hide, results in wet blue, wet white, semi-finished and finished items.

In 2019, JBS Couros launched Kind Leather, a product that has a more efficient and innovative production process, which removes those parts of that are not as frequently used, right at the start of the process, since this material can still be directed to other industries – such as the pharmaceutical and food industries – transforming waste into raw material and significantly contributing to the sustainability of the entire value chain.

On the Leather Labs platform (*read more on [Innovation](#)*), products for sale made by the NGO Orientavida, using Kind Leather, have social traceability.

All JBS Couros products are find their way to the domestic market and exported to several clients and countries.

CUSTOMERS AND CONSUMERS

JBS invests to develop high quality and customized products

Customers

The Company's ability to generate value is based on its commitment to produce and provide the highest quality of products and services, as well as the goal of having close relations with every stakeholder. Additionally, it implements actions to better serve customers and end consumers.

Investments are undertaken to develop customized, high-quality products in addition to offering services that support customers in the profitability of their businesses.

Through the Grade 10 Butcher (Açougue Nota 10) program, Friboi, for example, offers an innovative beef commercialization model, that aims to develop a special sales channel with retailers and wholesalers and help them in their operations, by training professionals, avoiding waste and differentiating the products at the point of sale. In partnership with Seara, the program currently also

includes pork and poultry, and is now to be found in more than 1,200 stores throughout Brazil. Friboi has also implemented in the retail sector the Gourmet Butcher (Açougue Gourmet) program, an exclusive space for the products of the 1953 Friboi range, dedicated to premium cuts. In addition to training the retail company's team members, the project involves remodeling the supermarket butcher sections. Some units even have a special chamber for dry maturation of cuts, a process known as dry-aged. Friboi also has an online platform dedicated to small and medium-sized companies (SMEs), offering more than a thousand products (*see more on the [link](#)*).

Seara has the Perfect Store (Loja Perfeita) program, whose mission is to enhance and monitor the Company's product performance at points of sale, by promoting a unique consumer experience.

HIGHLIGHTS



Seara Store

It allows consumers to quickly and conveniently find the Seara product of their choice on the e-commerce platform of large retailers. The service had more than 17 million visits in 2020 (*see more at the [link](#)*).

Swift Retail Store

Aimed at retail chain stores, Swift's store in store program offers personalized spaces managed by the brand, with specialized salespeople and real-time temperature control, ensuring product quality and a differentiated shopping experience. Present in more than 20 retail partners, the program already has more than 300 points of sale in São Paulo and the Federal District.

Friboi Online

Democratizing the access of small Brazilian entrepreneurs to the largest protein company in the world is the purpose of the Friboi Online platform, which was launched in 2020 and already has more than 60,000 SMEs in the B2B segment, both in retail and food service. The main advantages offered, include payment by credit card, free shipping on deliveries throughout Brazil and a 24-hours-a-day, seven-days-a-week service (*see more in the [link](#)*).

Consumers

Friboi, Seara and Swift's consumers have a very diversified range of products from fresh and frozen meats to prepared dishes, with leading brands that are recognized for excellence and innovation in the market.

The companies develop high-quality and innovative products, in addition to constantly seeking to offer nutritional, healthy food, with less fat, sodium and artificial preservatives (*read more on [Quality and food safety](#) and on [Innovation](#)*).

To improve products, consumer surveys help companies collect their perceptions, which become projects, involving technologies, products and ingredients. Other precious sources of information about trends and the needs of consumers are relationship channels, such as Customer Service Center and social media.

Friboi, Seara and Swift are Top of Mind brands and finalists for the Reclame Aqui (a consumer protection entity) award. In 2020, Seara was in third place, with more than 40,000 votes in the Reclame Aqui Award, in the category of perishable and frozen foods, considered the largest service award in Brazil.

Seara's brands Massa Leve and Rezende were awarded the RA 1000 Seal, a certificate that recognizes companies with excellent service ratings on the Reclame Aqui website. This achievement demonstrates the commitment to offering excellence in after-sales service, raising the level of consumer trust and loyalty to the brand. Certification takes place through criteria evaluated by the complaining consumers served by the company: response rate above 90%; problem solving rating, greater than 90%; new business rate above 70%; and average ratings above 7.

Swift has a "Great" reputation in Reclame Aqui, with 100% of complaints answered and response time of up to 48 hours.

Friboi also won the Cliente SA Award in the Leader in Internal Call Center Operation category, with the case "Friboi customizing service by valuing its own operation".



Communication Channels

FRIBOI | Customer Service: 0800 11 5057 | Website: <http://www.friboi.com.br>

SEARA | Customer Service: 0800 47 2425 | Website: <https://www.seara.com.br>

SWIFT | Customer Service: 0800 400 2892 | Website: <https://www.swift.com.br>

QUALITY AND FOOD SAFETY

GRI 103-2, 103-3

JBS's competitive advantage is quality. Therefore, it is continuously improving its operating, manufacturing and supply standards for all business units. Under the responsibility of the Global Food Safety and Quality Assurance Department, headquartered in the United States and reporting directly to the Global CEO, JBS Brasil and Seara are part of this structure and report to the CEO of their respective businesses.

The companies have teams specializing in food quality and safety, responsible for implementing local policies and guidelines, in order to achieve the highest sanitary and quality standards in all their operations, with a culture of quality that ensures food safety. One of the indicators to measuring quality-related initiatives is recall. In 2020, there were no recalls of Friboi, Seara and Swift branded products.

SEARA

The management on the subject is carried out at Seara based on the guidelines of the Food Quality and Safety Policy and the Halal Policy, through which the company is committed to producing food in accordance with technical and religious precepts, following the interpretation of Islamic laws. Through its Food Quality and Safety Management System (SGQSA), it operates on three fronts: food safety; perceived quality; and supplier/customer.

In 2020, bearing in mind the restrictive aspects of the pandemic, Seara conducted its audit-based product evaluations by undertaking SGQSA self-assessments, in the manufacturing units, whose results to manage 15 modules.



The entire food manufacturing process at Seara is monitored by the Operations area and verified by the Quality Assurance area. Thus, if deviations are identified, they are treated using the concepts of root cause analysis established by the Management area.

In 2020, the business implemented data collection and management software, initially focused on the product tool. During 2021, the tool will be extended to other quality programs and will notify the process leader in case of non-compliance, so that this can be immediately dealt with and managed.

Seara also has Agent Q, launched in 2020, which is a communication and engagement involving the entire

company to ensure quality standards. Both initiatives are focused on strengthening the culture of quality among its team members.

Seara received the 2020 Burger King Best Supplier Award for its innovations, rigorous food safety standards and the quality of its products and services.

Customer satisfaction is measured by the response rate, which improved by 23% between 2018 and 2020, as a result of investments in technical and human resources, as well as the maturing of the Quality Culture in the operation. In the first half of 2021, the after-sales assessment, aimed at the consumer, will be implemented, together with the Net Promoter Score (NPS), system focused on customers.

FRIBOI

The rigorous processes implemented by Friboi throughout its supply chain aim to ensure the quality, safety and sustainability of all its products, as well as meeting the needs and requirements of its customers and consumers. Its performance is based on the principles of transparency, integrity, authenticity and innovation, built on four pillars: safety, quality, protection against fraud and protection against contamination.

In 2020, Friboi completed its operational quality control systematization program, with 100% online and on-time monitoring, an unprecedented system in the food sector in Brazil. Electronic control begins with the recording of critical deviations by plant team members, using tablets, creating three alerts sent to the line supervisor, plant manager, Quality Assurance teams and the Industrial Operations Department. The innovation streamlines decision making and enables the plant team to deal with the deviations. The investment in innovation in 2020 also brought more transparency to the quality control processes. The blockchain tool was integrated into the Supply Chain Seal database, which combines regulations with quality procedures, animal welfare,

traceability and sustainability, which will enable electronic access for stakeholders and the audit and inspection bodies of the Ministry of Agriculture, Livestock and Supply. Today, all Friboi units operate following the Seal protocols and undergo an annual external audit carried out by the Brazilian Certification Service (SBC). **GRI 416-1**

Also in 2020, Friboi reached the mark of 96.7% in all quality and food safety analyzes carried out in its own laboratories.

With 40,200 team members, distributed throughout all regions of Brazil, Friboi has developed training to reinforce the importance of preventing deviations in operations and the role of each one in the technological systematization of the production process. Starting in 2021, the company has launched the Food Safety Quality Culture project to promote among team members the habit of practicing quality, with the company providing the tools. It also coordinates the Continuous Improvement Circle (CMC), a program for improvements in production processes, which makes it possible to internally recognize projects and their creators. **GRI 416-1**

Friboi received the 2020 Burger King Best Supplier Award for its innovations, rigorous food safety standards and the quality of its products and services. In the case of consumers, the company conducts a satisfaction survey at the end of the hotline service, generating the NPS assessment, a methodology aimed at measuring the customer's recommendation. In 2020, Friboi's NPS was 54, within the quality zone (NPS between 50 and 74).



Continuous improvement of the operating, manufacturing and supply standards of all business units



SWIFT

The business unit maintains the Hazard Analysis and Critical Control Points (HACCP) – Análise de Perigos e Pontos Críticos de Controle (APPCC) – program, with the objective of preventively analyzing all production stages, identifying, evaluating and controlling hazards that are significant for food safety. Two of the main achievements in

2020 were the development of the Results Management System and the implementation of the deviation management system. **GRI 416-1**

Monitoring is carried out using the ADP indicators: Microbiological (Microbiological and Sanitation Quality Index) and Food and Process Safety Route.



JBS COUROS

The unit's operations are based on the Policy and Management System Manual, that sets out the domestic and international procedures and standards to be followed to ensure the quality of its products and services. Additionally, it maintains its own restricted substance control policy, ensuring the safety of its processes and products for its team members, the environment and consumers, and is in line with the most demanding international standards and regulations. It also has a traceability policy that allows for the control and

documentation of all processes and inputs used in the processing of its hides, from the meatpacking plant to the finished leather, resulting in greater transparency, quality and safety of its products.

JBS Couros Management System, an extensive program, defines in detail the best way to carry out each process, encompassing all the areas involved.

Management is based on documents, specifications, work instructions, visual aids, controls, measurement and

R\$ 270 million
invested in quality

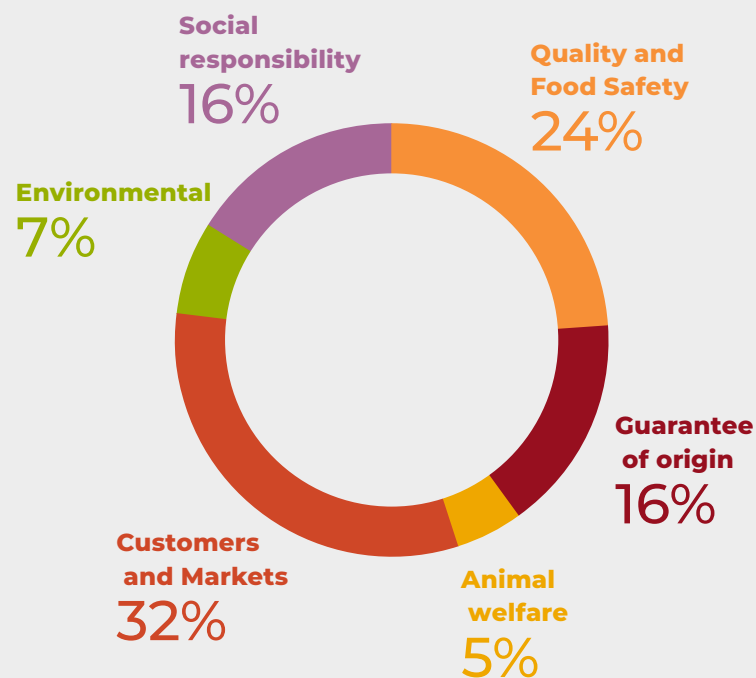
107,582 team
members trained on
the subject

monitoring, inspections, audits, critical indicator analysis, use of analysis techniques and tools, problem solving and continuous improvement, and a channel for receiving, handling and responding quickly to any customer complaints.

The customer satisfaction analysis is carried out annually by the Strategic Sales Management area, together with Quality Management, and considers data such as: customer retention; market share, customer complaints, D&D for quality issues, customer feedback, and on-demand surveys if necessary. Over the past two years, the results have been positive. In 2020, when compared to 2018, there was a 23% reduction in complaints and an 18% reduction in costs with discounts and returns due to quality problems.

Certifications

In Brazil, the Company has 399 certifications and audits at its units, relating to various topics such as the environment, food quality and safety, social responsibility, customers and markets, among others. **GRI FP2, FP5**



INNOVATION

The Company constantly seeks to develop innovative products that meet the expectations of customers and consumers

Innovation is a preponderant part of JBS' strategy, present in the development of products, in the monitoring of raw materials and in manufacturing operations, accompanied by continuous investments in research and cutting-edge technologies.

In 2020, the pandemic accelerated innovation in the food sector, with trends driven by the need to spend more time at home, increasing demand for products with greater added value and convenience. JBS food brands in Brazil have launched more than 500 products within their categories to meet this growing demand.

The Company constantly seeks to develop innovative products that meet the expectations of customers

and consumers, a task that is conducted by the Research and Development (R&D) areas of the food business units, which operate in two segments: fresh and prepared. In 2020, more than R\$ 23.2 million were invested in R&D.

The Company also has management tools that help assess the world's megatrends in food, such as the

search for health, with the reduction of sodium and fat; or for practicality, with packaging in smaller portions and easy to prepare meals, among others. In addition, it created a methodology to monitor regional innovation processes and share the lessons learned with businesses globally. In 2018 the Global Innovation Team (GIT) was created to encourage teams and the exchange

of experiences. In addition to leveraging JBS' competitive advantages, GIT promotes information sharing, acceleration of innovation through exchange between countries and the creation of global platforms that favor innovative practices. This is possible because the parent company has other business units on five continents.



**more than
R\$ 88 million**
invested in innovation in 2020



HEALTH AND FOOD OPTIONS

GRI FP6, FP7, FP8

Nutritional value and the healthiness of fresh and prepared foods rely on technological innovation, in order to reduce fat, sodium, sugar and the use of artificial preservatives.

Friboi's products have no preservatives, no added ingredients, and are conditioned in high-tech packaging. Kitut, a brand of prepared foods, launched a ham version with a 30% reduction in sodium. Bordon's feijoada and meatballs in sauce were reformulated, with the removal of all additives from the recipe, in a development process that maintains the identity of the products, without prejudice to the flavor, texture and safety of the food.

Seara also offers several product lines, such as: Seara DaGranja, a line of chickens raised without the use of antibiotics and with 100% vegetable feed throughout the entire breeding process; Seara Orgânico, a line of organically certified chickens; Seara Nature, a line without artificial preservatives, 100% natural and with products that have more protein and sodium content below the target stipulated by the National Health Surveillance Agency (Anvisa), in addition to not containing soy protein and lactose; and Incrível Seara, made 100% with plant-based protein for consumers who are reducing their consumption of meat, or vegetarians.

Swift has more than 500 product options with a commitment to deliver healthy, practical and sustainably sourced food. It also developed an innovative freezing process that guarantees the characteristics of the fresh product, making them more tender, tasty and succulent, in addition to offering total food safety. Its portfolio includes ready-made handmade dishes, fruits and vegetables, as well as frozen fresh proteins.

The Company invests in laboratories specialized in nutritional, microbiological and biotechnology analyses, providing indicators for the development of new products and the improvement of the various foods that make up the JBS portfolio, while in the operational process the automated systems evolve every year. The Company adopts state-of-the-art technology that goes hand in hand with a robust training program for administrative and operational teams.

In 2020, Friboi began the construction of the Meat Study and Technology Center (CETEC), completed in early 2021. The space, which has the latest equipment used for scientific research in renowned laboratories and universities in different parts of the world, will allow the business to guarantee an even more consistent standard of quality in all its products.

INNOVATION IN PRACTICE

In 2020, the Company advanced in processes that guarantee differentiated products, as well as transport, environmental and integrated producer solutions. See below.

FRIBOI

Friboi advanced in the transformation of the value chain with the launch of the first mobile application for the purchase of cattle in the country. The first in the sector, the online platform simplifies the commercial relationship with producers, from the purchase to the processing of the animal, connecting thousands of producers to the best business opportunities. The Friboi Pecuarista app also brings security, democratizes access for livestock farmers of different sizes and affords even more transparency to the entire process, with real time information.

In 2020, Friboi also launched 30 products, extending the portfolio of the brands Bordon, Do Chef Friboi and 1953 Friboi that meet the needs of customers and the market. In the Kitut line, meatballs with sauce, sausage with sauce and a low-sodium ham version were launched. The portfolio, now broader and with complete options for different meals and snacks throughout the day, also had its visual identity reformulated.

SEARA

Seara was the first large food company in the country to offer a complete line of products made 100% with plant-based protein – Incrível Seara, which follows the evolution of the food market and consumers who increasingly seek alternatives to incorporate into their daily diet, without giving up on flavor and quality.

Developed from a single component, Seara's exclusive "Biomolecule-i", it uses the combination of natural molecules that, together, provide the sensation of meat texture and flavor. Less than a year after it was launched, the Incrível Seara range has already become leader in the sector, with 58% of the market in plant-based hamburgers, according

to a survey by the Nielsen Institute of 2021. Over the past two years, R\$ 43 million were invested in research and development, consumer research, development of new products and adaptation of production units with a focus on plant-based products.

In 2020, Seara and NoMoo, a Brazilian foodtech pioneer in the manufacture of fermented cashew nut cheeses and yogurts, teamed up to bring an unprecedented product to the market: the Incrível Escondidinho (shredded, sun-dried meat), with meat and

plant-based cheese flavor. NoMoo cheese is the result of a careful R&D process that allowed the Rio startup to be the only industry in Brazil with the capacity to ferment plant-based milk with the same technology used for the manufacture of conventional dairy products, maintaining the characteristics of grating, slicing and melting, just like the animal-based version.

The collaboration between Seara and food startups like NoMoo originated at Incrível Lab, a research and innovation center focused on



meals made 100% with plant-based protein. Seara's laboratory anticipates global trends and keeps up with the most advanced foodtech companies in the world.

In 2020, the Incrível Seara range also launched fish tit-bits, and shredded codfish and ham, further diversifying the offer of proteins to consumers. Currently, the line has more than ten plant-based products.

Another 2020 innovation was the launch of the first Organic Christmas poultry in Brazil. With an eye on new consumption habits, the brand developed Seara Orgânico Fiesta. These organic poultry are free-range, hormone-free chickens with access to external areas. They are fed with 100% organic GMO-free grains, vitamins and minerals. They come in IBD-certified packaging – the largest organic products certification agency in Latin America – and carry a traceability QR code that allows consumers to find out about every stage of the rearing process and the production of the food they are consuming.

In total, Seara has launched more than 200 innovative products within its categories for the Brazilian and international markets, as well as expanding the Seara Gourmet brand line and portioned and sliced products.

AWARDS AND RECOGNITION FOR SEARA



FiSA Awards *Brazil*

The only company to win, for three consecutive years, the Seara Incredible range was awarded first place by the *Food ingredients South America* (FiSA Awards), in the category for most innovative product



Gama Innovation Awards *England*

The Incredible Seara range hamburger received the award for innovation for the "Biomolecule-i"



Whow! *Brazil* Innovation Festival

Seara won first place in the award as the most innovative company



Great Packaging Cases *Brazil*

Salame Seara Gourmet was awarded for its innovative packaging



ABRE Brazilian Packaging Award

The functional PET packaging of the range of organic chicken cuts was awarded in the functionality category. The line *Turma da Mônica* (Brazilian cartoon characters) ranked second in the marketing and branding category for augmented reality

JBS AMBIENTAL – GREEN FLOORING

JBS Ambiental, responsible for managing the waste generated by JBS Brasil's operations, intensified its investments in 2020 focused on the development of products from the reuse of plastic waste. The highlight of the year was the launch of the Green Flooring, with a solution for the use of multilayer plastic whose structure is not conducive to recycling. The material, consisting of concrete and plastic, began to be used in the Company's constructions, such as paved parking lots, sidewalks

and patios. The challenge for 2021 will be to launch Green Flooring in the civil construction market.

JBS Ambiental launched Green Flooring, composed of concrete and plastic which, initially, is being used in the Company's constructions



SWIFT

Swift also innovated by launching in 2020 three lines of ready-to-eat dishes, prepared without artificial additives: packaged in reusable pans and suitable for heating; boxes with various items packaged separately, which make up a meal; and hand-made pizzas.

The Research and Development (R&D) area is one of the pillars of Swift's constant search for innovation. The main result of the year in product

innovation was the development of the first tests and versions of products added with a clean label solution, in line with the company's guidance on healthiness. Other important advances were: the reduction in the consumption of plastic packaging (with initiatives to reduce thickness, dimensions and waste); and initiatives to make better use secondary packaging, which reduces cardboard consumption.



JBS TRANSPORTADORA

JBS Novos Negócios unit created Uboi, the first Brazilian cattle transport application. A pioneering innovation, it allows livestock farmers to have access to JBS Transportadora's fleet, with almost 3,000 vehicles, including our own and those of our partners, which travel throughout the country. The service also provides real-time monitoring of the transport of cattle.

With the technology, JBS assures livestock farmers that the cattle will be transported in accordance with international animal welfare standards, one of the Company's four strategic sustainability pillars that permeates the entire JBS production chain. Through fleet tracking, the Company reinforces its commitment with the importance of correct handling of cattle, contributing to the reduction of accidents and minimizing stress factors for animals and professionals involved in the process.

The innovation of the Uboi app contributes to the development of the sector in general, as it helps to expand Brazil's production capacity, simplifying and facilitating the transport of cattle between rural properties.



JBS COUROS

This unit invests in and develops innovative and sustainable solutions for products with high added value and quality, important differentials – such as Kind Leather, which transforms parts destined to become waste into raw material (*read more on [Value Chain](#) and [Environmental Stewardship](#)*).

Throughout 2020, JBS Couros carried out work to consolidate the Kind Leather concept in the market, in addition to acting on other fronts: optimization of compacting processes; research into alternative and sustainable forms of tanning; use of certified vegetable tannins; study of optimization of wet processes to reduce the consumption of natural resources; and advances in technical robustness in measuring the impacts of processes through the Life Cycle Assessment (LCA). The unit's main product launches were in the Kind Leather and the finished goods line.

JBS Couros has Leather ID (*see more at the [link](#)*), the first online tool for monitoring leather production, available to more than 1,300 customers. Each piece leaves the tannery with an identification tag, whereby typing

the code on the website, the group of farms where the raw material originated, date and processing plants, can all be traced in addition to the that produced the leather tannery.

It provides the Leather Labs platform, which gives digital access to all those interested in working with JBS leather – small and medium-sized manufacturers, architects, decorators, artisans, upholsterers and end-customers. The platform also has a virtual store with various items and complete craft kits to support of small entrepreneurs.



Guarantee of origin

With the Certified Guarantee of Origin Program (Programa Garantia de Origem Verificada), launched in 2020, JBS raises beef to an unprecedented level of quality, using the most sophisticated technology to improve the traceability process and allow the consumer to obtain a history of the product on the packaging, through a QR Code. It is a quick tool for researching and verifying the traceability of products, among other information regarding the origin of that item, taking certified inputs of internationally recognized quality to the final market.

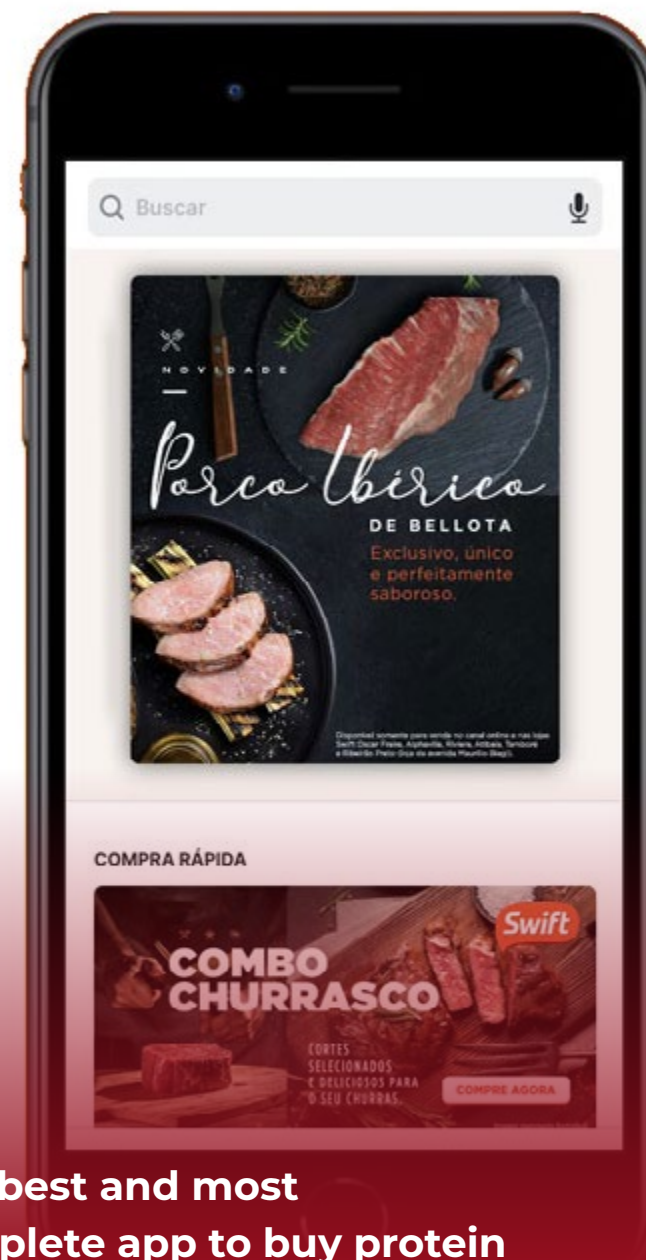
GRANJA 4.0

In 2020, Seara created the Granja 4.0 project, an integrated connectivity and artificial intelligence solution based on three pillars: animal welfare; qualitative gains; and results through cost reduction and added value. Features include the monitoring of the animals' welfare inside the farms, using sensors that provide real-time information on indicators such as the temperature and humidity of the environment, air quality, weight and even the behavior of the

animals. Technology-enabled remote monitoring reducing the movement of people on the farms, boosting bio-safety actions. The project is being tested in about 100 partner farms in the western region of Santa Catarina, and it is expected to automate 100% of the management in the short term.

SUPERAPP SWIFT

SuperApp Swift was created to change the way in which protein is purchased, in line with the concept of differentiated service, delivering the Swift experience into the consumer's hands. With Swift's strategy of promoting a new hyper-connected retail sector, SuperApp has become the best and most complete application for protein shopping. Much more than an e-commerce, where you can find the entire variety of products at Swift stores and buy on your cell phone, it explores the multichannel service and interaction, with personalization, variety of content, shopping experience and services, in addition to interaction through the QR Code and search for best prices.



The best and most complete app to buy protein

PARTNERSHIPS AND ASSOCIATIONS

GRI 102-12, 102-13, 102-21

The Company is part of class and sustainability advocacy entities, in addition to participating in related roundtables

JBS is a member of food industry associations and trade groups in the food sector and and a member of some of the world's largest industry and sustainability organizations. In Brazil, it is a member of the following professional associations: Poultry Breeders Association of Bahia (ABA); Association of Brazilian Food Industries (ABIA); Brazilian Beef Exporters Association (ABIEC); Brazilian Agribusiness Association (ABAG); Brazilian Plastics Industry Association (ABIPLAST); Brazilian Association of Vegetable Oil Industries (ABIOVE); Brazilian Animal Protein Association

(ABPA); Brazilian Association of Broiler Chicken Producers (APINCO); Poultry Breeders Association of Minas Gerais (AVIMIG); Industrial Association of Meat and Meat Byproducts of Santa Catarina (SINDICARNE SC); Centre for the Brazilian Tanning Industry (CICB); Trade Association of the Poultry Products Industry of the State of Paraná (SINDIAVPA); São Paulo State Cold Products Industry Association (SINDIFRIO); National Animal Feed Industry Association (SINDIRAÇÕES); and National Union of Beef Industries and Companies (UNIEC).

The Company also actively participates in the following working groups and associations, fundamental entities for promoting the advancement of sustainability in the sector:



Brazilian Animal Protein Association (ABPA)

Brazilian Association of the Food Industry (ABIA)

Brazilian Association of Vegetable Oil Industries (ABIOVE)

Brazilian Beef Exporters Association (ABIEC)

Brazilian Association of Industry and Trade of Ingredients and Additives (ABIAM)

Brazilian Association of Pharmaceutical Ingredients Industry (ABIQUIFI)

Brazilian Agribusiness Association (ABAG)

Brazilian Association of the Personal Hygiene, Perfumery and Cosmetics Industry. (ABIHPEC)

Brazilian Association of Animal Recycling (ABRA)

National Confederation of Industry (CNI)

Confederation of Agriculture and Livestock of Brazil (CNA)

Santa Catarina Poultry Association (ACAV)

Trade Association of the Poultry Products Industry of the State of Paraná (SINDAVIPAR)

Itajaí Companies Association

Federation of Business Associations of Santa Catarina (FACISC)

Federation of Industries of the State of São Paulo (FIESP)

Federation of Industries of the State of Rio de Janeiro (FIRJAN)

International Life Science Institute (ILSI)

Pensar Agro Institute (IPA)

Livestock Technical Committee (LTC)

World Economic Forum (WEF)

Commitment to sustainability

**JBS has a mission to feed the world
in equilibrium with the planet**

IN THIS CHAPTER

- > PRODUCT INTEGRITY
- > SOCIAL RESPONSIBILITY
- > ENVIRONMENTAL STEWARDSHIP
- > ANIMAL WELFARE
- > ETHICS AND COMPLIANCE
- > PERFORMANCE
- > PROSPECTS AND CHALLENGES

For almost seven decades, JBS has been working with the purpose of feeding the world with the best there is

GRI 103-1, 103-2, 103-3

Over the years, the Company has perfected itself in order to find solutions that guarantee a portfolio of innovative and quality products to meet the new consumption habits of a growing population, so that food and sustainability always go hand in hand.

JBS' strategy is linked to environmental, social and governance (ESG) aspects, with a focus on the perpetuity of its business. The Company always seeks to generate and share value in everything it does, so that society and other stakeholders can also prosper with the it. For this reason, its commitment goes beyond guidelines for the reduction and mitigation of the effects inherent to the production and marketing of food operations. Investments in policies, innovations and programs promote positive impacts on team members, suppliers, customers, consumers, the community and the environment. In Brazil, the diversity of the businesses, combined with regional challenges, demands the constant improvement of measures to meet the specificities of each one, at different times.

The JBS team is encouraged to engage in ethical, social and environmental

causes. Suppliers, in compliance with the policy on the sustainable origin of raw materials, are advised on management, technology and environmental issues by teams of specialists. Customers participate in programs that add value to the business, and consumers have access to innovative and nutritious products on retail store shelves, in food service channels, such as restaurants, and in the company's own sales channels. The communities where JBS is present are part of this integration, with effective actions to develop and improve the quality of life in the different regions.

Governance on the subject is established by the Socio-Environmental Responsibility Committee (formerly the Sustainability Committee), a body responsible for discussing strategic and global issues while providing assistance to the Board of Directors. Since 2019, the Chairman of the Board, Jerry O'Callaghan, has also chaired this Committee.

JBS manages sustainability in line with the world scenario and the UN's 17 Sustainable Development Goals (SDGs) as a platform and reference for its sustainability actions.

Over the next few chapters, the following priority topics will be addressed: product integrity, social responsibility, environmental stewardship and animal welfare, with their policies and results.

OUR SUSTAINABILITY TEAM LEADERS



Marcio Nappo
Director of Corporate Sustainability Brazil



Claudia Veiga Jardim
Corporate Sustainability Manager Brazil



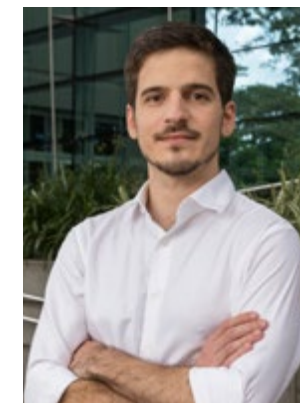
Liege Correia
Director of Sustainable Livestock Friboi



Alexandre Kavati
Sustainable Livestock Manager Friboi



Vamire Luiz Sens Junior
Sustainable Agriculture Executive Manager Seara



Kim Sena
Sustainable Leather Manager JBS Couros

R\$ 1.46 billion
invested in sustainability in 2020



Product Integrity

Product integrity means respecting the highest food safety, quality and sustainability standards

At JBS, product integrity means respecting the highest food safety, quality and sustainability standards. Therefore, the Company is committed to investing in enhancing operations, manufacturing and product supply, adopting social and environmental practices at origin, while having good practices, processes and routines certified by independent audits.

The Company is aware of its role as a benchmark in the value chain, which starts with the procurement of raw materials, following the guidelines of its Responsible Raw Material Procurement Policy, which has a significant influence on the value chain, from raw material suppliers adopting good practices to the final quality of products. In this sense, JBS establishes a partnership relationship, encouraging and developing actions geared towards enhancing supplier management and practices, by working on two fronts: guarantee of origin and supplier relationships. The acquisition of raw materials is based on the principles of responsible procurement; this means they are based not only on compliance with federal and local regulations, but also in line with the most sustainable practices in the sector.

GUARANTEE OF ORIGIN

GRI 103-2, 103-3

JBS system monitors cattle supplying farms via satellite images, covering an area greater than the territory of France

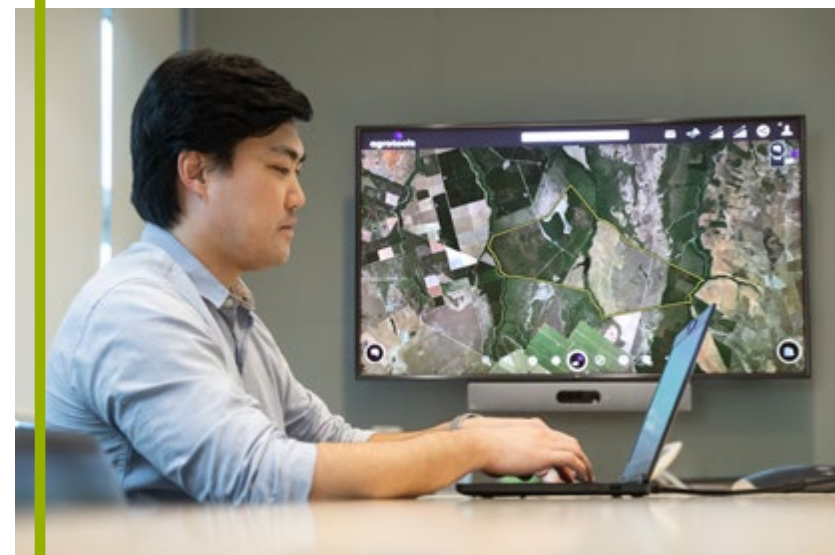
Over the last 10 years, JBS has developed one of the largest supplier monitoring systems in the world, which uses satellite images to monitor an area greater than the territory of France. This tool ensures that the Company only buys from producers who fully meet its social and environmental criteria, including not having areas embargoed by Ibama, not being on the "black list" of forced labor and zero tolerance to illegal deforestation, in strict compliance with the Brazilian Forest Code.

Through an advanced Social and Environmental Monitoring System, the Company its Responsible Raw Material Procurement Policy (see *more in the [link](#)*). JBS has been a signatory of the National Pact to Eradicate Slave Labour since 2007, and has been a member of the Institute for the National Pact to Eradicate Slave Labour (InPACTO) since 2014.

In Brazil, more than 90,000 livestock supplying farms are monitored every day, in the Amazon, Cerrado, Pantanal, Mata Atlântica and Caatinga biomes using satellite

images. The practice prevents the purchase of animals raised in areas of illegal deforestation, protected by environmental laws and indigenous lands, areas embargoed by Ibama or properties that use forced labor. The quality of the origin of raw material is still controlled by the Company's Sustainability area.

When farms that do not meet the Company's criteria and the Supplier Monitoring Protocol of the Federal Prosecution Office of Brazil (MPF) are identified, the system automatically blocks the registration of those supplier farms, making any



commercial operation impossible until the situation is regularized. It is also worth noting that the Company is a co-developer of the Supplier Monitoring Protocol of the Federal Prosecution Office of Brazil (see [here](#)), in partnership with the NGO Imaflora. Considering the entire Brazilian territory, JBS has more than 90,000 registered cattle supplying farms, of which 30,000 are frequent suppliers. **GRI 102-9**

All cattle purchases and the monitoring system itself are independently audited

annually by a third-party certifier. The results of the auditors have can be accessed on the JBS [website](#), reinforcing the Company's transparency. Over the past two years, the audit confirmed that 100% of the Company's audited direct cattle acquisitions were in compliance with its strict Responsible Raw Material Procurement Policy (*read more [here](#)*).

JBS is also a member of the Tropical Forest Alliance (TFA), an initiative connected to the World Economic Forum, fostering and promoting

actions aimed at ending deforestation in the world. The Company is also a member of the Brazilian Roundtable on Sustainable Livestock (BRSL) and the Global Roundtable for Sustainable Beef (GRSB), initiatives that foster measures to end deforestation and contribute to improving sustainability across the industry's entire value chain.

In the poultry and pork chains, JBS units work in an integrated manner with the producers, in a partnership that guarantees the origin of the raw

material. Technical visits are carried out regularly, with guidance on production management, environmental practices and animal welfare. **GRI 102-9**

Seara employs traceability systems to its more than 9,000 integrated producers to quickly identify and, if necessary, isolate farms with any problems related to quality or safety. The technology also monitors the treatment of poultry at every stage of their lives and the production process.



JBS is leader of the Forest 500 ranking among companies in the protein sector

TRANSPARENT LIVESTOCK FARMING PLATFORM

GRI 103-2, 103-3 | 413-1

With the aim of producing in an increasingly sustainable way, JBS has been investing in concrete environmental actions for over a decade. The Company uses satellite images to monitor an area that is larger than the territory of France, the largest country in Western Europe. The last two audits, carried out by an independent certifier, attested that 100% of the direct cattle acquisitions audited were in compliance with JBS' Responsible Raw Material Procurement Policy. In 2020, the Company went further, taking on a stronger commitment to sustainability in the region Amazon, by launching the [Transparent Livestock Farming Platform](#), which allows JBS livestock suppliers to include their own suppliers in the register, with the aim of complying with the social and environmental aspects of cattle breeding.

Adherence is voluntary. Cattle producers who directly supply JBS will list their suppliers of animals on the platform developed by specialized company Ecotrace. As the platform is an open one, other companies within the industry can use the system.

The data will be sent electronically for validation by Agri Trace Rastreabilidade Animal, the system of the Brazilian Confederation of Agricultura and Livestock Farming (CNA). Once authorized by the producer, the CNA checks if the list of suppliers is complete.

Companies accredited on the platform, will process the socioenvironmental compliance analysis based on the same criteria currently used by JBS, in an agreement with the Federal Prosecution Office (MPF), to check for the existence of: deforestation, respecting the Brazilian Forest Code; invasion of indigenous lands or environmental conservation units; forced labor; and use of areas embargoed by Ibama.

The outcome of the analysis will be sent directly to the JBS supplier who, for the first time, will be able to view socioenvironmental compliance throughout his entire supply chain. This means they will be able to develop plans to mitigate risks and engage in actions that help producers to regularize their situations when necessary.



At no time will JBS have access to sensitive information, having access only to the consolidated analysis of its suppliers. Thanks to blockchain technology, it will be possible to maintain the commitment to the confidentiality of third-party information.

A fundamental part of the project is a supply chain engagement strategy that is being developed to accelerate the construction of a positive register of producers in accordance with social and environmental standards. All JBS beef cattle suppliers must sign up the program by the end of 2025.

Recently, JBS has announced that is bringing forward its target of zero illegal deforestation for the suppliers of its suppliers in the Cerrado, Pantanal, Atlantic Forest and Caatinga biomes.

from 2030 to 2025. This due to the rapid advance of the Transparent Livestock Farming Platform and mirrors the commitment already established for the Amazon.

Green Offices

JBS has set up 13 Green Offices at processing units throughout the country: in Marabá and Redenção (PA), Porto Velho and São Miguel do Guaporé (RO), and another six in Mato Grosso: Alta Floresta, Barra do Garças, Confresa, Diamantino, Juara and Pontes e Lacerda. The initiative has also reached Goiânia and Mozarlândia (GO) and Campo Grande (MS). The teams will mainly help the suppliers of JBS's suppliers to regularize their environmental situation ([learn more at this link](#)).



SUPPLIER RELATIONSHIP

GRI 103-2, 103-3 | 308-1, 308-2, 408-1, 409-1, 412-1, 414-1, 414-2, FP1

The relationship with suppliers is essential and relevant to the prosperity of the value chain. That is why the Company has developed a series of actions to build closer relationships with its stakeholders based on confidence, respect, ethics and transparency. JBS works alongside the producers, offering technical and management support, combining sustainability and preservation of the suppliers' businesses.

BEEF

Among the initiatives there is the so-called Araguaia Herd (Rebanho Araguaia) project, which promotes the development of sustainable livestock raising in the Médio Vale do Araguaia region, in Mato Grosso, one of the main cattle-producing regions in the country. In partnership with the Araguaia League, whose members include around 60 livestock producers in the region, JBS offers technical support from consultants specialized in pasture lands management, ensuring

better productivity in environmentally regulated areas and greater profitability for producers, an action that contributes to the net reduction in greenhouse gas emissions.

Additionally, JBS developed the Grade 10 Farm (Fazenda Nota 10) program, which offers training for high-performance management, allowing the results of beef cattle farms in Brazil to be maximized. Developed by the Company in partnership with the Instituto Inttegra, the program is aimed at livestock producers throughout the country. In 2020 alone, more than 100 JBS suppliers participated in the program.

JBS promotes good practices among small livestock producers through the Social Biofuel Seal Program (Programa Selo Biocombustível Social), an initiative by the Department of Family Agriculture and Cooperatives (SAF) of the Ministry of Agriculture, Livestock Farming and Supply (Mapa). In this program, JBS' role is to support

these ranchers with free technical assistance and guaranteed purchase of animals. Since the early days of the integration of livestock farming with the Seal in 2015, the Company has already acquired over 110,000 animals from 437 properties in the 21 municipalities served by the program in the region of São Miguel do Guaporé (RO), in addition to investing around R\$ 5 million in free technical assistance focused on efficient and responsible production. (*read more on [Communities](#)*). **GRI 102-9**

POULTRY AND PORK

The quality assurance of the production chain is based on the differentiated relationship between Seara and its 9,000 integrated suppliers, who produce exclusively for the Company. It is a partnership in which the breeders receive all the inputs – 1-day-old chicks and piglets, 100% of the feed, technical assistance and freight, which represent 93% of the costs. The producer is responsible for labor, animal care, electricity, facilities, wood shavings and firewood, equivalent to 7% of the costs. In this way, the Company guarantees that the purchase of 100% of the products complies with its purchasing policy. **GRI FPI**

In order to strengthen the relationship between integrated producers and the Company, in 2014 Seara created the SuperAgro award,

whose objectives are: to reinforce the relationship of commitment and trust; motivate and retain current producers and attract new producers; value the integration system with the community; and recognize producers with the best results and management practices.

These producers are managed by about 500 professionals who visit the properties periodically and who, in addition to technical assistance in the management of the breeding and sanitation of poultry and pork, provide technical support during and after construction and improvements to the facilities, train and advise the producers in managing the production cost and cash flow of the activity, seeking reduction opportunities and good practices to increase performance, productivity, animal welfare and profitability of the activity. In this way, the Company helps to increase the income of its integrated producers and, consequently, contributes to the economic development of the region.

Annually, Seara evaluates all its members through the Sustainability Index, which measures from the most basic to the most advanced practices in environmental, economic and social aspects. The results achieved in the 2020 assessment, the first year of application, showed an average score of 71% considering all dimensions assessed.

In 2020, the highlights (above 90%) for the environmental aspect on the farms were: effluent treatment; compliance with environmental licensing; separation and proper disposal of solid waste; and self-sufficient water farms, which manage the use of this resource and electricity without waste. For the social aspect, they were: telephone communication from the farms; Internet access; animal welfare training; and management standards.

All units make an action plan with countermeasures for the evolution of items not covered, according to the assessment of each member. The goal is to reach 80% participation for 2021/2022.

The Integration system with Seara supports and encourages investment in the modernization and adoption of sustainable technologies that offer the activity of cost

reduction with increased efficiency and increased productivity, as well as financially encouraging the construction of new projects, with policies of remuneration customized for each animal category.

The constant technological evolution of this system took an important step in 2020, when Seara launched the Granja 4.0 project, which is expected to automate 100% of operations management in the short term (*read more on [Innovation](#)*).

Friboi and Seara also have two programs with content aimed at livestock farmers and integrated producers. Broadcasted by Canal Rural, the programs Giro do Boi and Ligados & Integrados, respectively, remain a reference for industry professionals, in addition to helping to strengthen JBS's relationship and dialogue with this audience.



The Company works alongside its suppliers, offering technical and management support, combining sustainability and preservation of its business



JBS's practices and initiatives to play a leading role in the movement to promote a more inclusive society

Social responsibility



OUR PEOPLE

GRI 103-2, 103-3

JBS' Human Resources area operates in Brazil in accordance with local labor laws and regulations. Team management – encouraging new talent, hiring and retaining team members – follows standards that meet the Company's corporate culture. To preserve them, the Human Resources revises people management policies and programs on an annual basis, along with

the key indicators of health and safety, turnover, absenteeism and overtime, which allows monitoring and improvement to processes. The Company is committed to hiring and promoting professionals, regardless of race, ethnicity, nationality, social origin, age, marital status, religious belief, disability, gender, sexual orientation, gender identity or gender expression. [GRI 103-2, 103-3](#)



R\$ 6.5 million
invested in Human
Resources in 2020



In 2020, JBS employed **2,547 team members** from various countries, such as Senegal, Haiti and Venezuela



TEAM MEMBER PROFILE

JBS employed more than 142,000 professionals in 2020, an increase of 10.5% over the previous year. In 2020, the Company hired 52,100 new professionals, 28.2% more than in 2019, despite the challenging scenario caused by the pandemic. [GRI 102-8, 401-1](#)

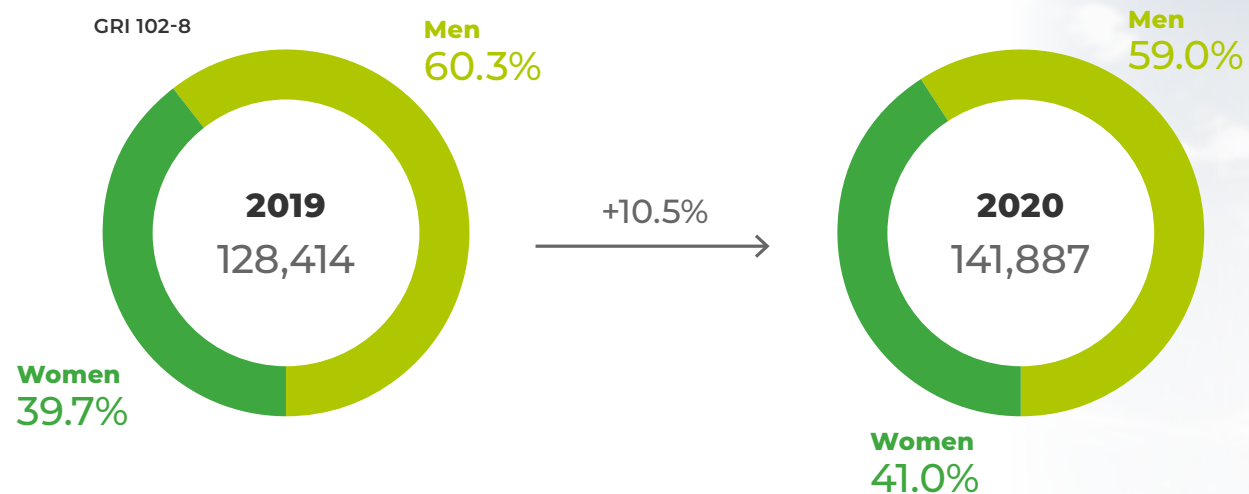
The turnover rate went from 21.38% in 2019 to 24.29% in 2020, considering the total employee base. Considering only the leadership (supervisor,

coordinator, manager, director, president and director), the turnover dropped to 11.54% in 2020 – in 2019, it was 14.59%. The absenteeism rate went from 2.48% in 2019 to 5.57% in 2020, justified by the atypical year experienced in 2020.

91.32% of the team members of Friboi, Seara, Swift, JBS Couros and JBS Novos Negócios are covered by collective bargaining agreements. [GRI 102-41](#)

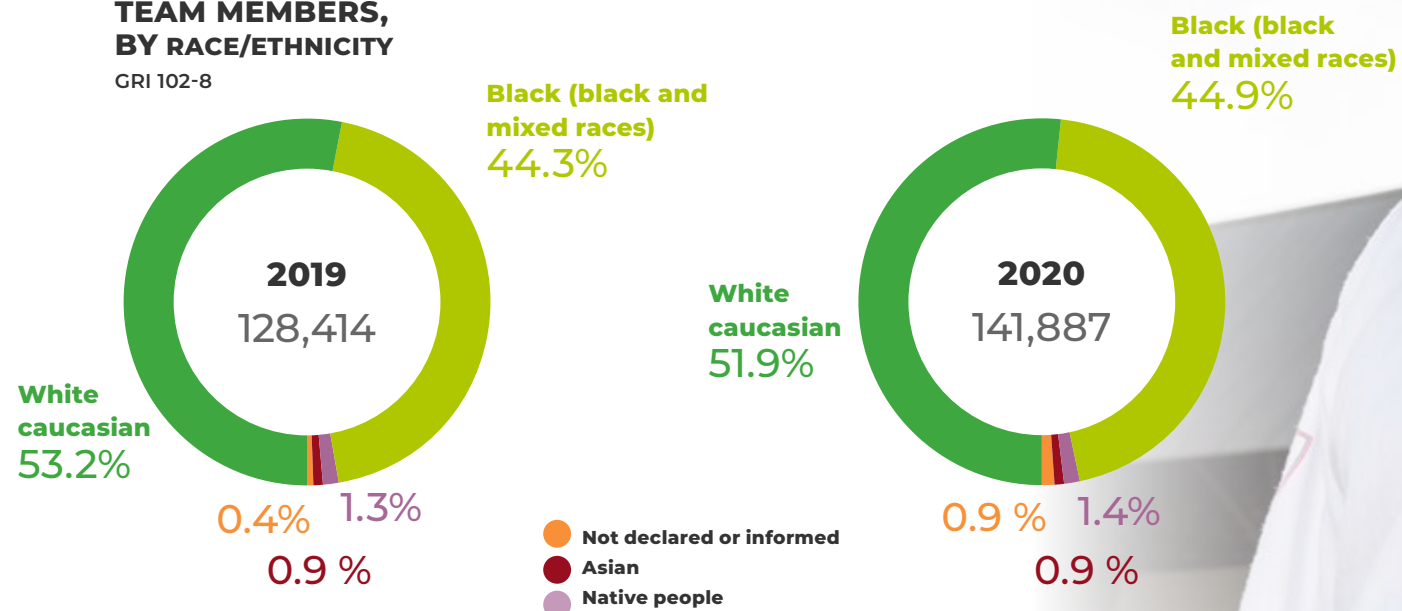
TEAM MEMBERS, BY GENDER

GRI 102-8



TEAM MEMBERS, BY RACE/ETHNICITY

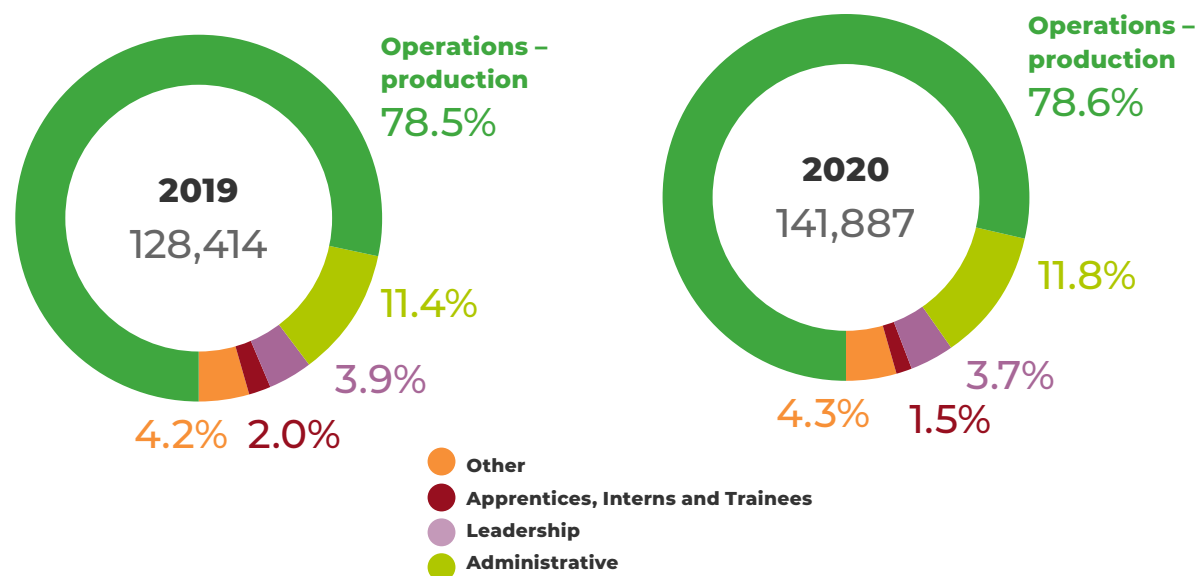
GRI 102-8



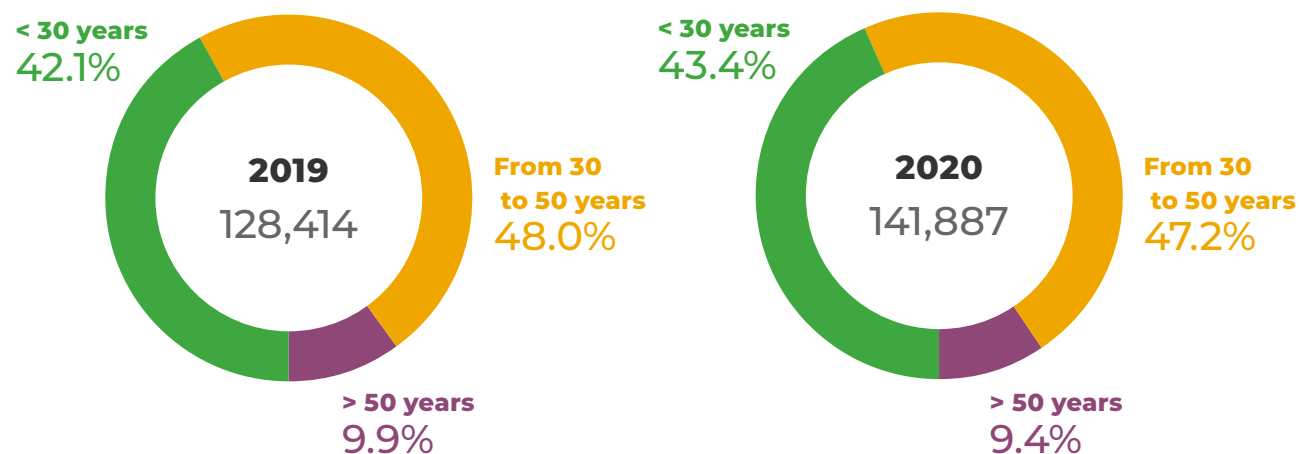
The Company hired **52,100** new professionals in 2020, an increase of **28.2%** over the previous year



TEAM MEMBERS, BY FUNCTIONAL CATEGORY (%) GRI 102-8



TEAM MEMBERS, BY AGE GRI 102-8



DIVERSITY AND INCLUSION

GRI 103-2, 103-3

JBS respects Human Rights as a non-negotiable value for conducting its business. It is committed to promoting and defending human rights in its operations and in the value chain, in addition to the communities in which it operates. JBS is a global company and must reflect its diversity of consumers as well as the communities in which it operates. It must also lead efforts towards a more inclusive society. Therefore, it develops diversified hiring and

inclusion incentive programs in all its plants and offices, to create an inclusive, pleasant and productive work environment.

The companies customize documents, employment contracts and manuals in the native language of foreign team members, in addition to promoting their adaptation within the units. In 2020, JBS employed more than 2,500 professionals from different countries.

With regard to people with disabilities (PwDs), the Company develops a training program, contributing to their inclusion both in its operations and in the labor market. In partnership with public and private institutions, JBS conducts the Experimental Work Project. Its objective goes beyond employability training: it is an instrument capable of consolidating, in practice, the social rights of people with disabilities, creating conditions to promote their autonomy, social inclusion, integration and effective participation in society. In 2019, the project was implemented in 12 schools, with 122 students. But in 2020, due to the COVID-19 pandemic, the process was temporarily halted.

In 2020, JBS signed the Public Commitment for Racial Equity,

together with several companies in the consumer goods sector. The purpose of the commitment is to reinforce actions to fight structural racism. Together, with organizations and subject matter experts, the companies will create effective and transparent action plan to promote racial equity.

The Company understands that it is important to assess leadership positions by category, in order to promote gender and racial equality. This entire process is in line with the Diversity and Inclusion Policy, published by the Company in 2021 to promote and defend human rights in its operations and value chain, and in the communities where it operates. The results will be seen over the next few years.



The Company understands that it is important to assess leadership positions by category, in order to promote **gender and racial equality**

The guidelines of this policy are based on three main pillars: Diversity and Inclusion, Equal Opportunities and Respect for Diversity. All actions aim to maintain an increasingly inclusive and welcoming space for differences, to adopt measures that guarantee and promote equal access, permanence and opportunities in all areas and positions for any and all Company professionals, as well as the constant awareness of the impacts of these actions.

To assist in preparing the actions, the Company hired RM Consulting, led by Rachel Maia, which will develop the social literacy of the senior management of JBS on issues related to Diversity and Inclusion. Additionally, JBS has joined the Women's 360 Movement (Movimento Mulheres 360), an initiative that brings together more than 60 large companies.

The objective is to expand the participation of women in the corporate environment.

As a result of its efforts, JBS received the WOB (Women on Board) certification, which recognizes organizations with at least two women as board or executive board members. Supported by UN Women, Women on Board is an independent initiative whose purpose is to promote good practices in corporate environments, as well as to track the benefits businesses enjoy as a result of diversity in the leadership positions.

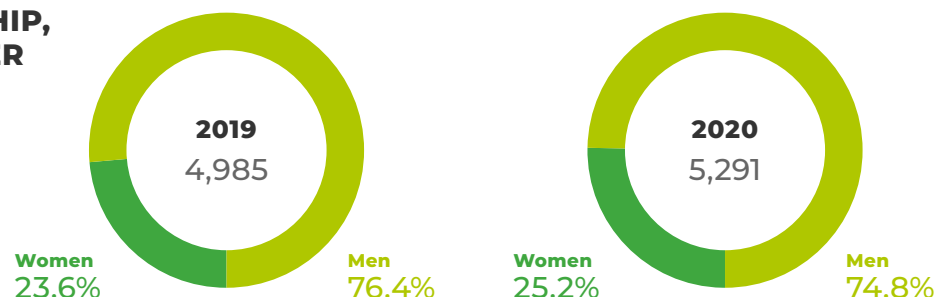
JBS is also adhering to the MOVER – Public Commitment to Racial Equity focus on

dismantling structural and institutional racism. Mover aims to generate 10,000 leadership positions for black people in the next 3 years.

JBS is committed to reflecting in its leadership the gender, ethnic and racial diversity of the communities in which it operates.

LEADERSHIP, BY GENDER

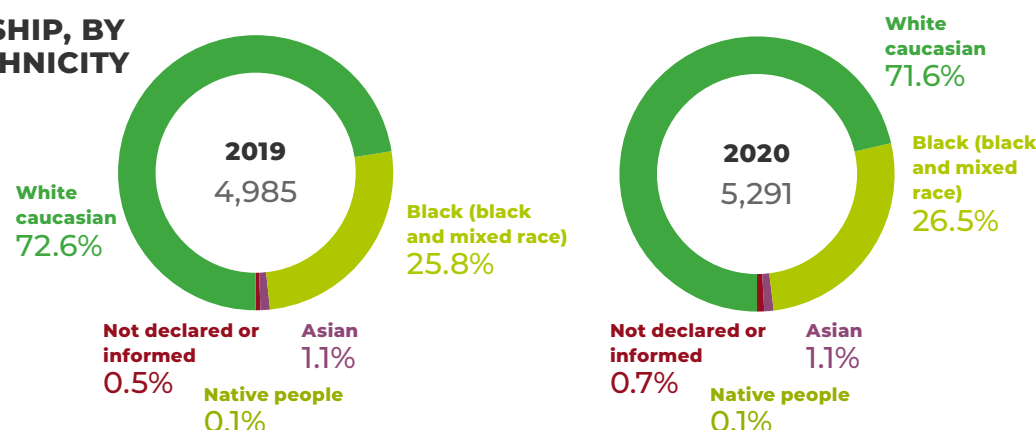
GRI 405-1



THE PERCENTAGE OF WOMEN IN LEADERSHIP POSITIONS INCREASED FROM 23.6% IN 2019 TO 25.2% IN 2020, AN INCREASE OF 6.7%

LEADERSHIP, BY RACE/ETHNICITY

GRI 405-1



THE PERCENTAGE OF BLACK AND MIXED RACED TEAM MEMBERS IN LEADERSHIP POSITIONS INCREASED FROM 25.8% IN 2019 TO 26.5% IN 2020, AN INCREASE OF 2.7%



Women on board



NEW TALENTS GRI 103-2, 103-3

The Valued Youth (Jovens de Valor) program invests in the development of talent, such as specialists and entry-level leadership, in the areas of engineering and labor law. The initiative includes the Valued Youth platform (jovensdevalorjbs.com.br) and a Facebook profile (facebook.com/JovensDeValorJBS). The program ended 2020 with 32 young leaders and engineering specialists having completed their training.

With an industrial focus, the Internal Talents Program (Programa de Talentos Internos) selects young people with leadership potential, capable of managing processes and teams in the Company's different business units. In 2020, Friboi had 25 professionals from the Valued Youth (Jovens de Valor) program, 20 of whom were hired. JBS Novos Negócios worked with five trainees, and hired four young people after the program.

PEOPLE DEVELOPMENT GRI 103-2, 103-3

JBS has a policy of encouraging and supporting the professional development of its team members. The Internal Talents (Programa de Talentos Internos) program trains supervisors for the maintenance, production, transport and logistics areas, based on the selection of team members from the operational areas. With 46 team members trained by the program, in 2020 the Company opened 55 positions, with 46 permanent positions.

The Labor Lawyer (Advogado Trabalhista) program is open to professionals who have recently graduated in the last two years. Since 2016, 39 lawyers have been trained. Currently, the program is running at nine units of the group and at the Company's headquarters.

All JBS business units maintain their universities or training academies, with a focus on qualified training and career development.



In 2020, the training programs reached the milestone of 220,463 sessions held with team members, 21% more than 2019 (182,079 sessions)

GRI 404-1

> Friboi

Friboi University, Meat Cutter Training Center (CFF) and the Deboner Training Center (CFD)

> Seara

Seara University and Quality Academy

> JBS Couros

Leadership Academy

> Swift

Sales Academy and Leadership Academy





JBS WITHOUT BORDERS

The JBS Without Borders program (JBS Sem Fronteiras) values deboning specialists, offering Friboi and Seara team members the opportunity to work at the JBS Canada unit in the city of Brooks, Alberta. The project reinforces the Company's global position and generates opportunities, international experience, retention and sharing of knowledge among team members.

The program was created in 2015 and has already sent around 80 professionals from states such as Bahia, Goiás, Mato Grosso, Mato Grosso do Sul, Pará, Rondônia and São Paulo to Canada.

In 2020, due to the COVID-19 pandemic, the start of the 19 professionals selected by Friboi and Seara was postponed.

PERFORMANCE EVALUATION

GRI 103-2, 103-3, 404-3

The Company has a performance evaluation program, through which team members are evaluated by their peers, subordinates (when applicable), leaders and suppliers and internal customers. The assessment is based on JBS' values, ensuring that its team members adhere to the Company's culture. In 2020, more than 75% of the Company's leaders were evaluated using this methodology.



TEAM MEMBER HEALTH AND SAFETY

GRI 102-11

The health and safety of team members are priorities for JBS. The Company invested R\$ 323 million in contingency measures, systems and processes, with a focus on COVID-19 prevention at all units in Brazil. The resources were allocated to dozens of actions that are part of the Company's prevention and protection protocol for the more than 142,000 team members at the Company's production units, distribution centers, offices and other facilities in the country. During this period, to ensure the measures were implemented and effective, JBS also undertook snap audits at its 135 production plants for an item-by-item verification of each action comprising its strict safety protocol.

To define its protocol, the Company hired a medical consulting company of specialist infectologists and benchmark institutions like the Albert Einstein Hospital who validated each phase of the Company's protocol in accordance with the medical and healthcare

recommendations and the stipulations of Inter-ministerial Ordinance nr. 19 (Ministries of Health, Agriculture and the Economy), dated June 18, 2020.

Additionally, JBS hired more than 12,000 professionals nationwide to take the places of team members who had been preventively confined to home for being part of the risk group, including pregnant women and the over-60s. This group is also composed of team members in situations of heightened vulnerability, including indigenous peoples and those with a medical condition. All team members testing positive for COVID-19 are also immediately given leave of absence and remain away from their posts until they have fully recovered. When these situations arise, the Company's health team provides full service to everyone, in addition to doing active searches among the team members, those they have had contact with and family members.



COVID-19 – Main Protective Measures

The Company also:

- > Hired **600 healthcare professionals** to assist team members;
- > **Doubled the bus fleet;**
- > Established the **mandatory use of masks** for 100% of team members in all areas of the Company;
- > **Free vaccination against H1N1** for 100% of the team members;
- > **Created campaign cafeterias**, expanding service capacity with safe distancing between team members, without crowding;
- > **Installed additional ambulatory** units in the external areas and annexes to the plants, operating full-time;
- > **Expanded covered rest areas**, with new spaces in tents and/or containers, with more distance between the seats.

Management

GRI 103-2, 103-3 | 403-1, 403-4, 403-5, 402-6, 403-7

JBS acts in a preventive and corrective manner to ensure the well-being and physical integrity of its direct and indirect team members, with the objective of eliminating accidents and offering safe working conditions, in addition to the continuous improvement of its facilities and strengthening of training programs and campaigns. The Self-Management Health and Safety Program (Programa de Segurança e Saúde de Autogestão) summarizes the Company's commitments:

- > **Motivate, inform, develop, train and qualify** team members, making them responsible for ensuring and promoting a healthy and safe working environment;
- > **Anticipate and prevent** accidents, understanding that all accidents can be avoided;
- > **Seek to continually improve** processes, machinery and equipment, promoting control actions to eliminate or minimize incidents;
- > **Ensure compliance with legal requirements**, the Self-Management Health and Safety Program (Programa de Segurança e Saúde de Autogestão), and other items applicable to health and safety;

- > **Build and disseminate** a culture of Health and Safety as a value by leading through example, individual responsibility and shared vigilance.

The Company also monitors the main health and safety indicators on a daily, weekly and monthly basis so that decisions on the subject are taken quickly and with priority.

Monthly management routines monitor the evolution of the frequency rate and severity rate indicators, in addition to improvement actions. Indicators of mandatory training for each role are also monitored, as well as action plans and investigation of possible disputes linked to incidents of legal non-compliances identified through safety inspections.

JBS in Brazil achieved an accumulated reduction of 70% in the frequency rate of Accidents with leave in the last five years, demonstrating its commitment to that continuously improve health and safety results.



R\$ 146.2 million
invested in 2020



130,922 team members trained in occupational health and safety



15% reduction in accidents with leave compared to 2019, in addition to the 11% drop in the frequency rate

OCCUPATIONAL HEALTH AND SAFETY INDEXES

GRI 403-2, 403-9, 403-10

| Indicator | | 2019 | 2020 |
|---------------|--------------------------------|--------|--------|
| Accidents | Accidents with leave | 467 | 396 |
| | Accidents without leave | 7,346 | 6,841 |
| | Total number of accidents | 7,813 | 7,237 |
| Injuries | Rate of injuries with leave | 2.03 | 1.65 |
| | Rate of injuries without leave | 31.99 | 28.53 |
| | Total frequency rate | 34.02 | 30.19 |
| Lost workdays | Lost workdays due to accidents | 26,435 | 12,523 |
| | Severity Rate/Lost Workdays | 186 | 133 |
| Fatalities | Deaths from typical accidents | 3 | 3 |

COMMUNITIES

Good Deeds Are Good (Fazer o Bem Faz Bem) program establishes the guidelines and structures JBS' actions aimed at the community

In its relationship with communities, JBS contributes to the socio-economic development of the regions in which it operates. There are more than 100 municipalities, most of them far from large urban centers, where the main economic activity is the Company's operations. In addition to generating employment, the Company seeks to contribute to the development of communities by supporting initiatives aimed at education and training for children and young people. [GRI 103-2, 103-3](#)

Through the Good Deeds Are Good (Fazer o Bem Faz Bem) program, launched in 2019, with over 75

registered municipalities and more than 90 institutions benefiting, the Company structured its community-focused actions. In 2020, the program's initiatives were focused on helping to fight the COVID-19 pandemic ([read more on Good Deeds Are Good](#)). [GRI 103-2, 103-3](#)

In 2020, the Company created the JBS Fund for the Amazon to support projects related to the conservation and restoration of the forest and the socioeconomic, scientific and technological development of the communities ([read more on JBS Fund for the Amazon](#)). [GRI 103-2, 103-3, 203-2](#)

GERMINARE SCHOOL

In São Paulo, JBS is the main supporter of the Germinare Business School, in which it invested more than R\$ 22.7 million in 2020. In addition, Company executives have acted in recent years as volunteer tutors for students.

In 2020, 150 students were enrolled, of which 35 completed their cycle when graduating at the end of the year. Throughout the year, Seara hired 34 students. Since 2016, the company has incorporated 110 students and former students of Germinare.

The non-profit organization provides free high-quality education to students from the 6th year of Elementary School to the 3rd year of High School. The school's methodology complements the traditional curriculum with activities focused on fostering an entrepreneurial mindset, including training in business management. Upon completing high school, which is integrated with the professional qualification course, the students get a technical diploma in Business Management.



SPECIAL CHEFS

The Special Chefs Institute, founded in 2006, has been supported by Friboi since 2013. The entity promotes the union between the flavors of gastronomy and social inclusion, offering cooking classes for people with Down Syndrome and encouraging them to work on their independence while developing new skills in the kitchen. In 2020, 300 students were enrolled in the program.



SOCIAL BIOFUEL SEAL

Support small livestock producers with free technical assistance, guarantee the purchase of animals and contribute to the sustainability of the Brazilian energy matrix. This is the role of JBS within the Social Biofuel Seal Program (Programa Selo Biocombustível Social), an initiative by the Department of Family Agriculture and Cooperatives (SAF) of the Ministry of Agriculture, Livestock Farming and Supply (Mapa). Since the early days of the integration of livestock farming with the Seal in 2015, the Company has already acquired over

110,000 animals from 437 properties in the 21 municipalities served by the program in the region of São Miguel do Guaporé (RO), in addition to investing around R\$ 5 million in free technical assistance focused on efficient and responsible production.

The program has already guaranteed the small livestock producers involved income of around R\$ 120 million. Throughout 2021, the expectation is to add 200 new producers to the program.

FRIENDLY OIL

Conducted by JBS Biodiesel and JBS Ambiental, the Friendly Oil (Óleo Amigo) program combines education and environmental conservation. The company encourages the selective collection of cooking oil used in public schools and other collection points in Lins (SP) and region, raising awareness about the importance of recycling and proper disposal. Once collected, this oil is directed to the production of biodiesel.

In four years, the program reached 21,000 students, including children, young people, teenagers and even university students. There are 230

collection points, among which 47 are schools and charities. The money raised from the sale of the material to JBS goes to improve the institutions. In 2020, more than 3.6 million liters of used cooking oil were collected in 33 municipalities.

In 2020, during the quarantine period due to the pandemic, the Company set up a residential collection operation in order to maintain the correct disposal of the oil. It collected more than 4,000 liters, reverting the revenue generated to the health center Santa Casa de Lins, hinterland of São Paulo.





FAZER O BEM | **Faz Bem**

ALIMENTANDO O MUNDO COM SOLIDARIEDADE



In 2020, the Company directed the program to communities to fight COVID-19, on three fronts: health, social assistance and science. Decision-making was based on evaluation by three committees, with the participation of external experts: Advisory, Science & Technology and Social. JBS put its operational structure and team members at the service of collating the donation needs of each region and its distribution logistics. By prioritizing actions aimed at the public health network, scientific development and support for NGOs, the Company leaves a legacy to society. All initiatives were controlled and audited by Tyno Consultoria and Grant Thornton. JBS was recognized among the companies that stood out in the fight against the pandemic by the 1st CNN Outstanding Award.

Follow the program's actions at this [link](#).

DONATIONS IN NUMBERS*

GRI 203-1, 203-2

R\$ 400 million invested in actions that impacted 77 million people, in 310 municipalities in 26 states and the Federal District



R\$ 50 million in support of 39 scientific research projects



R\$ 20 million destined to NGOs, benefiting 2 million people



2 permanent hospitals built, in Porto Velho (RO) and in Ceilândia (DF)



1,800 full ICU and infirmaries beds



560 respirators



88 ambulances



1,600 vital signs monitors and 1,200 infusion pumps, used for the application of intravenous medication



15 expansion projects for hospitals and medical clinics



R\$ 5 million donated to the construction of a new vaccine factory at the Butantan Institute, in São Paulo



19 million units of PPEs



500,000 fabric masks produced by local suppliers



560,000 food baskets donated



+ 1 million liters of hygiene and cleaning products



40 pulmonary physiotherapists hired



400 oxygen cylinders for Manaus (AM)



Chartering of planes to transport imported equipment and medicines

* Data accumulated from 2020 to April 2021.



LEARN MORE

Get to know the details of the JBS Fund for the Amazon [at the website](#)



Conservation and recovery of forests, support for communities and scientific and technological development will be achieved through the work of the JBS Fund for the Amazon, created to finance actions and projects for sustainable development in the biome. The Company will contribute R\$ 250 million to finance the Fund's actions in its first five years, in addition to inviting its stakeholders to contribute to the initiative. JBS will match its contribution to third-party donations in the same proportion, up to the limit of R\$ 500 million. The goal is to bring the fund's resources to a total of R\$ 1 billion by 2030.

With this Fund, JBS intends to promote the sustainable development of the Amazon biome, promoting the conservation and sustainable use of the forest, improving the quality of life of the population residing there and developing a portfolio of quality sustainable products for the world.



Environmental Stewardship

The significant reduction in the use of natural resources in production processes is, at the same time, a goal and a practice at JBS

JBS' greatest challenge is to meet humanity's growing nutritional needs in a sustainable manner. Therefore, it is committed to maximizing the efficient use of natural resources, improving the efficiency of its operations and minimizing its environmental footprint

GRI 103-2, 103-3

In practice, this commitment is manifested through three aspects:

- > Setting of goals and monitoring of environmental indicators by a qualified, trained and dedicated team;
- > Preparation of an annual investment plan for environmental improvements and the engagement of team members and suppliers in sensitive topics to referring this issue;
- > Engagement of the priority raw material supply chain in accordance with the Company's social and environmental policies and criteria.

JBS has a computerized Environmental Management System that manages environmental and sustainability indicators at production units, such as water usage, effluent generation and analysis, energy consumption, steam generation, waste generation, transportation, gas coolants, production data and indicators on greenhouse gas emissions, among others. This allows for oversight of plant performance, tying it to the goals for reducing consumption and emissions and more efficient use of natural resources. The Environmental Management System adopted at the plants is audited internally and is based on ISO 14001 specifications.



Investment in environmental management

JBS has an Investment Plan for environmental improvements. The plan is updated annually and is based on a broad environmental diagnosis carried out by the Company to identify opportunities for improving the environmental indicators of the processing units in Brazil.

R\$ 387.6 million were invested in environmental management In 2020, 67% more than In 2019

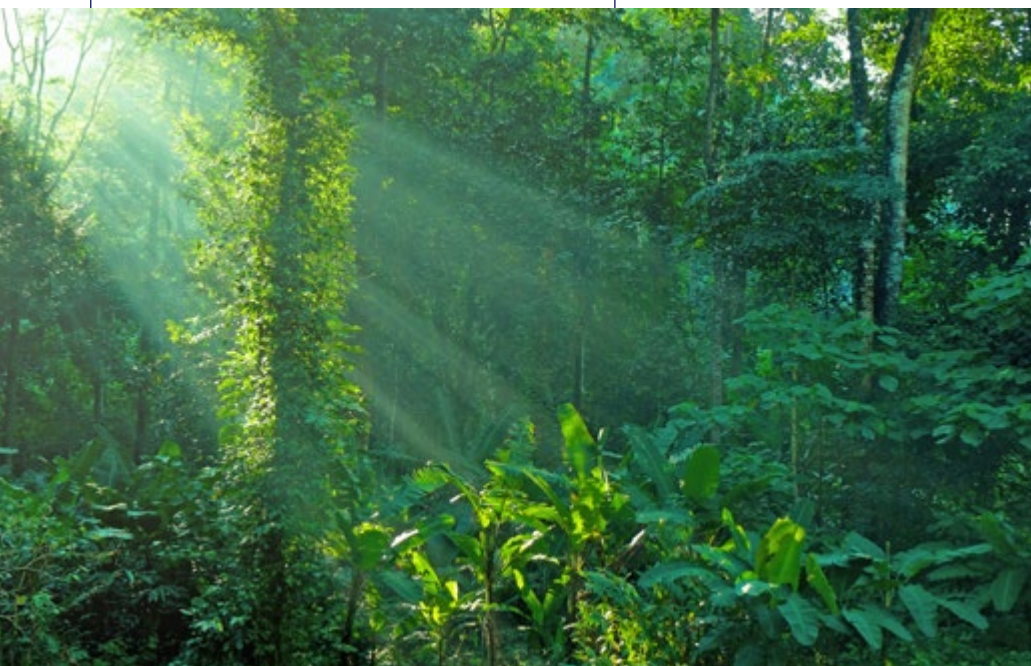
10,000+ team members received training on the subject in 2020

It also has an Environment Policy, which establishes the guidelines for standards and good practices to be applied in the Company's daily activities, in addition to disclosing the points of environmental monitoring and control in order to standardize actions and routines among all manufacturing plants.

JBS' management is focused on operational efficiency, innovation and compliance with applicable environmental laws and regulations, as well as promoting a model of continuous improvement. It also recognizes

that environmental protection and resource conservation provide value and security for current and future generations.

For the second consecutive year, JBS had its environmental data (water and energy consumption, water reuse, effluent generated, self-generation and consumption of renewable energy, greenhouse gas emissions - scopes 1 and 2) and production data audited, according to standards established by ISO 14064-1:2007, the Brazilian GHG Protocol Program and GRI by SGS, the world's leading Swiss company in inspection, verification, testing and certification.



Circular economy: products with a low environmental footprint

The concept of circular economy is fundamental for the sustainability of JBS' operations. That is why it has a business unit that reuses the waste generated in manufacturing processes to produce new products, JBS Novos Negócios. Other JBS businesses also carry out innovative improvements, which result in products with a low environmental footprint, such as JBS Couros.

The main highlights are:

> **JBS Ambiental** – developed Green Flooring from plastic waste from the Company's operations. It also produces 100% of the garbage bags used at its processing units in Brazil with post-industrial waste and has developed a new shrink film to package products exported by Seara.

> **JBS Biodiesel** – is the largest producer of biodiesel from beef tallow and used cooking oil, previously considered as waste, which qualified it for the sale of carbon credits – in 2020, it generated more than 430,000 Decarbonization Credits (CBios), which equivalent to preventing more than 430,000 tons of greenhouse gases (GHG).

> **JBS Couros** – developed Kind Leather, whose production process reduces water consumption by 52%, by energy consumption by 62% and solid waste 93% throughout the production chain.



WATER AND WASTEWATER MANAGEMENT

GRI 103-2, 103-3

Water management is at the base of the Company's production chain. Developing of strategies and projects to ensure maximum efficiency in the use and reuse of water, in addition to minimizing the need for new catchment sources, are priorities in work routines that abide by the Sustainable Water Management Program (PGSA) – Programa de Gestão Sustentável de Água (PGSA). JBS submits an annual report on its water risk performance to CDP, having obtained a B rating in its last assessment, ranking it among the best companies in the sector in the country.

In 2020, R\$ 31.9 million were invested in the Company's improvements in the use of water in operations. Water reuse reached 1.6 billion liters.

Another important point for the Company is the analysis of the

In 2020 alone, the Company invested **R\$ 31.9 million** in improvements in the use of water in its operations

supply risk of its units. JBS conducted a comprehensive water risk assessment at each facility, which identified the facilities at greatest risk. According to the water criticality map, 73% of JBS plants have a low or medium-low water risk level. Plants diagnosed with high risk represent only 2%.

Water risk assessment is a critical element of JBS' water management strategy, allowing it to identify and prioritize projects that are locally relevant for each river basin, in addition to reducing the Company's overall impact on water.



Water withdrawn by source (m³)

GRI 303-3, 303-5

| | 2018 | | | 2019 | | | 2020 | | |
|-----------------|-------------------|-------|--|-------------------|-------|--|-------------------|-------|--|
| Surface water | 35,777,742 | 54.3% | | 39,474,812 | 54.5% | | 40,720,148 | 53.1% | |
| Groundwater | 27,377,071 | 41.6% | | 29,693,071 | 41.0% | | 32,052,939 | 41.8% | |
| Utility company | 2,525,455 | 3.8% | | 3,131,882 | 4.3% | | 3,770,620 | 4.9% | |
| Rainwater | 158,451 | 0.2% | | 125,783 | 0.2% | | 117,437 | 0.2% | |
| Other sources | 0 | 0.0% | | 609 | 0.0% | | 0 | 0.0% | |
| Total | 65,838,719 | | | 72,426,157 | | | 76,661,144 | | |

Volume of effluent generated and treated by type of disposal (m³)

GRI 303-4, 306-1

| Discarded quantity | 2018 | | 2019 | | 2020 | |
|--------------------|-------------------|-------|-------------------|-------|-------------------|-------|
| Water body | 48,992,146 | 88.3% | 53,664,709 | 89.2% | 57,619,495 | 90.9% |
| Fertigation | 5,329,747 | 9.6% | 5,421,658 | 9.0% | 4,775,118 | 7.5% |
| Public network | 1,056,564 | 1.9% | 1,025,256 | 1.7% | 1,004,977 | 1.6% |
| Other sources | 116,629 | 0.2% | 63,989 | 0.1% | 0 | 0.0% |
| Total | 55,495,086 | | 60,175,612 | | 63,399,590 | |

All effluent generated by the operations either goes to on-site treatment stations or to the sewage company's systems. In 2020, R\$ 94.4 million were invested to improve on-site effluent treatment plants.

The Company constantly tracks the performance of effluent treatment plants and monitors compliance with the physical-chemical standards established by law.



The effluents generated by the operations are sent to on-site treatment stations or to sewage company's systems



83%

of collected water is returned treated to the environment

The Company reused

1.6 billion liters of

water in 2020



CLIMATE CHANGE

GRI 103-2, 103-3

The results of initiatives to reduce greenhouse gas (GHG) emissions from production processes have been monitored for 12 years through annual GHG inventories, using a computerized system. The information is reported in the Brazilian GHG Protocol Program, in CDP Climatic Changes, in CDP Forests, and to the Paraná state government, all on a voluntary basis.

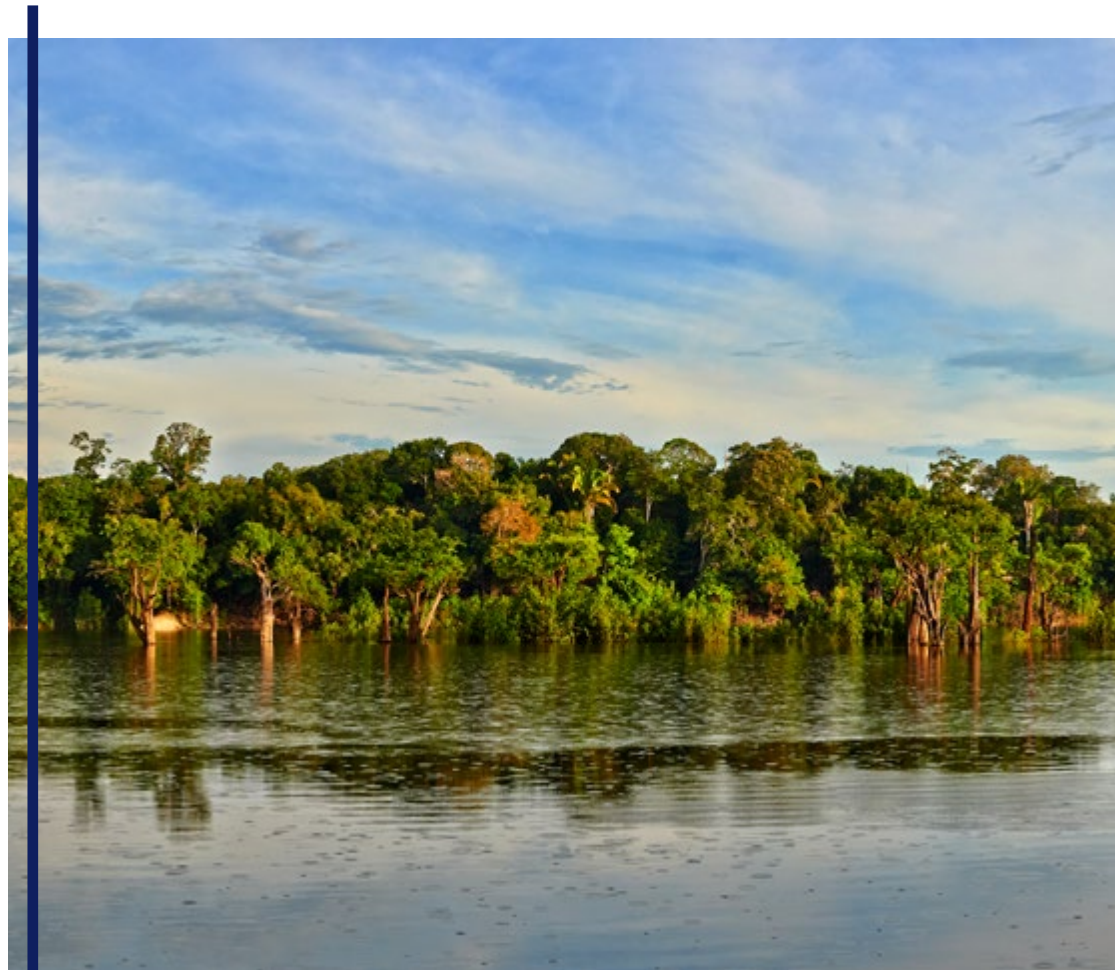
JBS monitors and accounts for its operations' GHG emissions and reports them within scopes 1, 2 and 3, in accordance with the international methodology of the GHG Protocol.

In 2020, JBS Biodiesel was the first company certified to market CBios, emitting more than **430,000**

> **Scope 1 emissions** – emissions coming from the Company's own fleets, fuels used to generate energy or heat in operations, effluent treatment ponds, use of coolant gases and CO₂ from enteric fermentation from animals on feedlots or Company farms, among others.

> **Scope 2 emissions** – indirect energy emissions arising from the use of purchased electricity or steam.

> **Scope 3 emission** – indirect emissions resulting from the third-party fleet, commercial air travel, decomposition of waste on third-party properties and others. Emissions in this scope are therefore considered to be emissions over which the Company has no operational control or has indirect responsibility.



Among the highlights of emission reduction are the operations of JBS Biodiesel, a producer of fuel from beef tallow and used cooking oil, collected at 230 points in the state of São Paulo. In 2020, the Company was the first

Company certified to sell Decarbonization Credits (CBios) through the federal government's RenovaBio program. More than 430,000 CBios were emitted in 2020, which corresponds to the same volume in tons of CO₂ emissions.

2020 HIGHLIGHTS

JBS is committed to reducing emissions and working hard on the transition to a low carbon economy. This positioning was recognized in 2020.



- > **CDP** – the most respected global platform for corporate sustainability information, evaluated JBS on three fronts: Climate Change; Water Security; and Forests, the latter being divided into the Wood, Cattle and Soybean categories. JBS went up from B to A- in Climate Change category, reaching the level of leadership on the topic, and from B- to B in Forests: Soybean, maintaining grade B in the other items analyzed, occupying the best position among Brazilian companies in the Food, Beverage & Tobacco sector.



- > **ICO2 Index** – JBS was once again chosen to be part of the B3 Carbon Efficient Index (ICO2 B3) portfolio, which takes into account companies' commitments to managing their greenhouse gas emissions.



- > **GHG Protocol Gold Seal** – the Company was awarded the seal for publishing its GHG emissions and for submitting the inventory to external verification, carried out by the certifier SGS.



- > **Paraná Ouro Climate Seal** – an initiative of the government of Paraná that recognizes the efforts of companies that voluntarily report to the State Department for Sustainable Development and Tourism (Sedest) information regarding the accounting of greenhouse gas emissions (GHG). The Gold Seal category is awarded to companies whose inventories have been audited.

NET ZERO 2040

Global warming is one of the greatest challenges in human history. As one of the world's largest food producers, JBS assumed, in 2021, the commitment to be part of the change, becoming Net Zero by 2040.

JBS will zero the balance of its greenhouse gas emissions,

reducing its direct and indirect emissions (scopes 1, 2 and 3) and offsetting all residual emissions.

The Company will provide an action plan, supported by science-based targets, consistent with the criteria established by the Science-Based Targets initiative (SBT) – see more at the [link](#).

Emissions reduction

From 2016 to 2020 there was a **9.2% reduction** in scopes 1 + 2 emissions by intensity in the South American operations. GRI 305-4

GHG emissions by scope (tCO₂e)

GRI 305-1, 305-2, 305-3, 305-5

| | 2018 | 2019 | 2020 |
|---------|------------|------------|------------|
| Scope 1 | 668,865.30 | 675,325.70 | 681,325.37 |
| Scope 2 | 188,385.78 | 192,253.33 | 158,383.83 |
| Scope 3 | 433,489.88 | 626,852.60 | 381,889.27 |

In 2020, GHG emissions by intensity were **3.2% lower** than in 2019, considering scopes 1+2

ENERGY EFFICIENCY

GRI 103-2, 103-3

In addition to the efficient use of energy, JBS' focus is on investing in self-production and the use of renewable energy. The business engineering teams are dedicated to identifying opportunities to reduce energy use, developing eco-efficiency projects, and replacing equipment. The Company also institutes campaigns and promotes awareness training on the subject. In 2020 alone, R\$ 21.7 million were invested in energy efficiency projects.

The Biolins cogeneration unit, located in the Lins Industrial Park, in the hinterland of São Paulo, generates thermoelectric energy and steam from biomass (sugarcane bagasse, eucalyptus chips and various biomass residues), with a generation capacity of around 45 megawatts of energy per hour, enough to supply a city with a population of 300,000. About 33% of the electricity generated supplies the plants of Friboi, JBS Couros and JBS Novos Negócios in the industrial complex where it is located. The

remainder is distributed to JBS units and also sold to the domestic market. Steam generation, in turn, is solely used to supply adjacent JBS production plants. Biolins alone generates the equivalent of 20% of total energy used by all JBS factories in Brazil.

At the Company, the use of renewable energy represents 80% of the total consumed in its production units, and if only the Brazilian operations are considered, this number rises to 89%.

In 2020, the Company leased a photovoltaic plant to serve nine Swift stores. The expansion to another 50 stores is planned for 2021. In addition to clean energy, 75% of stores have refrigeration equipment that does not use gas and consume 40% less energy. By the beginning of the second half of 2021, 100% of the stores will have this equipment.

80% of all energy consumed by JBS is from renewable sources

Energy matrix (GJ) GRI 302-1

| Direct energy* | 2018 | 2019 | 2020 |
|----------------|-------------------|-------------------|-------------------|
| Total | 54,325,648 | 49,982,588 | 35,449.911 |
| Renewable | 50% | 56% | 80% |
| Non-renewable | 50% | 44% | 20% |

* Considers as direct energy the generation of electricity, use of fuel for steam generation and thermal heating (stationary combustion) and fuel consumption for the operation of its own vehicle fleet (mobile combustion).

WASTE MANAGEMENT

GRI 103-2, 103-3

At JBS, all areas are committed to working to recycle, reuse and reduce solid waste generated in industrial processes as efficiently as possible. All production units comply with the National Solid Waste Policy (PNRS) and waste management is based on the Solid Waste Management Plan (PGRS), created by the team members tasked with environmental duties at the unit. This plan defines procedures for collection, transportation and correct disposal, along with good practices to lower the amount of waste generated in specific points in the process.

In addition, the Company maintains a business unit dedicated to circular economy practices: JBS Ambiental, which is responsible for collecting, recycling, reusing and transforming the waste generated in the Company's operations. With an exclusive socio-ecological project, in line with determinations of the Ministry of the Environment and other environmental agencies, JBS Ambiental invests in research and new technologies to

develop solutions that add value to waste. **GRI 301-3**

Plastics are recycled and transformed into new products to be used at JBS units in the form of trash bags, plastic tarps, pallet covers, shrink wrap, pallets and injected racks, among others. Plastics are also transformed into recycled resins, to be used as raw material for the manufacture of new products. JBS Ambiental has 12 waste centers and, in 2020, processed approximately 25,000 tons of solid waste, of which 20,000 tons were recycled and returned to the supply chain. **GRI 301-2**

One of the main achievements in 2020 was the creation of Green Flooring. The unit has developed a process that makes it possible to transform plastic used in vacuum-wrapped raw products into interlocking flooring suitable for laying in external environments like paving for patios. It also created plastic barriers used as PPE to isolate operational team members, as a preventive measure



for COVID-19. In 2020, 2,745 tons of recyclable plastic resins and 2,476 tons of recycled plastic products were produced. **GRI 301-2**

JBS Couros has further improved the innovative Kind Leather, whose production process removes those parts of the hides not so frequently used, right at the start of the process, since this material can still serve as raw material in other industries, such as the pharmaceutical and

food industries, transforming waste into raw materials and significantly contributing to the sustainability of the entire value chain. It also received the best grade in the industry by the Higg Index, an index focused on the sustainability of the fashion industry.

JBS also manages post-industrial waste, which is not reused, in order to ensure it is disposed of in an environmentally correct manner.

Waste generated in operations (t) GRI 306-2

| Waste disposal | 2018 | | 2019 | | 2020 | |
|---------------------------------------|------------------|--------|------------------|--------|------------------|--------|
| Total volume of waste - non-hazardous | 1,331,588 | 97.83% | 1,380,997 | 97.70% | 1,306,900 | 98.49% |
| Total volume of waste - hazardous | 29,530 | 2.17% | 32,466 | 2.30% | 20,096 | 1.51% |
| Total volume of waste | 1,361,118 | | 1,413,463 | | 1,326,996 | |
| 1. Company landfills | 23,534 | 1.73% | 19,261 | 1.36% | 9,463 | 0.71% |
| 2. Third-party landfills | 153,616 | 11.29% | 286,900 | 20.30% | 136,555 | 10.29% |
| 3. Composting | 488,166 | 35.87% | 408,816 | 28.92% | 496,789 | 37.44% |
| 4. Incineration | 1,664 | 0.12% | 360 | 0.03% | 457 | 0.03% |
| 5. Recycling | 200,005 | 14.69% | 203,936 | 14.43% | 179,383 | 13.52% |
| 6. Energy reuse | 16,089 | 1.18% | 22,311 | 1.58% | 32,496 | 2.45% |
| 7. Cogeneration | 36,084 | 2.65% | 39,222 | 2.77% | 30,261 | 2.28% |
| 8. Fertigation (Farmland) | 351,182 | 25.80% | 355,288 | 25.14% | 357,293 | 26.92% |
| 9. Other | 90,778 | 6.67% | 77,369 | 5.47% | 84,300 | 6.35% |

HIGHLIGHT

738,900 tons of waste were reused, representing **55.7%** of the total waste generated, which were destined for composting, recycling, energy reuse and cogeneration

GRI 301-2

In total, approximately **32,500** tons of waste were reused for energy generation, an increase of **46%** over the previous year

PACKAGING

A fundamental part in the protection and safety of food, from processing to the consumer's table, packaging also needs to be disposed of carefully. For this reason, JBS encourages the return of packaging to the production chain, in an effort to contribute to recycling and diminish the impact of landfill disposal.

All Company operations invest in research and development to find ways to reduce and optimize the use of packaging, lowering the amount of waste generated by customers and consumers. Packaging meets the environmental labeling rules established by the Brazilian National Standards Organization (ABNT NBR 16182). This regulation standardizes symbols used to inform consumers on how to correctly dispose of post-consumer packaging. This makes it possible to separate dry waste from wet waste, for instance, sending them for separation followed by sorting. This contributes to ongoing improvement in the recycling chains in the various materials sectors.

JBS also develops processes that reduce packaging losses and costs, 86% of which are made of materials from a renewable source. In addition, the Company supports Reverse Logistics programs to comply with the National Solid Waste Policy, such as Prolata, Programa Cidade+ and eureciclo. **GRI 301-1**

The main results of the implemented R&D projects are:



FRIBOI

- > Reduction of packaging losses during production by 27% compared to 2019;
- > Packaging cost reduction of around R\$ 18 million;
- > Migration of frozen products to bags without barriers, enabling the recycling of 294 tons of packaging at its final destination.

SWIFT

- > Reduction in the thickness of cardboard boxes;
- > Reduced the use of shrink film, with eight tons of film saved.
- > Reduction in the length and thickness of IQF packaging and vacuum-packed parts, with 10 tons of packaging saved;

SEARA

- > Use of PE resins from renewable sources in packaging structures;
- > Use of the recyclability percentage in packaging of the Al Fresco line;
- > Reduced weight of pizza packaging units by 8%;
- > Optimization and reduction of types of boxes (23 items), unifying formats;
- > Optimization of griller boxes, promoting further reductions in cardboard consumption;
- > Unification and reduction of the box area by 21% in Tangará da Serra (MT), generating a consumption reduction of approximately 40 tons of cardboard for the year.

REVERSE LOGISTICS INITIATIVES

The Company, through its support for Reverse Logistics Programs in Brazil, is committed to recovering at least 22% of the volume corresponding to the packaging it places on the market



JBS supports the Program City+ (Programa Cidade+), developed and managed by the NGO Recicleiros, which advises city halls on the implementation of selective collection while enabling companies to comply with Law 12305 National Solid Waste Policy (PNRS), which also requires investment in recyclable material collectors' cooperatives through training, infrastructure, donated equipment, among others. The program is committed to recovering 22% of the contracted volume in five years.



JBS is part of the Prolata Program, an initiative of the Brazilian Steel Packaging Association (Abeaço), in compliance with the PNRS since 2014.

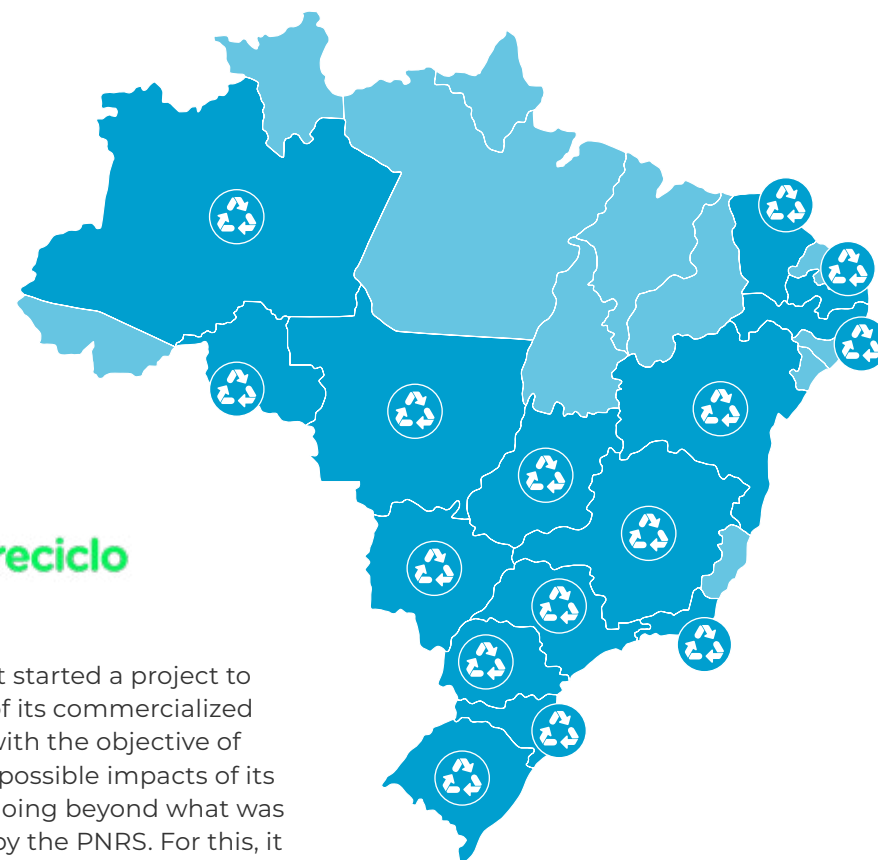
The program operates on three pillars: reception/deposit centers, with a structure to receive large volumes; cooperatives of recyclable material collectors, responsible for the work of social inclusion; and Voluntary Delivery Points (PEV), which interface with the end-consumer.

The program is committed to recovering 28% of the steel packaging placed on the market. According to data provided by Abeaço, the program has already recycled more than 54,000 tons of steel.



In 2020, Swift started a project to offset 100% of its commercialized packaging, with the objective of neutralizing possible impacts of its packaging, going beyond what was established by the PNRS. For this, it signed a partnership with eureciclo, a reverse logistics certifier, resulting in more than 3,000 tons of materials removed from the environment.

All products with the Swift brand will have the eureciclo seal, which is intended for companies seeking to communicate their concern and efforts to mitigate the impacts of their business on the environment.



With support for the programs, JBS has initiatives in the following states in the country

South: PR, SC, RS

Southeast: SP, RJ, MG

Midwest: MS, MT, GO, DF

Northeast: BA, PB, PE, CE

North: AM, RO

JBS respects and supports the responsible breeding of animals, based on their fundamental freedoms

Animal welfare



JBS has an animal welfare program-established in its production chain. Building on regulatory references, global legislation and customer codes of practice, the program is based on concept of the five fundamental freedoms of animals, published by the Farm Animal Welfare Council (FAWC) GRI FP10, FP11



R\$ 162.9 million
invested in 2020

27,663 team
members trained
in animal welfare

Five fundamental animal freedoms

1. Freedom from hunger and thirst
2. Freedom from discomfort
3. Freedom from pain, injury or disease
4. Freedom to express normal behavior
5. Freedom from fear and distress



In addition, JBS has an Animal Welfare Committee, responsible for establishing guidelines that improve the Animal Welfare Policies adopted, consisting of representatives from the corporate areas of Sustainability, Quality, Agriculture and Industry, among other members.

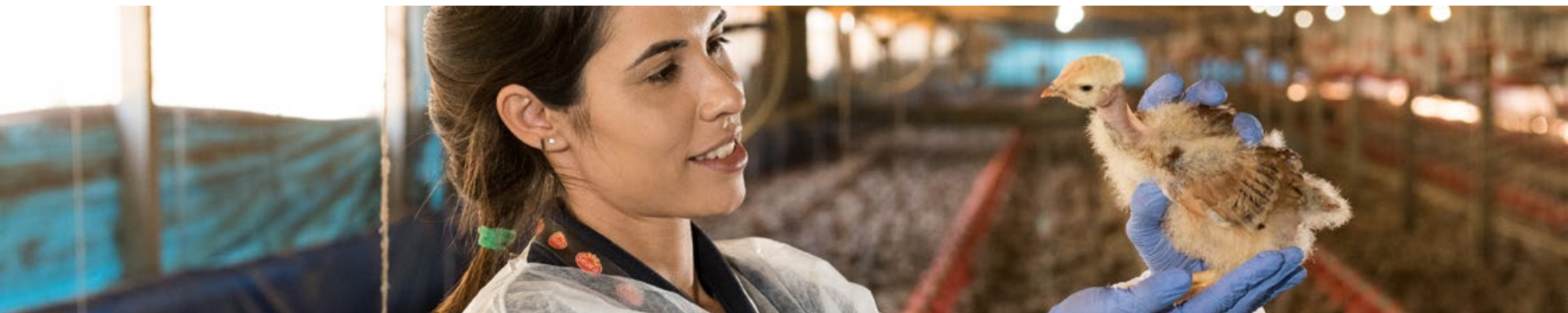
All JBS business units maintain specialized multidisciplinary teams for each animal species, as well as professionals responsible for animal welfare at the corporate level, which undergo constant improvement. They are also responsible for ensuring compliance with the policies and procedures required by animal welfare programs, for preparing

and improving the Company's good practices, offering support to production units, establishing partnerships with researchers, specialized companies and universities, coordinating research and innovation projects, in addition to developing technical specifications that suppliers must adopt.

At the production units, the Company maintains multidisciplinary Quality Assurance professionals, veterinarians and corporate teams, that oversee the implementation of the animal welfare policy, from the evaluation of facilities and equipment, training programs to continuous monitoring of procedures.

All professionals in contact with animals periodically receive specific training on humane animal handling and slaughter.

JBS is constantly working to reduce the use of antibiotics throughout the supply chain, so preventive use is not part of the production routine. Currently, they are given only in cases of need, always following veterinary recommendations. The use of medications is registered and tracked throughout the integrated and Company chain of poultry and pork suppliers (*read more on [website](#)*). GRI FP12



BREEDING

GRI FP9

With around 30,000 active cattle supplier farms, the Company encourages the adoption of best practices on rural properties, conducting campaigns, lectures and seminars, in addition to sponsoring supplier engagement programs. In its online platform there are technical materials on animal health and welfare prepared by the Company's own technical staff, as well as manuals on Good Management Practices of the Group of Studies and Research in Animal Ethology and Ecology (Etco Group), sponsored and re-released by JBS.

When purchasing animals, suppliers are interviewed by the originators and sign a term of responsibility on the rational use of veterinary products, such as antibiotics and

antiparasitics, as well as on the non-use of prohibited substances. Additionally, they are instructed on the best practices for preparing and loading animals.

All poultry and pigs are raised by more than 9,000 producers on farms with controlled environments, that is, with the best conditions of lighting, ventilation, humidity, temperature, bedding quality (in the case of poultry) and biosecurity. The aviary bed (covering the floor of the sheds) is made of dry, soft material that provides adequate comfort for the animals.

Water quality is routinely monitored. The feed is formulated to meet all the animals' daily nutritional needs and is produced by proprietary

feed factories, where the quality of the inputs is fully supervised by trained technicians.

Various procedures and controls are part of the routine procedures to ensure animal welfare parameters throughout the entire production chain. The adequacy of structures and equipment is constant and there emergency procedures have been established in case of relevant anomalies in the processes. A series of indicators are used to measure animal welfare conditions, such as: transport time; viability; foot corns; weight gain; density; and hatching. When any deviation in these parameters is verified, corrective actions are taken.

Since adopting the commitment to house 100% collective gestation stalls,

the Company has been working with producers to assist in the for migrating the model. By the end of 2020, the Company had 56% of females in collective gestation. It is important to note that, although the percentage meeting the commitment has decreased compared to 2019, the number of mothers in collective gestation increased significantly compared to the previous year. The decrease in the percentage was caused by contracting new producers who became part of the integration system and who for the most part, were not suited to the collective gestation system.

To learn more about animal welfare indicators and their performance, visit the JBS [website](#).



USE OF ANTIBIOTICS GRI FP12

Seara has a detailed policy regarding the use of antibiotics. The use of medicines, vaccines and other substances not authorized by Seara is strictly prohibited, and the use of products that are not supplied by the technical assistance team is prohibited.

The responsible use of medicines and vaccines is one of the requirements listed in the Partnership Agreement, described in the Technical Guidance documents and Batch Monitoring Sheets, in addition to being reemphasized during all training sessions given by the technical team.

The Company has an internal monitoring plan for approved substances and also for molecules not allowed for use in our plants. Another important tool is the antibiograms, taken from samples collected from the farms, which help to define the best and most efficient molecules to be used. Rotation of antimicrobial molecules within the strictly approved list is also crucial to maintaining the effectiveness of treatments.

Biosecurity is essential for reducing the risk of contaminants and for keeping animals healthier and improving their well-being.

Seara works continuously to reduce the use of antibiotics in poultry and pig farms, improving biosecurity, vaccination schemes, cleaning and disinfection programs, use of alternative products to antibiotics, such as probiotics, organic acids, among others.

All use of antimicrobials is carried out under prescription from a veterinarian, observing the waiting period of the active ingredients, legislation, customer and market requirements, the dose and the action mechanism indicated for each active ingredient and each challenge to be treated.

It is important to emphasize that practices such as cloning and genetic engineering are not adopted in the JBS supply chain. In addition, the Company does not use any type of growth hormone, in accordance with Brazilian laws.

TRANSPORTATION

The Company constantly invests in projects to improve and modernize animal transport vehicles, as well as in the renewal of its own fleet, with the objective of increasing the safety and comfort of animals during transportation. All drivers receive training at least annually.

In Seara's live animal logistics, vehicles preferentially take the best access routes, always taking into account distance, travel time and speed along the route. The average distances are 54 km for poultry and 63 km for pigs. At Friboi, the average radius is 191.10 km, with an average transport time of 4.3 hours.

Friboi has controls and targets for sourcing animals from farms close to its strategically located units. Transportation is provided both by JBS and by the service providers' own vehicles. In both cases, vehicles and drivers are periodically audited by the production unit quality assurance teams, so that the quality of the service provided is maintained and improved.



PRODUCTION

JBS constantly invests in innovation and improvements in facilities, acquiring of the best equipment and structures available on the market. In addition, it provides training for teams of specialists at the production units to monitor delivery and reception of the animals to ensure their well-being until they are sent for processing. Performance at all stages is regularly assessed and audited, internally and externally, using specific metrics.

All operations comply with local laws and technical standards, as well as the principles of animal freedom and humane slaughter. For commercial reasons, JBS adopts religious guidelines that respect the cultural characteristics and diversity of the markets in which it operates.

Friboi is a pioneer in the beef processing sector in Brazil in using the camera system to monitor animal welfare indicators.

Seara is committed to acquiring, by 2020, eggs as a raw material exclusively from cage-free origin. The company has fulfilled its commitment to 100% of the product portfolio. However, in December

2020, with the acquisition of Bunge's margarine and mayonnaise assets, the transition of the new products that integrated Seara's portfolio will have been completed by 2025. The volume of cage-free eggs acquired in the first semester of 2021 represents 40% of the total purchased.

GLOBAL ANIMAL WELFARE RANKING

The results of the Company's initiatives in this area can be seen in *The Business Benchmark on Farm Animal Welfare* (BBFAW), an annual report with a global reach on good animal welfare practices.

In 2020, JBS retained its position among the best companies in the world, in Tier 3.

Animal Welfare Certifications

BEEF



POULTRY AND PORK



National Chicken Council Standard (NCC-PAACO)

International customer protocols

SPECIAL PRODUCTS

Seara offers three product lines that are internationally certified in animal welfare.

> **Seara DaGranja** – chickens are bred by exclusive farms and fed with 100% plant-based feed. Breeding is antibiotic – and anticoccidial – free. The process is guaranteed by the traceability of the entire production chain.

> **Free-range Chicken Nhô Bento** – specially bred free-range chickens, have access to external paddocks for grazing and are raised at a higher age than traditional chickens.

> **Seara Orgânico** – poultry receive a balanced, plant-based diet consisting of GMO-free, 100% organic soy bean and corn, in addition to vitamins and minerals. Animals also have free access to outside areas.





JBS monitors, evaluates and improves compliance actions throughout the operation to foster an environment of ethics and integrity

Ethics and Compliance



JBS has seven Ethics Committees supporting and guiding the Company's compliance activities

GRI 102-17, 103-2, 103-3

To ensure an ethical and fair environment in all of the Company's businesses, JBS monitors, evaluates and improves the compliance actions adopted through the **Always Do It Right** (Faça Sempre o Certo) program. Created in 2017 under the responsibility of the Global Compliance Board, which reports directly to the Board of Directors, the program is based on eight pillars of action:

- 1 Risk assessment
- 2 Leadership and governance
- 3 Policies and Procedures
- 4 JBS Ethics Line
- 5 Controls
- 6 Training and communication
- 7 Third-party due diligence
- 8 Assessment and monitoring

Codes of Conduct and Ethics guide the behavior of team members, suppliers and partners, while controls have been implemented for prevention and detection that ensures uninterrupted monitoring and daily notifications of incidents of non-compliance. In 2020, the Codes were revised and expanded.

Also in 2020, the Compliance area launched a Global Anticorruption Policy, with the objective of guiding and alerting team members about the Company's guidelines and the behavior expected of them, applicable in all regions where JBS operates. The Company continued to closely scrutinize all donations made by the Good Deeds Are Good (Fazer o Bem Faz Bem) program, as well as analyzing the actions to be undertaken by the JBS Fund for the Amazon. **GRI 205-1, 205-2**

In Brazil, JBS has seven Ethics Committees that support and guide Compliance activities. In spite of the challenges posed by the COVID-19

pandemic, the area pushed ahead with remote training of team members, involving the Board of Directors, the Executive Board, administrative teams and production units. The program also enhanced the robustness of the initiatives of the **Always Do It Right** (Faça Sempre o Certo) program, with the inclusion of the topics of Conflict of Interests and Antitrust. **GRI 102-25**

In 2020, there were three monothematic training sessions, serving different target audiences: Anticorruption (third version); Conflict of Interest (first version); and Antitrust (first version). All team members received training on the Code of Conduct. **GRI 205-2**

In 2020, JBS also provided training for third parties in its value chain (livestock producers and integrated producers) on its Code of Conduct for Business Partners. Livestock producers were trained online, through video, and the content will

be available throughout 2021. For integrated poultry and pig producers in Brazil, the training continued until April 2021 through the Company's extension agents. Training is expected to exceed 7,000 hours, and everyone is entitled to a certificate, valid for two years.

The requirements for compliance with the best sustainability and Compliance practices are relevant components for decision-making by the main players in the Brazilian and global markets. JBS wants to lead by example and ensure the evolution of the entire production chain, not just the Company.

LEARN MORE

Learn more about the Compliance program at [this link](#)



COMPLIANCE 2020 HIGHLIGHTS

- Launch of the Global Anticorruption Policy
- Evaluation of the Compliance program by an independent external audit, with a 97% adherence to the best practices;
- Review and improvement of the Codes of Conduct and Ethics and the Code of Conduct for Business Partners;
- Conflict of Interest Survey with approximately 1,200 team members (including presidents, directors and managers), focused on identifying and dealing with conflict situations to mitigate possible risks;
- Training cycle on specific Compliance topics (Anticorruption, Antitrust and Conflict of Interests);
- Training on the Code of Conduct and Ethics, available in different formats, developed for each audience – executives (including members of the Board of Directors and advisory committees), administrative and operational positions;
- Hiring an international consultancy for improvements and updates to the due diligence software, with the objective of further improving the third-party reputational assessment process – more than 5,000 reputational analyzes were carried out;
- Online third-party training on the Business Partner Code of Conduct;
- Extensive communication through the monthly Compliance News newsletter;
- More than 2,400 internal processes evaluated and monitored.

TRAINING IN NUMBERS GRI 205-2

- **115,702** team members trained on the Code of Conduct and Ethics, totaling **50,804 hours** – available for all the staff;
- **21,228** team members trained in anticorruption practices, totaling 21,305 **hours** – available for the administrative staff;
- **20,386** team members trained in conflicts of interest, totaling **20,555 hours** – available for the administrative staff;
- **683** team members trained in antitrust practices, **totaling 341 hours** – available for team members in strategic positions.

MAIN INITIATIVES

Codes of conduct

GRI 102-16

The **Code of Conduct and Ethics** guides team members to act in accordance with the Company's principles and values. In 2020, the guidelines and standards were revised and a new edition of the document was released. Available in Portuguese, English, Italian, Spanish and French, the Code aims to consolidate and unify proper ethical behavior at the different JBS operations around the world.

As a protagonist in the development of its entire value chain in matters related to business integrity, JBS continuously disseminates the **Code of Conduct for Business Partners**. In 2020, the document was improved by increasing the emphasis on sustainability-related issues, such as animal welfare. Some of the actions that bolstered the training courses intended for suppliers and partners included topics related to human rights, labor laws and countering child and forced labor. In order to expand the scope of initiatives on the relationship between the Company

and third parties, the training courses were extended to all integrated producers of Seara, poultry and pig breeding partners as well as livestock producers (*read more on [Ethics and Compliance](#)*).

ETHICS COMMITTEES

GRI 102-17, 205-1

The **Always Do It Right** (Faça Sempre o Certo) program is managed by seven ethics committees of the JBS businesses – Friboi, Seara, Swift, JBS Couros, JBS Novos Negócios, Corporate and Institutional, consisting of the Company's senior management.

In quarterly meetings, the committees monitor and define actions and discuss measures to improve the Compliance pillars. The Institutional Ethics Committee, consisting of the CEO of JBS in Brazil, the Global Compliance Director and other Company executives, has a strategic role and deliberates on the program's guidelines.



The Codes of Conduct and Ethics for team members, suppliers and partners were revised and expanded in 2020

JBS Ethics Line GRI 102-17

The JBS Ethics Line remained in effect and played an important role in complying with COVID-19 sanitary protocols implemented throughout the entire Company. The channel, available 24/7 since 2017 in four languages, is available to receive any reported grievances and situations that violate the Code of Conduct and Ethics.

The Company encourages the entire team to use the JBS Ethics Line, guaranteeing security and total confidentiality. For JBS, reporting bad practices represents an important value for the Company that is transmitted to team members: ownership.

In 2020, all reports received were duly processed and investigated. For valid or partially successful cases, disciplinary measures and action plans may be instigated. The Company is committed to closing more than 90% of investigations of complaints received in the channel within 60 days (*read more [here](#)*).

GRI 205-3

Main Policies

GRI 102-17, 103-2, 103-3

Some policies guide the relationship of team members and third parties with JBS: anti-bribery and anticorruption; conflict of interests; offering and receiving gifts, promotional items, travel and entertainment; donations; sponsorships; and the JBS Ethics Line.

In 2020, the Company began updating conflict of interest situations, when all directors and managers were consulted, through questionnaires, to reassess situations dealt with in 2018. In 2021, for the first time, all coordinators will be involved in the process and will also respond to the questionnaire. **GRI 102-25**

Regarding political contribution and involvement, JBS does not make contributions to public bodies. Additionally, the Company advises its executives not to make political donations, even as individuals, and has notified all team members that any political manifestation must be of a personal nature and never institutional. The Company is doubly careful during elections, especially at its production units. **GRI 415-1**

Third-Party Assessment

JBS uses a due diligence system to assess the reputation of third parties, thereby ensuring greater reliability and security when hiring business partners. Supplier data is automatically cross-checked with various databases and investigation lists. The process ensures that companies and individuals whose practices are in conflict with the organization's ethical values are not hired.

In 2020, the Company hired an international consultancy to carry out improvements and updates to the software, with the objective of upgrading and further automating this third-party reputational assessment process.

Over the last two years, the area completed more than 6,800 due diligence processes. If partners and other Company participants are included, the figure exceeds 36,000 in the period.

The focus of these analyses is reputational. The Compliance area has a team exclusively dedicated to carrying out the analyses, a specific policy on the subject and proprietary software developed to cover risks related to the business. **GRI 205-1**



A due diligence system assesses the reputation of third parties to ensure greater reliability and security when hiring business partners

PERFORMANCE

A solid structure and efficient management ensured good results in 2020

The right safety measures, at the right time, as well as the robust balance sheet and solid structure, helped JBS maintain the sustainability of the business in 2020, despite the uncertainties generated by the COVID-19 pandemic. The Company continued to supply fresh and prepared products to consumers, fulfilling its responsibility in the essential food sector. In order to meet the consumption profile generated by social distancing measures, the Company reinforced the supply of its physical and online stores, offering convenience and new experiences in nutrition and flavor.

In 2020, JBS Brasil posted revenues of R\$ 41.7 billion, an increase of 30.5% compared to 2019. Adjusted EBITDA was R\$ 3.1 billion, which represents an increase of 77.5% over the previous year, with the EBITDA margin rising from 5.4% to 7.4% in the same period. The Company continued its constant

focus on operational efficiency and on the production of food with higher added value. The Company also invested in expanding its Swift store network, which now includes Brasília, and strengthened its relationship with retail chains through strategic partnerships with key customers in the domestic market, such as Top Grade Butcher (Açougue Nota 10) and Gourmet Butcher 1953 Friboi (Açougue Gourmet 1953 Friboi).

In 2020, Seara recorded net revenue of R\$ 26.7 billion, an increase of 31.3% compared to 2019, with an increase of 87.5% in the adjusted EBITDA in the period, amounting to R\$ 4.2 billion, and a margin of 15.8%. Seara has been reaping the fruits of investments in greater operational efficiency, quality and innovation, which has enabled the Company to launch unique products in their categories in the Brazilian market, such as the Fiesta Orgânico and the Incrível Shredded



Codfish, the first year-end parties organic and plant-based products, respectively. Seara also launched Pizza Seara Gourmet, Hot Hit Wrap Seara and new plant-based dishes in the Incrível Seara range (*read more on [Innovation](#)*). The Seara brand expanded its market share by 3.4% compared to its nearest competitor in the frozen food category, completing the second consecutive year as market leader. Seara also

consolidated its position as market leader in the of portioned deli meats and frozen vegetables categories and has continued to grow in consumer preference, increasing its presence in Brazilian households. In 2020 a growth in penetration and repeat purchase rates were 7 p.p. and 5 p.p., respectively. The company also acquired the assets of Bunge's margarine and mayonnaise businesses (*read more on [Our Businesses](#)*).

PROSPECTS AND CHALLENGES

JBS is always attentive to market opportunities and trends, with a business strategy in line with sustainability. Check out some examples of what has been done and what is on the Company's radar.



- Expansion of the Granja 4.0 program
- Migrating traceability data from the Origin Project to packaging, and extending the project to 100% of the production chain



- 100% of Friboi's suppliers integrated into the Transparent Livestock Farming Platform by 2025
- By the end of 2021, the Company expects to have registered on the Transparent Livestock Farming Platform all livestock producers that handle a total of 1 million animals

JBS AMBIENTAL

- Branch expansion: opening of 11 more branches at Seara units, with 100% inorganic solids waste management

FERTILIZERS

- Production of organomineral fertilizers with waste from Friboi, Seara and JBS Couros

ZEMPACK

- End-to-end sustainability permeates the production processes of Zempack, which always seek the best market practices. All energy used in the factories is provided by Biolins, the electricity production unit of JBS, located in Lins (SP), and which uses 100% raw material from renewable sources, such as sugarcane bagasse and wood chips from reforestation. In addition, the entire tin plate packaging production cycle follows the system of reverse logistics and 100% of the material discarded in the production process is shipped to JBS Ambiental, which re-introduces it into the sector through steel mills. In this way, this unutilized tin plate is recycled within the production chain itself

JBS BIODIESEL

- Biodiesel production at Seara's new biodiesel plant in Mafra (SC), using pig and poultry fat as a raw material, as well as soybean oil originating from the feed used on Seara's integrated farms



- Donation, in 2021, of more than 980 items of hospital equipment to set up ICU beds in states such as RS, SC, PR, GO, MT and MS, among others
- Implement the program at production units to support local social projects
- Structuring a volunteer program among JBS team members to support communities



JBS USA

IN THIS CHAPTER

- > 2020 HIGHLIGHTS
- > PROFILE
- > OUR BUSINESS
- > CUSTOMERS AND CONSUMERS
- > QUALITY AND FOOD SAFETY
- > INNOVATION
- > PARTNERSHIPS AND ASSOCIATIONS



2020 SUSTAINABILITY GOALS PERFORMANCE*

We're Proud of Our Progress

ENVIRONMENTAL

100% complete

EMISSION

Reduce greenhouse gas emission intensity by 20%
We have reduced GHG emission intensity by 20%



TEAM MEMBER HEALTH AND SAFETY

100% complete

Improve our Safety Index performance 10% year over year
We improved our Safety Index Score by 56% in 2020



100% complete

WATER

Reduce water use intensity by 10%
We have decreased water use intensity by 10%



ANIMAL WELFARE

In Progress

Achieve a 90% or better on our JBS USA Animal Health and Welfare Scorecard
We're refocusing on this topic in our 2030 sustainability strategy



100% complete

ELECTRICITY

Reduce electricity use intensity by 12%
We have decreased electricity use intensity by 14%



SUPPLY CHAIN

In Progress

Have 100% of our suppliers in agreement with our Business Associate Code of Conduct
We're refocusing on this topic in our 2030 sustainability strategy



79% complete

NATURAL GAS

Reduce natural gas use intensity by 20%
We have decreased natural gas use intensity by 16%



* 2020 goals are for our U.S. and Canadian facilities, Environmental Goals set based on 2013, 2014, 2015 average baselines.

ESG PERFORMANCE

ENVIRONMENTAL INDICATORS



ELECTRICITY

We met our 12% electricity reduction target, achieving a 14% reduction



GAS

16% decrease in natural gas use intensity, short of our 20% reduction target



EMISSION

We achieved our 20% GHG emission intensity reduction goal



WATER

We reduced our water use intensity by 10%, meeting our goal

RECYCLING WASTE



80%

of clean cardboard material



95%

of our pallets



95%

of all metal



95%

of clean, non-contaminated plastic



95%

of our plastic high-density polyethylene (HDPE) tote bags

ESG PERFORMANCE

SOCIAL INDICATORS



>18,000

frontline supervisors trained through our People First Program



>730,000

hours of in-person and online leadership training and development provided



DART

rates below industry averages



56%

improvement in Safety Index



>26,000

team members trained through the Leadership Warehouse offerings



<400,00

hours of training provided through the Leadership Warehouse offerings



>120,000

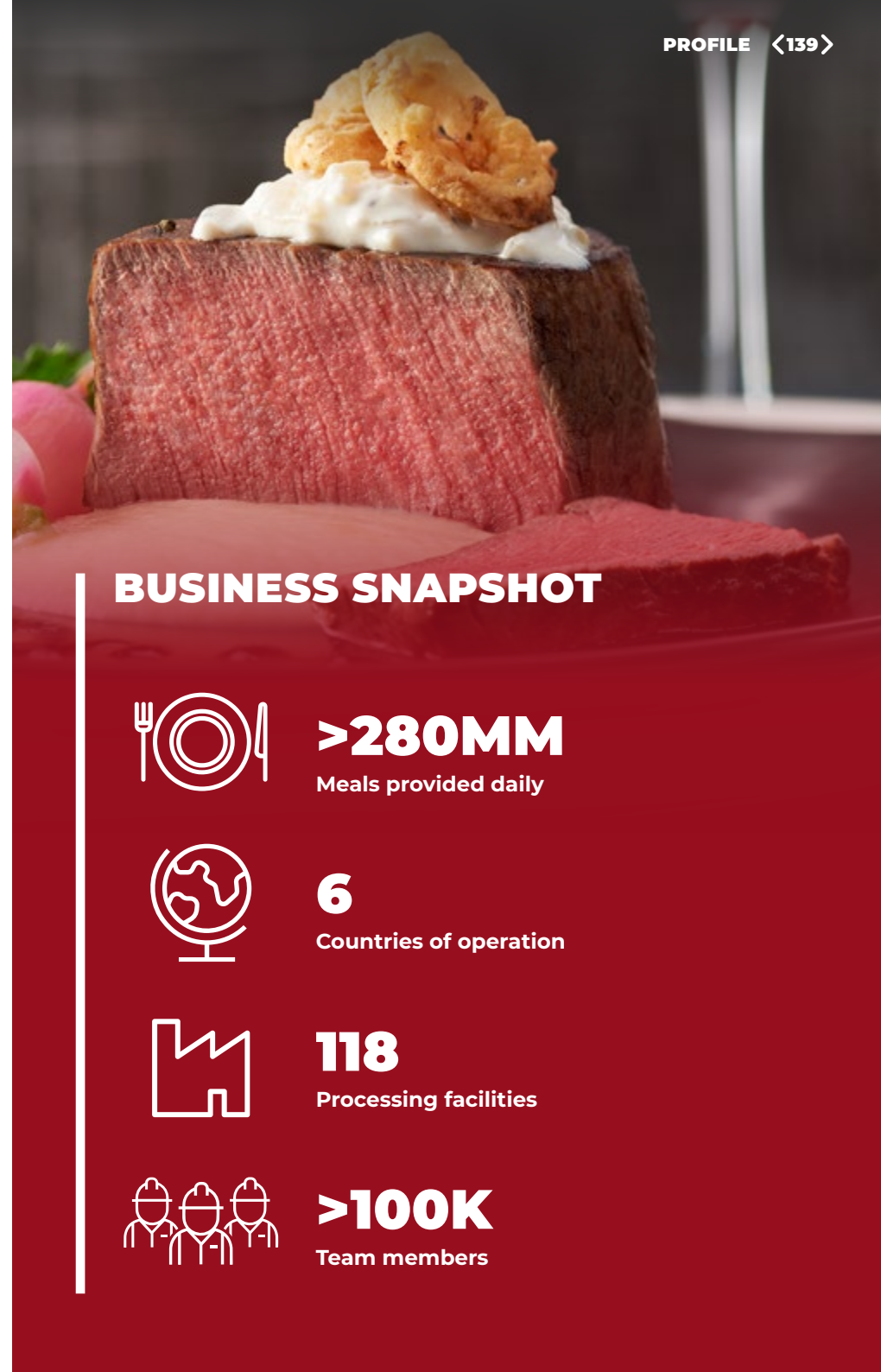
hours of training provided through our People First Program

PROFILE

As a global team, we process, prepare, package and deliver fresh, further-processed and value-added premium meat and poultry products for sale to customers in more than 100 countries on six continents

JBS USA is a leading global provider of diversified, high-quality food products, including a portfolio of well-recognized brands and innovative, value-added premium products. In the U.S. we are a leading processor of beef, pork, poultry and prepared foods; a leading processor of beef and prepared foods in Canada; and a leading processor of beef, lamb, pork and prepared foods in Australia. JBS USA is the majority shareholder (80.21%) of Pilgrim's Pride Corporation (Pilgrim's), with operations in the U.S. and Mexico, owner of Moy Park, a leading poultry and prepared foods company in the U.K. and Europe and the owner of Pilgrim's UK, a leading pork and prepared foods company in the U.K. As a global team, we process, prepare, package and deliver fresh, further-processed and value-added premium meat and poultry products for sale to customers in more than 100 countries on six continents. **GRI 102-1, 102-5**

Headquartered in Greeley, CO, JBS USA provides more than 280 million daily meals. The company includes 65 production facilities, 49 prepared foods facilities, six feedlots, six live hog operations and eight transportation terminals with operations in 28 U.S. states, Canada, Puerto Rico, Mexico, Europe, Australia and New Zealand. Our more than 100,000 team members work hard to provide consistent, responsible and high-quality products to retailers, foodservice distributors and restaurants all over the world. We have the capacity to process more than 200,000 cattle, 500,000 hogs, 45 million chickens and 80,000 small stock (lambs, sheep, goats and veal calves) per week, providing more than 32 billion pounds of product each year to markets in the U.S., Mexico, Canada, Europe, the Middle East, Africa and Asia, among others. **GRI 102-3, 102-4, 102-6**



BUSINESS SNAPSHOT



>280MM
Meals provided daily



6
Countries of operation



118
Processing facilities



>100K
Team members

OUR BUSINESS

GRI 102-2, 102-7, 102-45

As one of the most diversified food production businesses in the world, JBS USA is structured into three business units that allow our teams to focus on the details of their individual businesses:

- 1** – JBS USA Beef (JBS USA Beef, JBS Canada, JBS USA Retail Ready, JBS USA Carriers and JBS Australia),
- 2** – JBS USA Pork (JBS USA Pork, JBS USA Live Pork, Swift Prepared Foods and JBS USA Retail Ready),
- 3** – PPC (Pilgrim's).



JBS USA Beef

JBS USA BEEF

JBS USA Beef includes nine beef production facilities in the U.S. split into two business units: fed beef and regional beef. Our four fed beef facilities are strategically located near traditional cattle production centers in the U.S. to ensure access to high-quality, fed cattle, while our five regional beef facilities are located in strategic areas close to major population centers to increase our flexibility to meet the evolving needs of discerning customers.

- > Daily 4 oz. servings: >61 million
- > Beef production facilities: 9
- > Processing capacity: 31,000 cattle per day

JBS CANADA

Headquartered in Calgary, Alberta, JBS Canada is one of Canada's largest beef and prepared foods processors and one of the largest employers in southern Alberta.

- > Daily 4 oz. servings: >10.4 million
- > Beef production facilities: 1
- > Case ready facilities: 1
- > Beef processing capacity: 4,200 cattle per day
- > Case ready processing capacity: 7 million pounds per year

JBS USA RETAIL READY*

JBS USA Retail Ready includes two production facilities that specialize in further-processed beef and pork products. Our Retail Ready operations are strategically located on opposite coasts of the U.S. to provide service to customers across the country.

- > Daily 4 oz. servings: >454,000
- > Further processing facilities: 2
- > Processing capacity: 475,000 pounds per day

JBS USA CARRIERS

JBS USA Carriers, the transportation arm of JBS Foods, is an over-the-road and regional truckload carrier handling both refrigerated and non-refrigerated freight. JBS Carriers has a fleet of more than 700 trucks and provides carrier services to JBS USA, Pilgrim's and other customers throughout the U.S.

- > Transportation terminals: 8
- > Fleet size: 700 trucks

* JBS USA Retail Ready produces both beef and pork products.

JBS AUSTRALIA

JBS Australia is a leading meat processor and cattle feeder in Australia. Through a network of 11 strategically located production facilities and six feedlots stretched from northern Queensland to Tasmania, JBS Australia has a weekly processing capacity of more than 50,000 cattle, 80,000 small stock and 20,000 hogs, as well as a one-time daily feeding capacity of 150,000 cattle. JBS Australia exports to more than 70 countries while also maintaining significant market share in the domestic beef and lamb markets. JBS Australia owns Primo Foods, a leading manufacturer of ham, bacon, salami and deli meats. JBS Australia is a majority shareholder in Andrews Meat Industries, a Sydney-based meat solution provider for the Australia foodservice industry. JBS Australia also owns controlling interest in Scott Technology, a leading global developer of automation and robotic solutions that improve safety, productivity, reliability and yield in the workplace.

- > Daily 4 oz. servings: >17 million
- > Beef production facilities: 7
- > Multispecies (cattle and small stock) production facilities: 1
- > Small stock (lambs, sheep, goats, hogs and veal calves) production facilities: 2
- > Further processing facilities: 8
- > Feedlots: 6
- > Beef processing capacity: 10,000 cattle per day
- > Small stock processing capacity: 16,000 small stock per day
- > Pork processing capacity: 4,000 hogs per day
- > One-time feeding capacity: 150,000 head of cattle



JBS USA is structured into nine specific business units that allow our teams to focus on the details of their individual businesses

JBS USA Pork

JBS USA PORK

JBS USA Pork is the second-largest fresh pork producer in the U.S., with five pork production facilities and the capacity to process 92,000 hogs per day and one further processing facility.

- > Daily 4 oz. servings: >59 million
- > Pork production facilities: 5
- > Processing capacity: 90,000 hogs per day
- > Further processing facilities: 1

JBS USA LIVE PORK

JBS USA Live Pork consists of four live hog operations, made up of two boar stud operations and two sow farms, in which our more than 150,000 sows produce approximately 3.5 million hogs each year.

- > Sow farms: 2
- > Boar stud operations: 2

SWIFT PREPARED FOODS

Swift Prepared Foods provides high-quality, prepared food products throughout the U.S. and includes five production facilities that specialize in sliced deli meats, bacon, barbecue items and ribs.

- > Daily 4 oz. servings: >3.7 million
- > Further processing facilities: 6
- > Processing capacity: >330 million pounds per year

PPC

PILGRIM'S

As a leading chicken producer, Pilgrim's has provided wholesome, high-quality products at a great value for more than six decades. With operations in 14 U.S. states, Puerto Rico, Mexico and Europe, Pilgrim's has the capacity to process 45 million chickens per week. Pilgrim's is also the owner of Moy Park, one of Northern Ireland's largest private-sector businesses and Europe's leading poultry producers, and Pilgrim's UK, a leading fully integrated pork and prepared foods company in the U.K. JBS Foods is the majority shareholder of Pilgrim's.

- > Daily meals: >133 million
- > Poultry production facilities: 36
- > Poultry processing capacity: 44.9 million chickens per week
- > Hog farms: 2
- > Pork production facilities: 3
- > Pork processing capacity: 45,000 hogs per week
- > Prepared foods facilities: 27
- > Prepared foods processing capacity: 22 million pounds per week

FACILITIES AND LOCATIONS

GRI 102-4



JBS USA FACILITIES*

| | | U.S. | Australia | Canada | Mexico | Europe |
|---------|-------------------------------|------|-----------|--------|--------|--------|
| Beef | Processing Facilities | 9 | 11 | 1 | - | - |
| | Value-Added Facilities | 7 | 8 | 1 | - | - |
| | Feedlots | - | 6 | - | - | - |
| | Distribution Centers | - | 8 | - | - | - |
| | Retail Locations | - | 16 | - | - | - |
| Pork | Processing Facilities | 5 | - | - | - | - |
| | Value-Added Facilities | 6 | - | - | - | - |
| | Feed Mills | 5 | - | - | - | - |
| | Hog Farms | 4 | - | - | - | - |
| Chicken | Processing Facilities | 26 | | | 6 | 7 |
| | Further Processing Facilities | 4 | | | 3 | 21 |
| | Feed Mills | 27 | - | - | 8 | 2 |
| | Hatcheries | 33 | - | - | 9 | 6 |
| | Rendering Facilities | 5 | - | - | 3 | 2 |
| | Pet Food Facilities | 4 | - | - | - | - |
| | Hog Farms | - | - | - | - | 2 |

* The facility listing shown is based on operating segment, which is consistent with the Company's reportable segments.

OUR BRANDS

At JBS Foods, we pride ourselves on a portfolio of brands that cater to a variety of preferences and priorities, meeting ever-evolving consumer tastes and providing a range of products to meet expectations.

Learn more and see all of our brands by visiting [Our Brands](#).

NORTH AMERICA

JBS USA CARRIERS

Cactus, TX
Greeley, CO
Green Bay, WI
Mt. Pleasant, TX
Oakwood, GA
Ottumwa, IA
Pittsburg, TX

JBS USA LIVE PORK

Cameron, OK
Dalhart, TX
Morrilton, AR
Umpire, AR

JBS USA PORK

Beardstown, IL
Louisville, KY
Marshalltown, IA
Ottumwa, IA
Pipestone, MN
Worthington, MN

EMPIRE

Denver, CO
Mason, OH
Memphis, TN
Olympia, WA

SWIFT

PREPARED FOODS

Booneville, MS
Elkhart, IN
Moberly, MO
Swanton, VT
Council Bluffs, IA

PILGRIM'S UNITED STATES

Abonito, PR
Arcadia, WI
Athens, GA
Broadway, VA
Canton, GA
Carrollton, GA
Chattanooga, TN
Cold Spring, MN
De Queen, AR
Douglas, GA
Elberton, GA
Ellijay, GA
Enterprise, AL
Gainesville, GA
Guntersville, AL
Live Oak, FL
Luftkin, TX
Marshville, NC
Mayfield, KY
Moorefield, WV
Mt. Pleasant, TX
Nacogdoches, TX
Natchitoches, LA
Russellville, AL
Sanford, NC
Sumter, SC
Waco, TX

JBS USA RETAIL READY

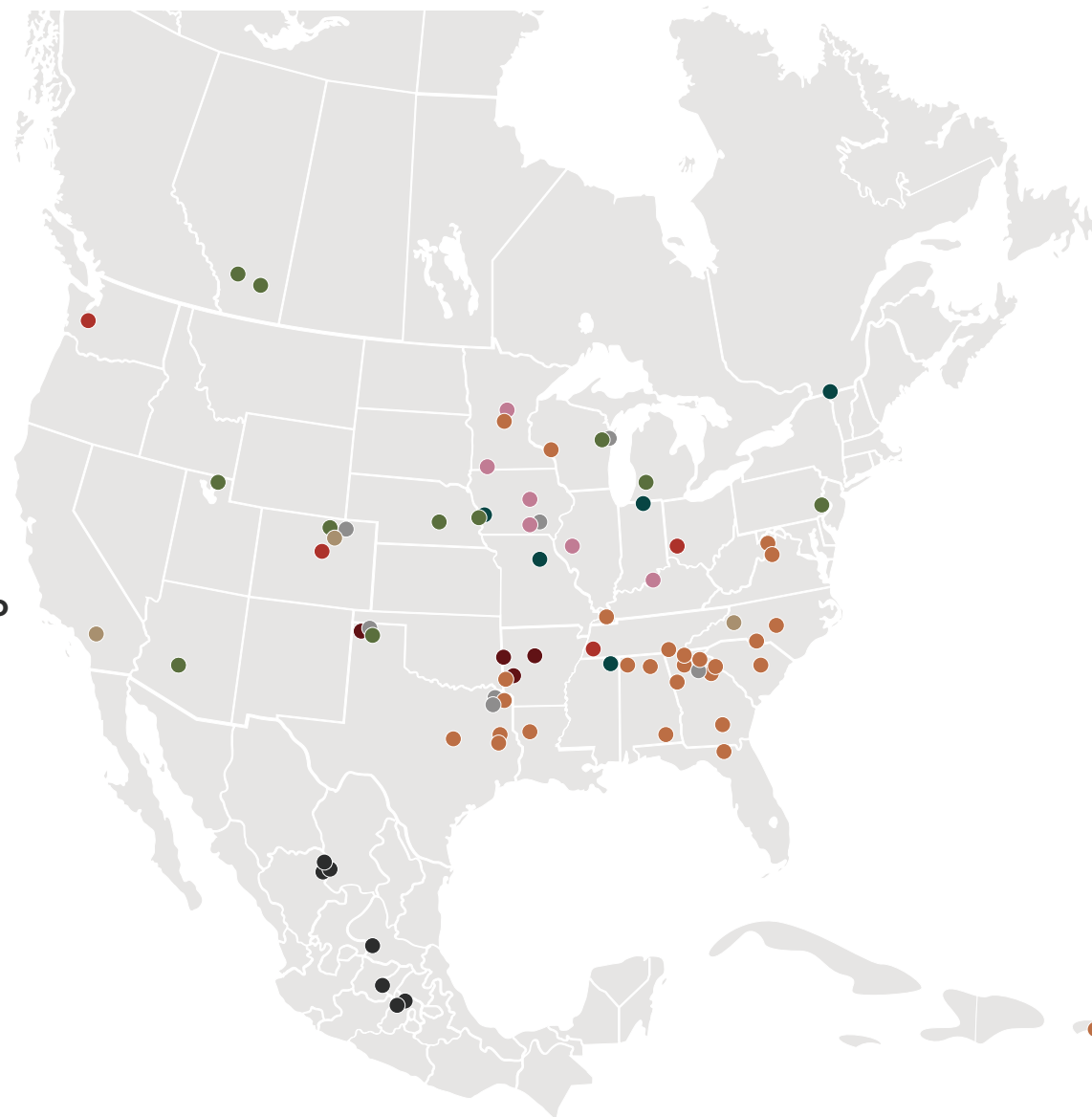
Greeley, CO
Lenoir, NC
Riverside, CA

PILGRIM'S MEXICO

Citra, MX
Popular, MX
Porvenir, MX
Querétaro, MX
San Luis Potosí, MX
Tepeji Del Rio, MX
Tultitlan, MX

JBS USA BEEF

Brooks, AB
Cactus, TX
Calgary, AB
Grand Island, NE
Greeley, CO
Green Bay, WI
Hyrum, UT
Omaha, NE
Plainwell, MI
Souderton, PA
Tolleson, AZ



NORTH AMERICA



EUROPE

PILGRIM'S UK

Ashton, UK
Bodmin, UK
Bromborough, UK
Bury St. Edmonds, UK
Coalville, UK
Corsham, UK
Kings Lynn, UK
Linton, UK
Redruth, UK
Ruskington, UK
Spalding, UK
Tipton, UK
Westerleigh, UK

PILGRIM'S MOY PARK ENGLAND

Anwick, UK
Ahsbourne, UK
Grantham, UK
Huntington, UK
Peterborough, UK

PILGRIM'S MOY PARK NETHERLANDS

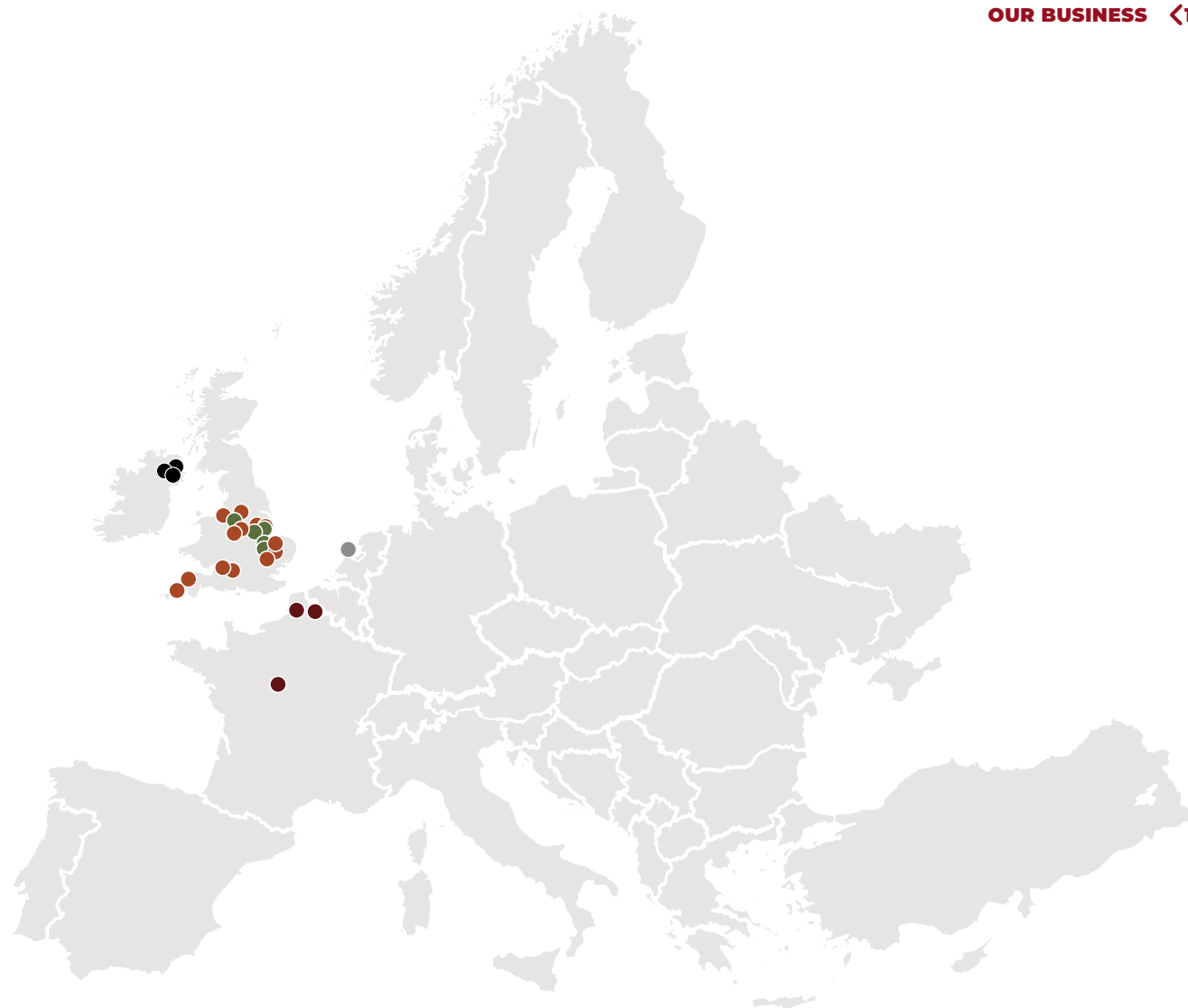
Schagen, NL

PILGRIM'S MOY PARK NORTHERN IRELAND

Ballymena, NIR
Craigavon, NIR
Dungannon, NIR

PILGRIM'S MOY PARK FRANCE

Hénin-Beaumont, FR
Marquise, FR
Orléans, FR



Albert *van Zoanen*
FARMER. FOOD. KNOWLEDGE.



OAK CROWN



THE HONEST BUTCHER



AUSTRALIA AND NEW ZEALAND

JBS AUSTRALIA

VALUE ADDED

Brooklyn, VIC
 Carterton, NZ
 Chullora, NSW
 Lidcombe, NSW
 Longford, TAS
 Riverview, QLD
 Wacol (McRoyle St), QLD
 Wacol (Production St), QLD

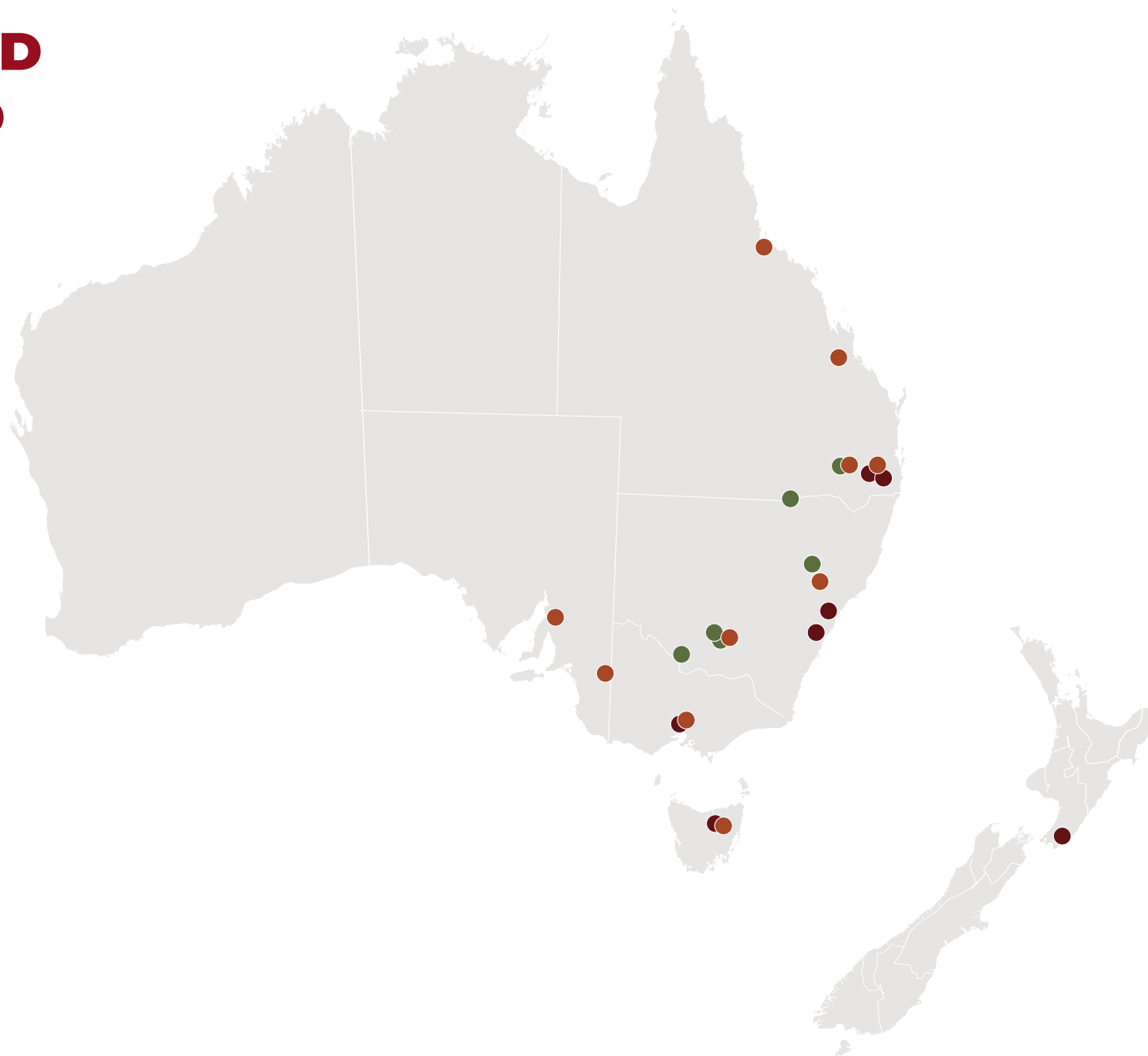
JBS AUSTRALIA

FEEDLOTS

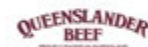
Burraboi, NSW (Yambinya)
 Caroon, NSW
 Griffith, NSW (Prime City)
 Mungindi, QLD
 Purrawunda, WLD (Beef City)
 Yanco, NSW (Riverina)

JBS AUSTRALIA

Bordertown, SA
 Brooklyn, VIC
 Longford, TAS
 Nerimbera, QLD
 Port Wakefield, SA
 Purrawunda, QLD
 Riverview, QLD
 Scone, NSW
 Tonsville, QLD
 Yanco, NSW



AUSTRALIA AND NEW ZEALAND





CUSTOMERS AND CONSUMERS

Our Commitment

At JBS USA, we are committed to meeting the needs of our customers and consumers by providing the necessary resources to help them make informed purchasing decisions regarding our products and innovating to meet their evolving expectations. We provide information about our product options, their nutritional content and the various production method used during rearing, such as traditional, antibiotic-free and organic. Additionally, our product offerings include options such as reduced fat, reduced sodium and no artificial preservatives, among other. To meet the expectations of our customers and the dynamic lifestyles of our consumers, we engage in continuous dialogue to ensure we provide innovative products that align with their values and meet their needs.

Our Management Approach

CUSTOMER AND CONSUMER INFORMATION

The corporate marketing teams at JBS USA are responsible for developing customer and consumer information. Marketing efforts are led by the Director of Marketing or Chief Marketing Officer, for each business unit, who reports to the President of the business unit or the Vice President of Retail Sales, Pricing and Marketing. These teams conduct their work in accordance with our Responsible Marketing Policy.

We primarily sell our products to customers who market our product directly to consumers, through foodservice or retail channels. As such, the majority of our marketing information is focused toward these customers.



To facilitate ease of use, we organize customer and consumer resources into protein-specific, customer-focused and consumer-focused websites and communication channels

To enhance our ability to more effectively communicate about our diverse product offerings, we have assembled a variety of comprehensive, easy-to-use resources for our customers and consumers to learn more about our products. To facilitate ease of use, we organize customer and consumer resources into protein-specific, customer-focused and consumer-focused websites and communication channels.

Many of our business units have developed customer resource websites, which allow each customer to create a personalized account. Through these accounts, customers gain access to information on point-of-sale materials, packaging specifications, brands, premium programs, value-added products, food safety and quality and the way the animal was raised.

We also maintain brand-specific websites and social media channels where consumers can learn more about our products and brands. Many of our consumers are active on social media and engage with us through these forums, as well as through our websites' "Contact Us" forms to learn more about the brand and gain a better understanding of the production practices utilized.

We target our social media posts to geographically align with our current distribution, so that consumers can easily learn more about the products they have access to. Through these channels, we provide recipes, basic cooking instructions and nutritional information. On our websites, consumers have the ability to search for recipes by cut or cook method. We also provide product allergen information and recommended food safety handling practices for our food products.

Nutrition Information

GRI 103-2, 103-3 | 417-1

100% of JBS USA products adhere to Federal labeling requirements. Except where specifically exempt, all of our product labels and/or packaging include product name, handling statement, legend, establishment number, net weight, ingredients statement, signature line and (when required) a nutritional facts panel. In addition, validated cooking instructions are included on applicable products.

Consumer Hotlines

GRI 103-2, 103-3 | 417-1

In addition to our websites and social media platforms, consumer-specific phone lines and email accounts offer another venue for transparency and customer service. Through these communication channels, our teams monitor direct product feedback, interact with consumers to address questions or concerns, maintain a database to track trends and provide performance reports to team members. In 2020, the trending topics our teams addressed included animal handling, product quality, labeling claims, cooking instructions and where to purchase our products.

GRI 102-43, 102-44

QUALITY AND FOOD SAFETY

GRI 103-2, 103-3 | 417-1

For the past decade, JBS USA has produced safe, nutritious, healthy, high-quality food products that are enjoyed by consumers around the globe. Our commitment to excellence begins with exceptional quality control standards that are embedded throughout our operations. JBS USA's primary distribution channels are through retailers, foodservice distributors and restaurants, as well as exports to customers around the globe.

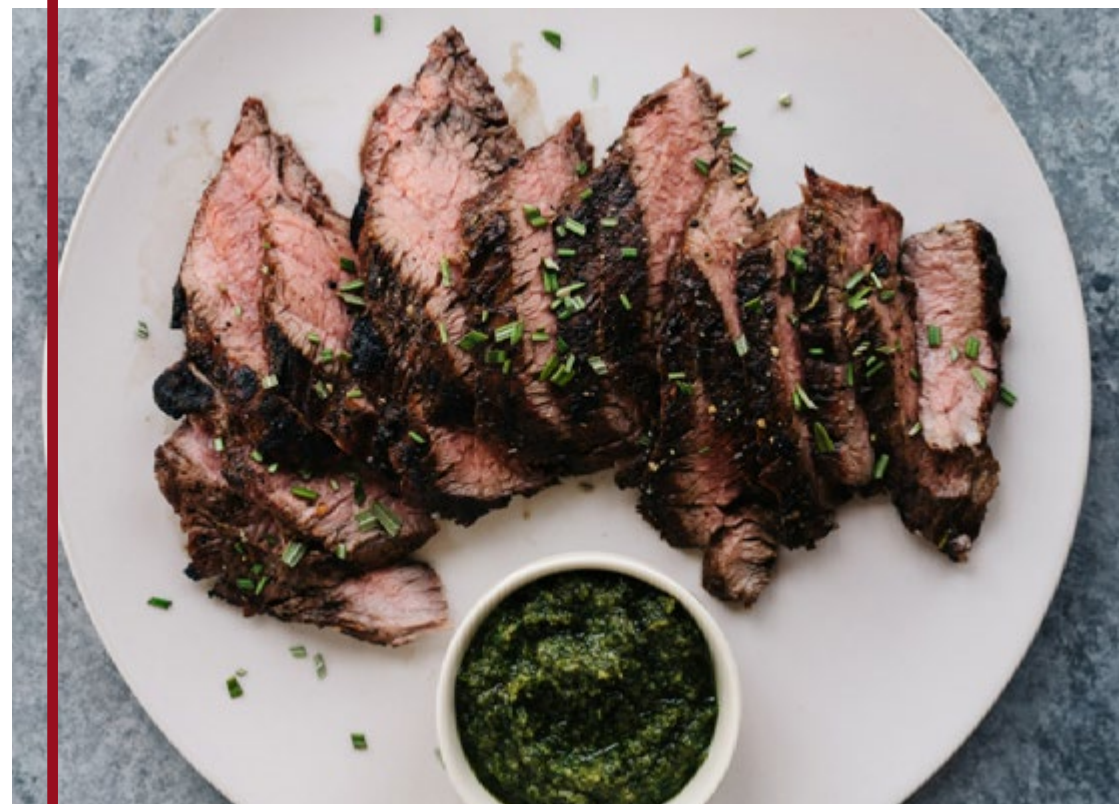
We are proud to provide our customers and consumers with choices that meet their nutritional needs and ethical expectations. From traditional, antibiotic-free and organic products to customized and consumer-ready prepared foods, we employ the same high standards of excellence to guarantee a safe and quality eating experience.

We are proud to provide our customers and consumers with choices that meet their nutritional needs and ethical expectations

Fueled by consumer insights and market research, we continue to invest in the innovation and diversity of our product offerings. Our product portfolio is closely aligned with consumer trends and needs, and we continue to explore new products and packaging solutions, while maintaining the high-quality standards that our consumers have come to expect and enjoy.

Our Commitment

Food safety is the heart of our business. We continually review every aspect of our daily operations to make sure we provide safe, high-quality, nutritious products for our customers and consumers.



Our Management Approach GRI 103-2, 103-3

In each country where we operate, local government officials provide oversight related to food safety and quality. All JBS USA team members recognize that producing safe, healthy, wholesome products is our responsibility, and our more than 2,800 global FSQA team members help us accomplish this mission.

In the U.S., the U.S. Department of Agriculture's (USDA) Food Safety and Inspection Service (FSIS) inspect every JBS USA production facility daily to ensure that our food products meet federal food safety standards.

In Canada, the Canadian Food Inspection Agency (CFIA) regularly inspects and actively monitors our facility to ensure compliance with federal food safety standards.

In Australia, the Department of Agriculture and Water Resources (DAWR) representatives are permanently located at our export facilities and perform inspections of our facilities daily to ensure that we are meeting all federal food safety and overseas markets requirements.

In Europe, our production facilities are inspected and third-party audited according to the European Union Food Hygiene regulations and any additional customer quality requirements to verify compliance.

In Mexico, we follow the best practice guidelines for chicken production as defined by the Secretariat of Agriculture, Livestock, Rural Development, Fisheries and Food (SAGARPA) and the National Service for Agro-Alimentary Public Health, Safety and Quality (SENASICA). Additionally, most of Pilgrim's facilities in Mexico have a Federally Inspected Type (TIF) certification.

The JBS USA management structure for Food Safety and Quality Assurance (FSQA) is designed to ensure industry-leading performance and corporate oversight at the highest level. The team is led by the Global Head of Food Safety and Quality Assurance, who oversees the company's global food safety efforts.

The Heads of FSQA (also referred to in some business units as the Heads of Technical Services and Quality Assurance) oversee the food safety and quality assurance programs



as well as regulatory compliance for each business unit. They report directly to the President of their respective business units and work collaboratively with the Global Head of Food Safety and Quality Assurance. Each JBS USA facility has a FSQA Manager and FSQA team who, in our Fed and Regional Beef business units, report to the Head of FSQA; in the Pilgrim's U.S., Australia and Primo business units, report to the FSQA Director for their line of the business; and in all other business units, report to the production facility manager. This streamlined reporting structure demonstrates the high priority we place on food safety and quality assurance, allowing JBS USA to quickly and efficiently implement action-oriented decisions on a daily basis, if necessary.

In the U.S. and Canada, the Food Safety and Quality Advisory Committee is responsible for providing oversight and guidance to our food safety and quality assurance programs as well as regulatory compliance. The committee is comprised of senior JBS USA and Pilgrim's team members, as well as academicians who specialize in the areas of animal science, meat science, epidemiology, food microbiology and veterinary medicine. The committee includes the Heads of FSQA in each JBS USA and Pilgrim's business unit, along with nine industry experts, including Drs. Gary Smith and Keith Belk from Colorado State University, Drs. H. Russell Cross, Kerri Gehring and Jeff Savell from Texas A&M University, Dr. Guy Loneragan from Texas Tech University, Dr. Mike Apley from Kansas State University, Dr. Chuck Hofacre from University of Georgia and Dr. Lynn McMullen from the University of Alberta, Canada.



Food Safety in Our Facilities GRI 416-1

Food safety starts with the health and well-being of the live animal. No matter the production system deployed, the health and welfare of our animals remains our priority, and we are committed to providing proper nutrition and full-service veterinary care to our livestock and poultry. Please see our Animal Care chapter for additional information on this topic.

The robust food safety and quality program that each JBS USA production facility operates under consists of Standard Operating Procedures, Sanitation Standard Operating Procedures, Hazard Analysis and Critical Control Points (HACCP) procedures and validated technology interventions that are designed to eliminate or reduce foodborne pathogens.

Each of these processes are monitored by team members trained in food safety and quality assurance, as well as government officials, in each production facility. Additionally, inspection and process verification by government officials occur before the mark of inspection can be placed on products entering into commerce.

The robust food safety and quality program that each JBS USA production facility operates under consists of Standard Operating Procedures, Sanitation Standard Operating Procedures, Hazard Analysis and Critical Control Points (HACCP)

Further to this, our production facilities implement these additional programs:

- > A written Good Manufacturing Practices (GMP) program
- > A recall/market withdrawal procedure, which provides for trace-back and trace-forward capabilities to ensure that the proper products and dates can be identified, if necessary
- > A livestock certification program that requires all cattle producers to certify compliance with federal regulations (in our beef processing facilities)
- > A documented Pest Control Program
- > A documented Food Security Program
- > Annual certification to the Global Food Safety Initiative (GFSI) standards; to date this is done for 100% of our fresh processing facilities in the U.S., Canada, Europe and Australia and 71% of our Mexico facilities
- > Insured and bonded carriers are required to transport meat and poultry products—where all loads are sealed at the originating establishment and maintained under seal by the carrier in the event of a multi-stop load

We also make key investments in technology and innovation which continues to strengthen our ability to ensure our products meet the highest quality standards.

Training and Audits

All new team members receive training on quality assurance (QA) and food safety management systems when they are hired and additional job-specific training as necessary. In addition, QA team members are provided with specific HACCP, as well as additional food safety and quality assurance training every year.

Each year, we conduct numerous food safety and quality system audits using accredited, independent auditing firms. One-hundred percent of our fresh production facilities in the U.S., Canada, Europe and Australia and 71% of our Mexico operations have been audited and certified by audit schemes recognized by the GFSI, one of the most stringent food safety-related audits available to the food industry. Internal audits and inspections are also conducted by our FSQA team members.

Additionally, in North America, all of our suppliers who provide products or services that have direct contact with food must pass the ISNetworld and GFSI audits and provide a letter of guarantee.

In the Event of a Recall

Even though we have comprehensive systems in place to provide our consumers with safe, high-quality foods, instances can and have occurred where a product recall is necessary to protect public health. When a recall is warranted, JBS USA voluntarily initiates the recall, collaborating with federal regulatory partners to make sure that all affected product is promptly tracked and removed from distribution channels. To inform our customers and consumers of a recall, we issue a notice that follows government guidelines for communication. In the U.S., recall information is also posted on the USDA FSIS or FDA websites. In Australia, recall information is communicated on the Food Standards Australia New Zealand (FSANZ) website.

Recalls are rare, and we work diligently to understand how they were caused and how to prevent future incidents. We perform comprehensive root-cause analyses and share our learnings across JBS USA. As an independent third-party auditor, the GFSI verifies the effectiveness of our corrective actions.





2020 Progress

GRI 416-1

JBS USA's objective is to have a world-class food safety quality systems platform that provides confidence to our customers and consumers and ensures the integrity of all of our products.

PERCENT OF FRESH PROCESSING FACILITIES CERTIFIED BY INDEPENDENT THIRD-PARTY AUDITS ACCORDING TO GFSI STANDARDS

| Country | |
|---|------|
| U.S. (Beef, Pork, Pilgrim's and Retail Ready) | 100% |
| Australia | 100% |
| Canada | 100% |
| Mexico | 71% |
| Europe | 100% |

2020 KEY FACTS AND FIGURES



100%

of our U.S., Canadian, European and Australian fresh processing facilities are Global Food Safety Initiative (GFSI) certified



100%

of our food products adhere to federal labeling requirements



>100

countries on six continents are served by JBS USA



>2,800

global Food Safety and Quality Assurance (FSQA) team members

INNOVATION

Innovation is built upon consumer insights and customer needs

A passion for innovation sits at the core of JBS USA – it's the key to unlocking greater value from our products and adding flavor to consumers' lives. But it's also the critical tool that will help us feed the world today while also improving the lives of future generations. Innovation allows the company to develop more-efficient and sustainable practices while adapting to changing customer tastes. The company's approach to innovation is built upon consumer insights and customer needs found through opinion surveys and market growth opportunities.

Our innovation teams around the globe share trends, innovative solutions and technology advancements to leverage our collective expertise and lead category growth. Our diversified portfolio of products allows JBS USA to provide an array of high-quality products tailored to meet the complex needs of customers and the discerning tastes of consumers.



Our diversified portfolio of products allows JBS USA to provide an array of high-quality products tailored to meet the complex needs of customers and the discerning tastes of consumers



PARTNERSHIPS AND ASSOCIATIONS

Collaboration for a Better Future

GRI 102-12, 102-13, 102-21, 102-40, 102-43, 103-2, 103-3 | 201-1

The broad-based, industry-wide issues facing North American, European and Australian agriculture today require full value chain collaboration to identify sustainable approaches that prioritize continuous improvement. As such, we are active members of many industry-based associations, some of our partners include:

- American Association of Avian Pathologists
- American Association of Swine Veterinarians
- American College of Poultry Veterinarians
- American Fats and Oils Association
- American Feed Industry Association
- American Meat Science Association
- American Society of Animal Science
- American Veterinarian Medical Association
- Asociación de Industriales de Puerto Rico
- Association of National Advertisers
- Australian Beef Sustainability Framework
- Australian Environmental Business Network
- Australian Food and Grocery Council
- Australian Lot Feeders' Association
- Australian Meat Industry Council
- Australian Meat Processor Corporation
- Australian Pork Limited
- Beef Industry Food Safety Council
- British Frozen Food Federation
- British Poultry Council
- Campden BRI Food and Drink Initiative
- Canadian Cattlemen's Association
- Canadian Meat Council
- Canadian Renderers Association
- Canadian Roundtable for Sustainable Beef
- Cattle Council of Australia
- Celaya Poultry Association
- Chilled Food Association
- Colorado Motor Carrier Association
- European Federation for Beef and Pork Meat
- Fats and Protein Research Foundation
- Food Network for Ethical Trade
- Food Safety Preventative Controls Alliance
- French Meat Federation
- French Meat Interprofessional Federation
- French Poultry Federation
- Global Food Safety Initiative
- Global Roundtable for Sustainable Beef



- Institute of Food Technologists
- Institute of Livestock or INRA (French National Institute of Agricultural Research)
- International Consortium for Antimicrobial Stewardship in Agriculture
- International Meat Trade Association
- Meat and Livestock Australia
- National Association of TIF Establishments
- National Cattlemen's Beef Association
- National Chicken Council
- National Pork Board
- National Pork Producers Council
- National Poultry and Food Distributors Association
- National Renderers Association
- North American Meat Institute
- Northern Ireland Food and Drink Association
- Northern Ireland Food Chain Certification
- Northern Ireland Poultry Federation
- Nuevo Leon Poultry Farmers Association
- Organic Farmers and Growers
- Organic Trade Association
- Pet Food Alliance
- Poultry Science Association
- Red Tractor
- Research Chefs Association
- SmartWay, U.S. Environmental Protection Agency
- Soy Transparency Coalition
- Sustainable Agriculture Initiative Platform
- Trucking Industry Defense Association
- U.S. Meat Export Federation
- U.S. Poultry and Egg Association
- U.S. Roundtable for Sustainable Beef
- U.S. Roundtable for Sustainable Poultry and Eggs
- UK Roundtable on Responsible Soya
- Union of Poultry Farmers of the State of Querétaro
- United Poultry Farmers of the State of Guanajuato AC
- USA Poultry and Egg Export Council



JBS USA holds leadership roles in a number of multi-stakeholder partnerships dedicated to responsibly addressing sustainability to advance continuous improvement through the supply chain



The GRSB is a global, multi-stakeholder initiative developed to advance continuous improvement in the sustainability of the global beef value chain through leadership, science and multi-stakeholder engagement and collaboration. The GRSB envisions a world in which all aspects of the beef value chain are environmentally sound, socially responsible and economically viable. **JBS USA is a founding member, past executive committee member, past board of directors member and past President.**



The USRSB is a multi-stakeholder initiative developed to advance, support and communicate continuous improvement in sustainability of the U.S. beef value chain. The USRSB achieves this through leadership, innovation, multi-stakeholder engagement, and collaboration. The USRSB's vision is that the U.S. beef value chain is the trusted global leader in environmentally sound, socially responsible and economically viable beef. **JBS USA is a founding member, board of directors member and past Chair.**



The CRSB is an initiative developed to facilitate the framework for the Canadian beef industry to be a global leader in the continuous improvement and sustainability of the beef value chain through science, multi-stakeholder engagement, communication and collaboration. Their vision is that the Canadian beef industry is recognized globally to be economically viable, environmentally sound and socially responsible. **JBS Foods Canada is a founding member and past council member.**





The Australian Beef Sustainability Framework defines sustainability as the production of beef in a manner that is socially, environmentally and economically responsible. They achieve this through the care of natural resources, people and the community, the health and welfare of animals, and the drive for continuous improvement. Their vision is to have a thriving Australian beef industry that strives to continuously improve the well-being of people, animals and the environment. **JBS Australia is a founding member.**



The US-RSPE was launched in 2019 and is the nation's multi-stakeholder sustainability initiative for the U.S. poultry and egg value chain. The US-RSPE has the ability to bring together a broad group of diverse stakeholders, who can collaboratively focus and accelerate continuous improvement in the entire poultry and egg value chain. Together, they hope to continually advance the U.S. as a global leader in responsibly produced poultry and eggs. **Pilgrim's is a founding member and board of directors member.**



The Sustainable Agriculture Initiative (SAI) platform is a multi-stakeholder initiative that aims to harness the collaborative power of its members to accelerate widespread adoption of sustainable agricultural practices. Their vision is to grow a sustainable, thriving and resilient agricultural sector that safeguards farm viability and protects and preserves the earth's resources, human rights and animal welfare while supporting our members and adding value across the European food and drink industry. **Moy Park is a member.**



Food Network for Ethical Trade (FNET) was established in 2016 by a number of major U.K. food companies to improve human rights in global food supply chains through a common approach to managing ethical trade. They aim to support members to identify, manage and respond to global food supply chain ethical trade risks, to improve the food industry's understanding of ethical trade, to identify and facilitate collaboration opportunities, to promote trust and to build a forum for sharing issues and best practice. **Pilgrim's UK is a member of the technical board.**

Commitment to sustainability

**JBS has a mission to feed the world
in equilibrium with the planet**

IN THIS CHAPTER

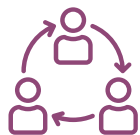
- > PRODUCT INTEGRITY
- > SOCIAL RESPONSIBILITY
- > ENVIRONMENTAL STEWARDSHIP
- > ANIMAL WELFARE
- > ETHICS AND COMPLIANCE
- > PERFORMANCE



OUR APPROACH

GRI 102-15, 102-21, 102-31, 102-33, 102-42, 102-43, 102-44, 102-46, 102-47, 103-1

We believe sustainability involves continuously improving social responsibility, economic viability and environmental stewardship. This year we're proud to unveil an ambitious net-zero target that will reduce greenhouse gas emissions across our value chains by 2040.



Social Responsibility



Economic Viability



Environmental Stewardship

OUR MANAGEMENT APPROACH

GRI 102-20, 102-21, 102-27, 102-31, 102-40, 102-43, 103-2, 103-3 | 201-1

Our sustainability program is managed by the Corporate Sustainability Department in each region. Direct responsibility for decision making on the economic, social and environmental sustainability topics reside with the Head of Corporate Affairs and Chief Sustainability Officer (CSO), who reports directly to the CEO. Our Independent Advisory Board discusses and advises the JBS USA executive team on policies, procedures, impacts, risks and opportunities in addressing economic, environmental and social topics. The Independent Advisory Board reviews, at least annually, our policies, activities, and reporting regarding sustainability, and discusses our management of risks in those areas. The Corporate Sustainability Department in each region reports to the president of the business unit or directly to the CSO. These corporate sustainability teams partner with subject matter experts on our corporate environmental, team member health and safety, animal welfare and food safety, and quality assurance teams who support facility level leaders and work in partnership to improve our sustainability performance on the ground.

GRI 102-22

OUR SUSTAINABILITY TEAM LEADERS



Cameron Bruett
Head of Corporate Affairs and CSO, JBS USA



Madison Boyd
Sustainability Manager, JBS USA



Jessica Langley
Director of Sustainability, JBS USA & Pilgrim's US



Mark Ritsema
Head of Environmental Sustainability, JBS USA



Leon Felipe Moya Daumas
Institutional Affairs Manager, Pilgrim's Mexico



Declan Cunningham
Head of Sustainability and Risk Management, Pilgrim's Park



Matt Dight
Head of Sustainability, Pilgrim's UK



Sam Churchill
Group Manager Sustainability, JBS Australia



Rob Meijer
Bordertown, SA

PRODUCT INTEGRITY

SUPPLIER RELATIONSHIP

GRI 102-9 | 103-2, 103-3 | 201-1, 407-1, 408-1, 409-1, 412-3, 414-1

The nature of our business demands we work with a diverse set of suppliers that range from small family farm and ranch partners who supply us with livestock and poultry to large, multinational companies that manufacture and provide materials and services for our production facilities. We work in partnership with over 77,000 suppliers to ensure the highest-quality inputs.

Our vendors are part of JBS USA's supply chain and contribute to our overall sustainability. Impacts related to the environmental and social pillars of sustainability differ for each of our unique suppliers based on the material they manufacture, the species of livestock or poultry they raise, and the service they provide. Our ability to directly affect these impacts is often outside of our immediate

control; however, we strive to partner with suppliers who share our values and mission to achieve a more sustainable food supply.

As part of our efforts to minimize impacts in the supply chain, we developed a Supplier Code of Conduct. It ensures that suppliers meet or exceed our high standards when conducting business with JBS USA. The code covers human rights, forced labor, freedom of association and collective bargaining, minimum age for employment, equal employment opportunity, employment practices, health and safety, environmental issues and business integrity, which includes anticorruption and bribery. We have reminded all of our contracted suppliers of our code of conduct and reiterated the importance of compliance. **GRI 103-2, 103-3 | 308-1, 407-1, 408-1, 409-1, 412-3**



2020/Goals



100%

of our contracted suppliers agree to our Supplier Code of Conduct. We're refocusing on this topic in our 2030 sustainability strategy

2020 Key Facts and Figures



>21,000

service providers and vendors



>75,000

livestock and poultry producer partners



>US\$ 16.1B

paid to livestock and poultry producer partners

We understand that our responsibility spans beyond production under our direct control and that we must collaborate with our supplier partners to improve the overall sustainability of our supply chain



Our Commitment

GRI 103-2, 103-3 | 204-1, 308, 414

We are committed to continually improving the sustainability of our business, our products and our supply chain. We understand that our responsibility spans beyond production under our direct control and that we must collaborate with our supplier partners to improve the overall sustainability of our supply chain.

Our Management Approach

GRI 103-2, 103-3 | 204-1, 414

Procurement for JBS USA, excluding livestock, is centralized through our corporate offices. The Head of Procurement leads several teams that are each responsible for certain products or services related to Packaging, Ingredients, Employee and Corporate Services, Energy, Facilities Services, Capital Expenditure and Equipment, and Maintenance, Repair and Operations. This structure allows us to maximize our supplier partnerships across the business and ensure consistency and uniformity.

Our approach to managing impacts within our supply chain includes consistent collaboration with our suppliers. All suppliers are contractually obligated to follow state laws and regulations. We also establish long-term relationships built on trust and shared values that contribute to continued progress both in our sourcing programs and sustainability goals.



Our Supplier Standards

GRI 103-2, 103-3 | 204-1

All suppliers providing products or services that have direct contact with food are required to pass the ISNetworld and either Global Food Safety Initiative (GFSI) or British Retail Consortium (BRC) audits, or an equivalent certification and provide a letter of guarantee, or be assessed and approved by our Supplier Quality Team. Supplier Quality Team approval requirements for our raw material and food contact materials suppliers are based on a risk assessment that may include certification to a GFSI recognized scheme and / or an audit performed by a quality food safety auditor, and / or a completed JBS supplier questionnaire that confirms product safety, traceability and good manufacturing practices are in place. We defer to organizations like GFSI

and BRC to evaluate the effectiveness of audits, collect feedback and make related adjustments. The letter of guarantee certifies that the food products are safely produced and are of consistent quality. We also require these suppliers to undergo an additional audit to confirm they've met these requirements.

We evaluate all potential suppliers based on several criteria, including compliance, commercial offering, supply flexibility and responsiveness, service, risk management, quality, price, reliability, financial capability, reputation and experience. We recognize that sourcing products, ingredients and services from within our communities helps further support local economies.

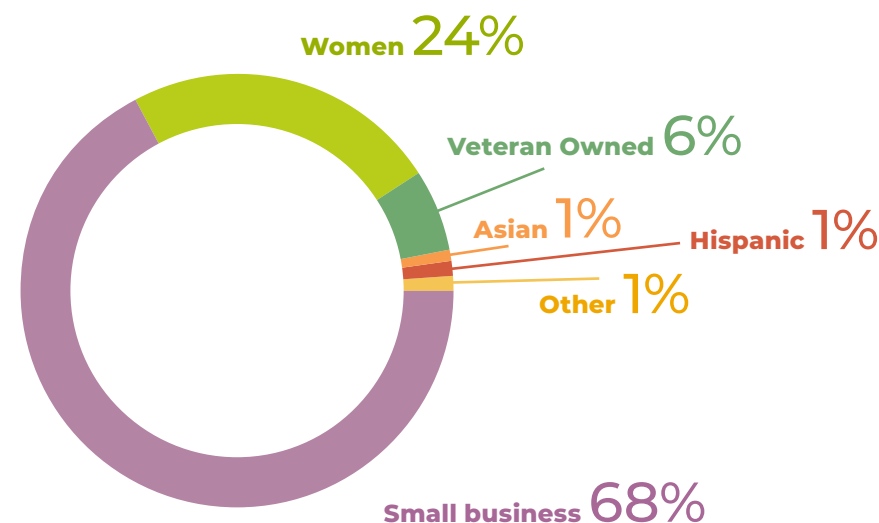
2020 Progress

We are proud to partner with suppliers to ensure the quality, consistency and safety of our products. In the U.S., Puerto Rico and Canada, we have approximately 8,070 service providers and vendors with the average partnership spanning nine years. In Mexico, we work with over 2,000 service providers and vendors and our average partnership length is approximately seven years. In Europe,

we partnered with more than 5,300 service providers and vendors for an average of more than seven years. In Australia, we have approximately 6,050 service providers and vendors.

In 2020, our U.S., Puerto Rican and Canadian teams purchased products and services worth more than US\$ 299 million from minority-owned businesses.

PERCENT PURCHASING VOLUME SPENT ON CONTRACTS WITH MINORITY-OWNED BUSINESSES*



*Includes all U.S., Puerto Rican and Canadian facilities.

BEEF AND LAMB SUPPLIERS

GRI 204-1, FP9



JBS USA Beef*



>7.6MM

head of cattle purchased



>30,800

family farm and ranch partners



>US\$ 11.2B

paid to our family farm and ranch partners

*Includes beef facilities in the U.S. and Canada.

JBS Australia



>3.9MM

head of livestock purchased



>41,000

family farm partners



>US\$ 2.2B

paid to our family farm partners

In 2020, JBS USA Beef (including JBS US Beef and JBS Canada) purchased more than seven million head of cattle from approximately 31,000 family farm and ranch partners, paying them US\$ 11.2 billion to supply our 10 beef production facilities. JBS Australia purchased approximately 3.9 million head of livestock, including cattle, lambs, sheep, goats and veal calves, to supply its 12 production facilities, paying their 41,000 producer partners more than US\$ 2.2 billion. In 2020, approximately 6% of the cattle JBS Australia purchased was sourced from one of our six JBS Australia feedlots. Pilgrim's UK purchased more than 300,000 lambs from 420 family farm partners for more than US\$ 13 million.

Our JBS US Fed Beef, Regional Beef, JBS Canada, Pilgrim's Moy Park, Pilgrim's UK and JBS Australia North and South business units each have unique requirements for selecting family farm and ranch partners to supply our beef and lamb. Open dialogue and strong relationships with our family farm and ranch partners are conduits for success across our supply chain. We define a "family farm or ranch" as any farm or ranch organized as a sole proprietorship, partnership or family corporation where the majority of the business is owned and controlled by a person and his or her relatives.

In the U.S. and Canada, all cattle suppliers are required to sign an affidavit indicating their compliance with governmental regulations, certification of Beef Quality Assurance (BQA) or an equivalent animal-welfare certification program.

In the U.S., we encourage our feedyard partners to enter the precompetitive National Cattlemen's Beef Association (NCBA) Feedyard Assessment Database. Enrollment is voluntary and demonstrates a producer's commitment to environmental stewardship, animal care and quality. Approximately 62% of our feedyard partners participate to date. We also third-party verify 35% of our fed cattle supply according to the BQA Feedyard Assessment.

In Australia, all livestock that are consigned for sale are required to have a National Vendor Declaration (NVD), a document verifying Australian meat and livestock food-safety, as well as the product's origin. In signing the NVD, the producer declares compliance with the Livestock Producer Assurance (LPA), an independently audited on-farm food-safety certification program. The NVD contains information relevant to the husbandry of livestock consigned for harvest. In addition, before livestock leave their farm of birth, they must be tagged with an approved National Livestock Identification System (NLIS) device. This allows animal movements to be recorded in a national database and provides the assurance of livestock trace-back to the property of birth and trace-forward from the property of birth.

Our Pilgrim's Moy Park Orléans business purchases beef for further processing. They only source beef from approved suppliers that are audited annually for food safety and animal welfare. They also developed contracting initiatives with French beef farmers associations to ensure available supply. In a declining French cattle market, this provides farmers an alternative to an otherwise volatile and uncertain market. This program has the following attributes:

- Ensures Pilgrim's Moy Park Beef Orléans supplies of available animals
- Provides a set price, independent of market fluctuations, to improve economic efficiency and income security for all, including engaged farmers
- Requires farmers have a market and a medium to long-term production plan
- Enhances production of cattle from farms that meet the Charter of Good Breeding Practices



Our business units each have unique requirements for selecting family farm and ranch partners to supply our beef and lamb



At JBS USA, we serve a broad customer base that requires diverse types of beef and lamb products

Pilgrim's Moy Park Beef Orléans also encourages its suppliers to purchase cattle from farms involved in Charte des Bonnes Pratiques d'élevage (Good Farming Practices) agreement. The Good Farming Practices, established by the National Livestock Confederation (CNE), is the approved industry standard. Meat from the Netherlands and Ireland also meet requirements set out by the Good Farming Practices. This contributes to making sure 100% of our 1,600 contracted farm partners are audited for animal welfare and environmental performance.

Pilgrim's UK provides the only fully dedicated lamb supply chain in the U.K., partnering with our network of 450 dedicated sheep farmers — some of these partners have been with us for over 25 years. Our farmer partners are located in Wales and West Country of England. These regions are renowned for their grass conditions, making them an ideal location for extensive lamb production. All Pilgrim's Tulip lamb producers are Farm Assured

and raise lambs according to our higher-than-industry standards. Our standards are independently audited by Farm Assurance Assessors. Our lamb producer partners also complete a Responsible Efficient Production Assessment biannually. This assessment evaluates the farm's production, health, welfare and environmental standards.

Pilgrim's UK sources two specific breeds of lamb, Dorset and Abervale. Dorset is preferred as they naturally breed lamb all year, enabling us to organically raise enough lamb to meet customer demand, year-round. Whereas Abervale is classified as Guaranteed Tender rams and is selected based on muscle density.

At JBS USA, we serve a broad customer base that requires diverse types of beef and lamb products. To fulfill these requests, we have multiple branded beef and lamb programs that have varying requirements and certifications to meet our compliance standards.



BRANDED BEEF AND LAMB PROGRAM REQUIREMENTS



- > Cattle have been fed a high-energy cereal-based vegetarian diet for a minimum of 100 days
- > Cattle have been raised according to Global GAP standards
- > Cattle will be AusMeat YG cipher (30 months of age) or less at slaughter
- > Cattle have been raised without the use of hormones
- > Cattle treated with any antibiotics will serve the minimum prescribed Export Slaughter Interval (EIS) prior to slaughter



- > Cattle are sourced from properties and comply with the USDA NOP Organic Certification standard
- > Cattle have never received growth promotants of any kind
- > Cattle have never been administered antibiotics
- > Cattle have never been fed genetically modified ingredients
- > Cattle will be AusMeat S cipher (42 months of age) or younger at the time of slaughter



- > Cattle have never received growth promotants of any kind
- > Cattle have never been administered antibiotics
- > Cattle have a minimum of 50% Red or Black Angus genetics with no Dairy or Brahman influence
- > Cattle were born and raised in the U.S. and verified through cattle origin or brand ID on affidavit
- > Cattle were raised in compliance with the Certified Humane™ Farm Animal Care Standards for beef cattle
- > Cattle have been fed a 100% vegetarian diet and have never been fed animal byproducts
- > Cattle will be less than 30 months of age at slaughter
- > A minimum of 10% of suppliers are inspected annually for compliance with a JBS USA representative or a third party



- > Cattle have been fed a high-energy cereal-based vegetarian diet for a minimum of 100 days
- > Cattle will be AusMet PR cipher (42 months of age) or less at slaughter
- > Cattle treated with any antibiotics will serve the minimum prescribed Export Slaughter Interval (ESI) prior to slaughter



- > Cattle have been fed a 100% vegetarian diet
- > Cattle have never been given added hormones and have not been administered antibiotics within 300 days of harvest
- > Cattle are purebred and U.S. born and raised

We have multiple branded beef and lamb programs that have varying requirements and certifications to meet our compliance standards



- > Cattle are 100% grass fed and grass finished
- > Cattle have never been fed grain, have had continuous access to pasture during the growing season and are fed stored forages during the winter months
- > Cattle have never been fed animal byproducts
- > Cattle have never been given antibiotics or added hormones
- > Producers must provide cattle affidavit upon arrival at harvest to prove cattle were raised in compliance with our strict program protocols
- > A third-party company, Where Food Comes From, verifies producers remain compliant



- > Cattle and lambs have been raised in accordance with the JBS Farms Assurance Program
- > Cattle and lambs have been fed a 100% grass diet
- > Cattle and sheep have been raised without the use of hormones, antibiotics or GMOs
- > Cattle will be AusMeat YP cipher (36 months of age) or less at slaughter
- > Lamb will be AusMea L cipher (approx. 12 months of age) or less at slaughter
- > Lambs will only be sourced from meat breeds
- > Cattle will not contain any Bos Indicus or dairy breed content



- > Cattle and lambs have been raised in accordance with JBS Farms Assurance Program
- > Cattle have been fed a 100% grass diet
- > Cattle have been raised without the use of hormones, antibiotics or GMOs
- > Cattle will be AusMeat YP cipher (36 months of age) or less at slaughter
- > Cattle will not contain any Bos Indicus or dairy breed content



- > Cattle will be AusMeat YG cipher (30 months of age) or less at slaughter
- > Cattle will be fed a minimum of 70 days on a grain ration
- > Cattle treated with any antibiotics will serve the minimum prescribed Export Slaughter Interval (ESI) prior to slaughter



- > Cattle have been raised without the use added hormones
- > Cattle are of Angus heritage
- > Cattle are less than 30 months at harvest
- > Cattle are grass fed, grain finished
- > Cattle are Canadian born and raised



- > Cattle have been raised without the use of antibiotics or added hormones
- > Cattle have been feed 100% vegetarian diet and have never been feed animal byproducts



- > Certified Organic by Quality Assurance International
- > Cattle have been raised without the use of antibiotics or added hormones
- > Cattle have been fed a GMO-free diet



SUSTAINABILITY RECOGNITION ACROSS THE BEEF SUPPLY CHAIN

In 2019, we became the first U.S. beef company to achieve recognition across our supply chain in the cow-calf, feedyard/finisher and processing segments from the U.S. Beef Industry Sustainability Framework. The Framework is widely adopted throughout the industry and outlines the key areas of sustainability and improvement across the U.S. beef value chain. It is comprised of high-priority indicators, sector specific metrics and sustainability assessment guidelines.



[Learn more](#)



[Learn more](#)



[Learn more](#)



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PORK SUPPLIERS

GRI 204-1, FP9



JBS USA Pork



>24.7MM

hogs purchased



>630

family farm partners



US\$ 3.3B

paid to family farm partners

Pilgrim's UK



>2.3MM

hogs purchased



850

family farm partners



US\$ 432MM

paid to family farm partners

JBS Australia



>36K

hogs purchased



18

producer partners



>US\$ 7.4MM

paid to family farm partners



In 2020, our U.S. based business purchased more than 24.7 million hogs from approximately 630 family farmers for US\$ 3.3 billion to supply our five U.S. pork production facilities. Approximately 14% of our total hog supply in the U.S. is sourced from our own live pork business unit. Pilgrim's UK sourced more than 2.3 million hogs from 850 family farm partners and paid them more than US\$ 432 million. Approximately 65% of our hogs are sourced from our integrated supply chain. In Australia, we purchased 36,000 hogs from 18 independent farmers for US\$ 7.4 million.

In the U.S., we require all family farm partners supplying hogs to our facilities to be certified in accordance with the Pork Quality Assurance Plus (PQA+) Program. We conduct third party audits of select partners according to the PAACO-certified Common Swine Industry Audit. We also conduct internal animal welfare audits on a specific subset of our suppliers.

Hogs for sale in Australia are branded with a unique farm identification number. The PigPass national tracking system provides real time information on the movements of all pigs in Australia including which farm they came from. A PigPass National Vendor Declaration (PigPass NVD) form must be completed when pigs are moved between properties. The Australian Pork Industry Quality Assurance Program (APIQ) audits and accredits farms and maintains the data base for PigPass.

This allows animal movements to be recorded in a national database and provides the assurance of livestock trace-back to the property of birth and trace-forward from the property of birth. All hogs are sourced from Australia Pork Industry Quality Assurance Program (APIQ) accredited farms, maintaining industry best-practice animal welfare standards.

Our Pilgrim's Moy Park Business purchases pork for further processing from approved suppliers who are audited annually for compliance with our food safety and animal welfare standards.

Our Pilgrim's UK hogs are raised in accordance with the Royal Society for Prevention of Cruelty to Animals (RSPCA), the Red Tractor or the Quality Meat Scotland (QMS) standards. Certification and third-party audits according to these standards are required to sell hogs to Pilgrim's UK production facilities. In a privately commissioned, standalone assessment Pilgrim's UK was awarded the highest rating, Tier 1, for its animal welfare standards within the Business Benchmark on Farm Animal Welfare (BBFAW) category. In addition, Pilgrim's UK is a signatory to the Cerrado Manifesto, and a member of the UK Roundtable for Sustainable Soy. Finally, soya sourced to feed Pilgrim's UK-owned, high welfare pigs is certified by the Roundtable for Responsible Soy.

JBS USA Pork serves a broad customer base that requires diverse types of pork products. To fulfill these requests, we have branded pork programs that have varying requirements and certifications to meet our compliance standards.

BRANDED PORK PROGRAM REQUIREMENTS



- > No antibiotics ever
- > No growth stimulants
- > 100% vegetarian diet
- > Natural *no artificial ingredients, minimally processed
- > Product of USA



- > RSCPA Assured
- > Outdoor bred
- > High welfare
- > Hogs born and raised in the UK
- > Hogs have never received growth promotants of any kind
- > Ranked Tier 1 in an independent assessment by BBFAW
- > Hogs diets formulated to reduce Soya

POULTRY SUPPLIERS

GRI 204-1, FP9



Pilgrim's



>2.2B

chickens raised by our family farm partners



>4,900

family farm partners in the U.S., Puerto Rico, Mexico and Europe



>US\$ 1.5B

paid to family farm partners in the U.S., Puerto Rico, Mexico and Europe

In 2020, Pilgrim's partnered with more than 4,900 U.S., Puerto Rican, Mexican and European family farm partners and paid them more than US\$ 1.5 billion to raise our chickens. In the U.S., we work in partnership with family farmers to raise our chickens; we also provide poultry and feed, as well as technical and veterinary services. In Europe and Mexico, we own poultry facilities, in addition to working with family farmers. Our family farm partners maintain Pilgrim's standards of excellence.

In 2020, our family farm partners raised more than 2.2 billion chickens, according to our Animal Welfare Program.

In the U.S., we audit a subset of our U.S. family farm partners according to the Animal Welfare Program requirements, conducted by internal Professional Animal Auditor Certification Organizations (PAACO) certified team members and external, third-party auditors.

In Mexico, every farm is audited in compliance with Mexican government standards, including Ministry of Agriculture and Rural Development (SADER), Mexico-United States Commission for the Prevention of Diseases and Other Exotic Animal Diseases (CPA), Secretariat of Agriculture, Livestock, Rural Development, Fisheries and Food (SAGARPA), Ministry of the Environment and Natural Resources (SEMARNAT) and State Civil Protection.

In Europe, all poultry farms are Red Tractor approved, and our farms meet or exceed the Red Tractor or equivalent welfare standards. Farms are audited by independent, approved certification bodies.

In addition, for purchased meats, Pilgrim's Moy Park operates under a Policy for Supply Chain Assurance, ensuring that meat products come from approved suppliers who at a minimum meet the Red Tractor or another equivalent standard.

Pilgrim's Moy Park has also established a Responsible Sourcing Soy Policy for the soy feed given to our

chickens. While deforestation and responsible sourcing of soy continues to be an evolving issue, Pilgrim's Moy Park believes that maintaining a policy is an important and valuable tool that helps drive progress toward our broader sustainability objectives. Additionally, this initiative is crucial as we build trust among our customers, team members, investors and other stakeholders. Ultimately this strengthens our credibility as a responsible organization committed to developing our business in a sustainable and ethical way. We also continue to enhance and develop our Responsible Sourcing agenda and work diligently with our supply chain partners to increase transparency in sourcing practices. This is especially important around the use of deforestation-free soy in the supply chain of the feed for our chickens and in our products.

Pilgrim's serves a broad customer base that requires diverse types of chicken products. To fulfill these requests, we have branded poultry products that have varying requirements and certifications to meet our compliance standards.

BRANDED CHICKEN PROGRAM REQUIREMENTS GRI FP12



- > Farm has passed the American Humane Certified™ Farm Program assessment based on a list of more than 200 standards unique to chickens
- > Chickens have been fed 100% vegetable- and grain-based diet
- > Chickens have never been given antibiotics



- > Certified USDA Organic
- > Chickens have been fed 100% vegetable- and grain-based diet
- > Chickens have never been given antibiotics



- > Chickens have never been given antibiotics



- > Chickens have been fed 100% vegetable- and grain-based diet
- > Chickens have never been given antibiotics

JBS's practices and initiatives to play a leading role in the movement to promote a more inclusive society

Social responsibility



OUR PEOPLE

GRI 103-2, 103-3

OUR APPROACH

The success of our company starts with the success of our people. For the past decade, we have focused on providing a safe and well-managed workplace that enables our team members to thrive and have better futures. We are humbled by our committed and dedicated workforce of more than 100,000 team members – 66,510 of whom are based in the U.S. and Puerto Rico, 2,650 in Canada, 10,500 in Mexico, 15,000 in Europe and 10,200 in Australia and New Zealand. Ninety-nine percent of our team members work in production facilities, and one percent work at the JBS USA corporate offices around the world.

<https://vimeo.com/537728895>



We are humbled by our committed and dedicated workforce of **more than 100,000 team members**

66,510 in the U.S. and Puerto Rico

2,650 in Canada

10,500 in Mexico

15,000 in Europe

10,200 in Australia and New Zealand

OUR MANAGEMENT APPROACH

GRI 103-2, 103-3 | 401-2, 407-1, 408-1, 409-1, 412-3

Our managers reinforce JBS USA's culture of respect by being available to team members who want to discuss issues. All management policies and programs are annually reviewed by management teams, and specific team member issues are reviewed weekly or as frequently as necessary to address issues.

To ensure that our policies and programs are functioning correctly, JBS USA measures and evaluates health and safety, turnover, absenteeism and overtime indicators each week. This allows us to make immediate adjustments if necessary and ensure team member health, safety and working conditions are upheld according to JBS standards across all facilities.

We operate all our facilities in compliance with labor and human rights laws. We also adhere to strict internal policies and programs that provide additional guidance to best serve our team members. The company has a zero-tolerance policy on child or forced labor. Our background check policy does support re-entry into the workforce of persons with a criminal record dependent on several factors including the assessment of potential

risks and liabilities, the "nature and gravity" of the individual's criminal offense or conduct and the nature of the duties and essential function of the position sought. JBS USA does not permit degrading conditions in the workplace that could put our team members' health or lives at risk. We uphold all applicable wage and hour laws, such as minimum wage and overtime compensation, and all legally mandated benefits. For our hourly team members, we do a competitive wage analysis two times per year, and for salaried team members, we do a competitive wage analysis one time per year to ensure we are paying competitively for where they work and live. Salaries are adjusted as necessary based on these competitive wage analyses. We also respect our team members' rights of association, of joining labor unions and of collective bargaining. In 2020, 57% of our team members working in the U.S. and Puerto Rico, 90% in Canada, 86% in Mexico and 46% in Europe were covered by collective bargaining agreements, and 77% of team members in Australia and New Zealand were covered by collective bargaining agreements or Modern Federal Awards. **GRI 102-41**



JBS USA measures and evaluates health and safety, turnover, absenteeism and overtime indicators each week

TOWN HALL MEETINGS **GRI 102-17**

To maintain a culture of trust and respect, we offer opportunities for our team members to provide and receive feedback during roundtable or town hall meetings. Team members from every department are invited to meet with management and ask questions, express concerns and present solutions. Team members are reminded of our Open Door Policy at all meetings. Minutes are taken during each meeting and follow-up plans are made for any identified action items. We address all action items within a reasonable time frame and provide feedback to any team members who raised concerns.

BUILDING A DIVERSE AND DEDICATED WORKFORCE

GRI 102-43, 103-2, 103-3 | 201-1, 401-2, 403-6, 405-1, 406-1

Our Commitment

At JBS USA, diversity is one of our greatest strengths, and we know that the success of our company depends on the collective skills, backgrounds and experiences of our team members. By treating our team members with dignity and respect, and by promoting diversity and inclusion, we strive to create a trusting and productive workplace.

Our Management Approach

Due to the various locations of our facilities and our large, diverse workforce composed of team members of different ethnicities and national origins, JBS USA faces unique communication challenges. As many as 60 different languages are spoken at any one facility. To ensure that all team members can express themselves and understand key messages, we provide company

materials in various languages and dialects. This includes team member information such as benefits, safety instructions and new hire and continuous training materials. In addition, each facility offers unlimited access to Language Lines, which provides more than 200 languages and creates immediate access to clear communication across our facilities. JBS works diligently to accommodate the cultural needs of all of our team members. We encourage all facilities to evaluate the effectiveness of their accommodations and to identify the best approaches to address their unique situations.

We empower all facilities to work within their communities to recruit and retain diverse team members. Our local teams aim to hire and employ a workforce that represents the communities where they live and work. As a contractor to the U.S. federal government, we maintain affirmative action programs to implement our Equal Employment Opportunity Policy and work to identify opportunities for improvement, such as partnering with universities to recruit talent.

Our local teams aim to hire and employ a workforce that represents the communities where they live and work

JBS USA also actively partners with the U.S. federal government to guarantee a lawful and legal workforce. Since 2012, JBS USA has participated in the U.S. Immigration and Customs Enforcement (ICE) Mutual Agreement between Government and Employers (IMAGE) program. The IMAGE program promotes voluntary compliance with employment authorization provisions of the Immigration and Nationality Act and assists in the prevention of the hiring or continued employment of people who are not authorized to work in the U.S. As a committed employer of a legal workforce, JBS USA is assisted by the program in its efforts to develop a more secure and stable workforce, and enhance fraudulent document awareness through education and training.



EQUAL EMPLOYMENT OPPORTUNITY

As part of our Equal Employment Opportunity Policy, we reaffirm our commitment to recruit, hire, promote and train all team members regardless of race, religion, color, national origin, sex, sexual orientation, gender identity or age. JBS USA is dedicated to providing equal opportunities to all people, including military veterans and qualified individuals with disabilities.

COMPENSATION AND BENEFITS

JBS USA provides competitive pay to our team members and rewards top performers. Our compensation philosophy is meritocratic, and we strive to reward all team members for their specific contributions. All team members receive paid time off with specifics being dependent on state regulations and union contracts as applicable. The minimum time of paid sick leave (personal days) for all salaried team members is 40 hours. The minimum time of paid time off for all team members is 40 hours, availability timing of which is dependent on eligibility criteria and/or union contracts at each specific facility location. Additionally, team members are not required to provide proof of medical diagnosis before utilizing sick leave. All team members

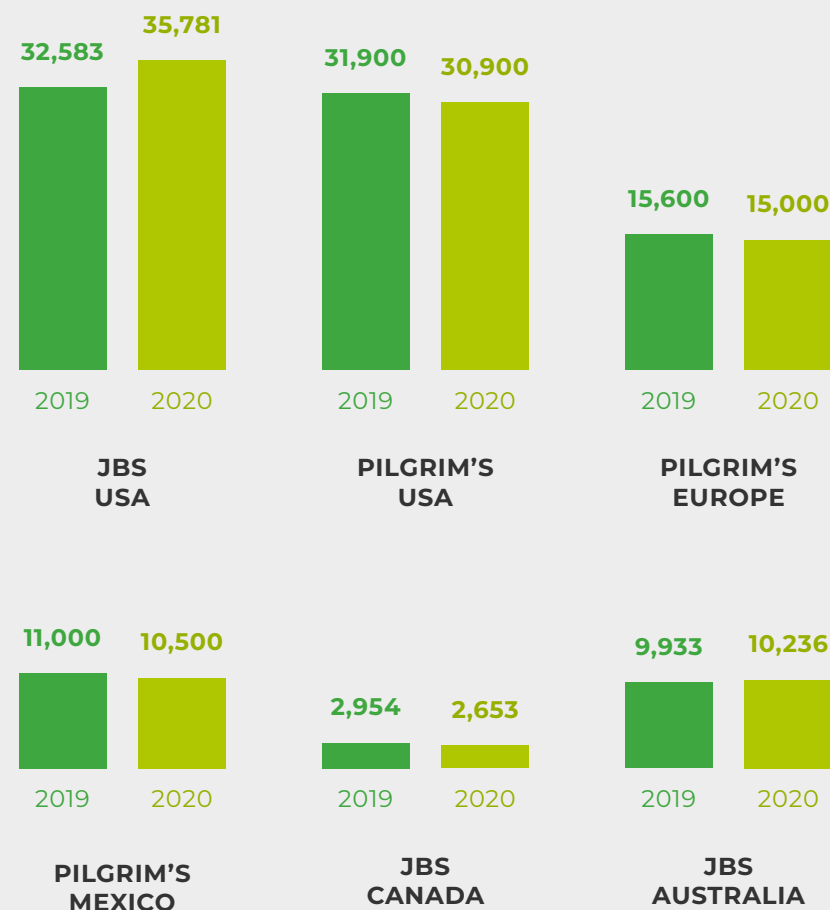
and their families are offered benefits including medical, dental and vision insurance. Dependent on qualifications, some team members may receive six weeks of paid short-term disability for the birth of a child. We also provide life insurance and disability insurance and offer Flexible Spending Accounts to promote healthy lifestyles amongst team members. Most team members are provided with retirement benefits including a non-qualified deferred compensation plan and a defined contribution 401(k) plan.

ENGAGING OUR TEAM MEMBERS

We value the thoughts and opinions of our team members and conduct regular surveys to maintain an accurate understanding of team member engagement, perceptions and attitudes on topics such as pay and benefits, scheduling, safety and satisfaction with supervisors. Surveys are refined annually to get more specific feedback from our team members. We work to quickly identify and address concerns from our team members and strive to create an environment where team members recognize the importance of their roles. Finally, 100% of all salaried team members in North America and Australia and a portion of our salaried team members in Europe receive performance reviews.

2020 PERFORMANCE

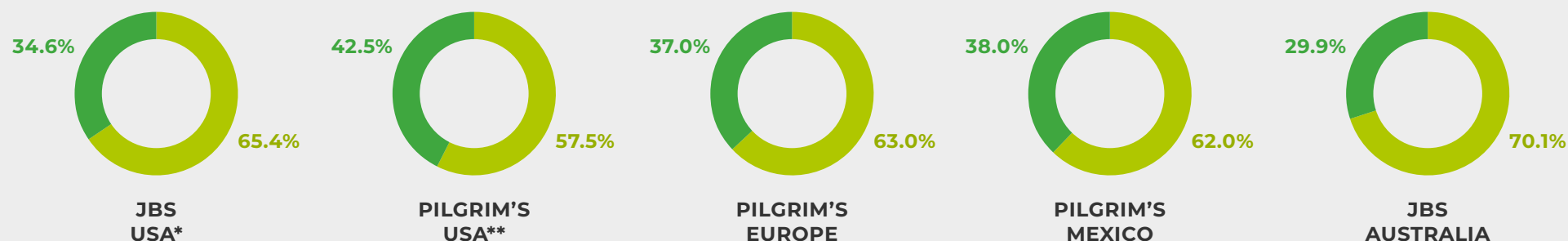
TOTAL NUMBERS OF TEAM MEMBERS GRI 102-8



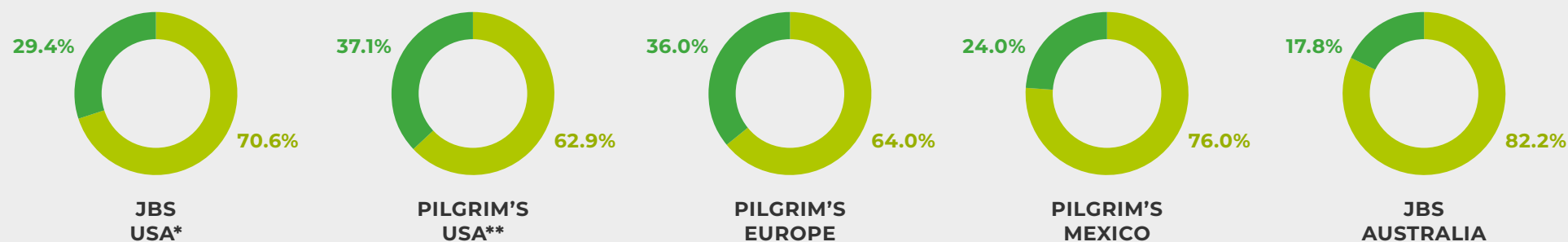
2020 PERFORMANCE

PERCENT OF TEAM MEMBERS BY GENDER – TOTAL WORKFORCE GRI 102-8

Due to the various locations of our facilities and our large, diverse workforce composed of team members of different ethnicities and national origins, as many as 60 different languages are spoken



PERCENT OF TEAM MEMBERS BY GENDER – MANAGEMENT GRI 102-8



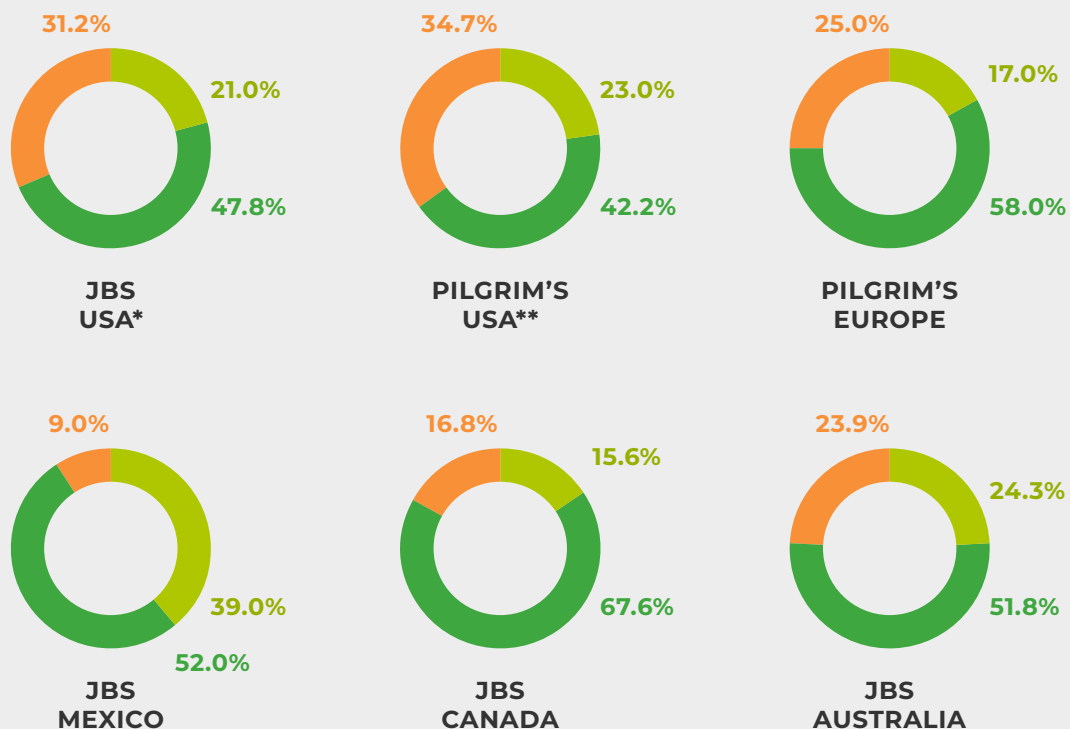
● Male ● Female

* Includes all facilities in the U.S., except poultry facilities.

** Includes all facilities in the U.S.

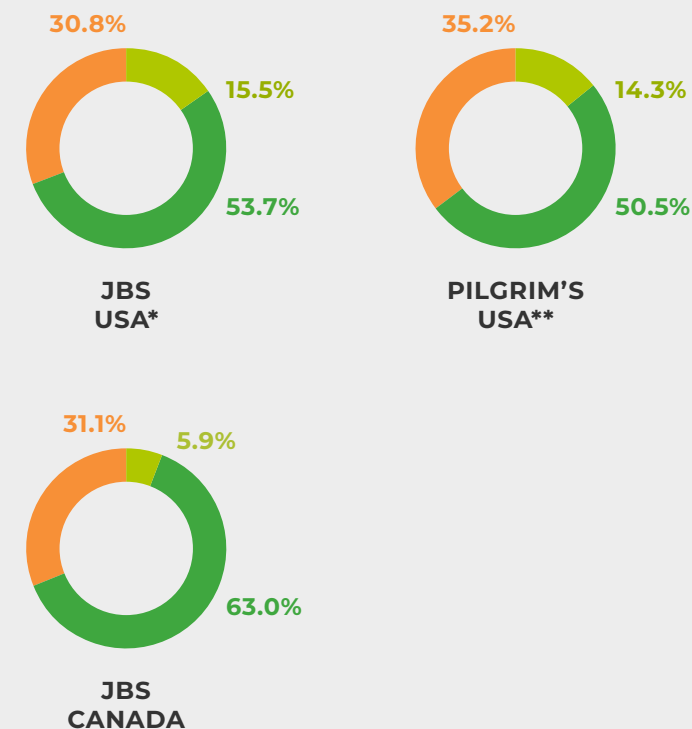
2020 PERFORMANCE

PERCENT OF TEAM MEMBERS BY AGE GROUP – TOTAL WORKFORCE GRI 102-8



● Less than 30 ● 30 to 50 ● More than 50

PERCENT OF TEAM MEMBERS BY AGE GROUP – MANAGEMENT GRI 102-8

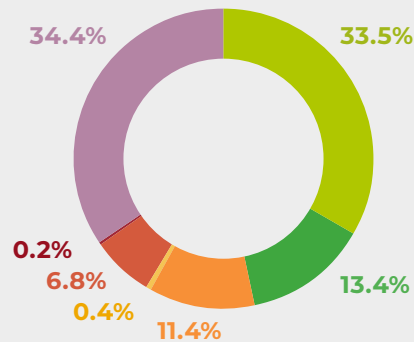


* Includes all facilities in the U.S., except poultry facilities.
 ** Includes all facilities in the U.S.

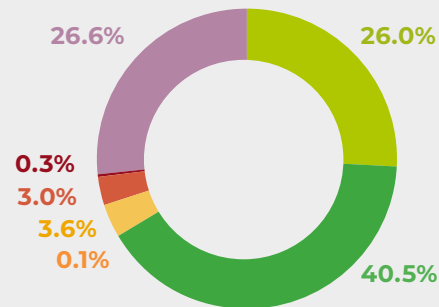


2020 PERFORMANCE

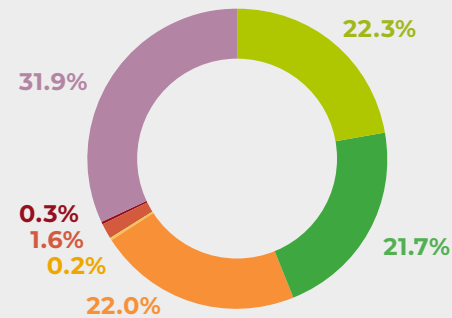
PERCENT OF TEAM MEMBERS BY RACE



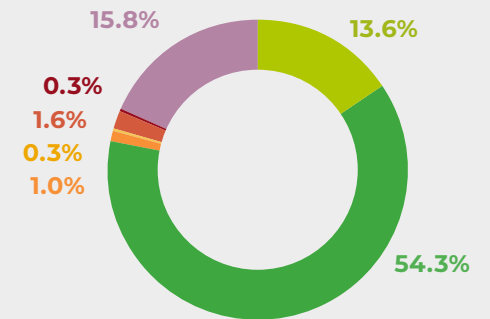
JBS USA – TOTAL
WORKFORCE*



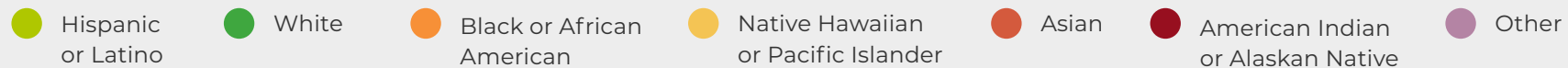
JBS –
MANAGEMENT*



PILGRIM'S USA –
TOTAL WORKFORCE**



PILGRIM'S USA –
MANAGEMENT**



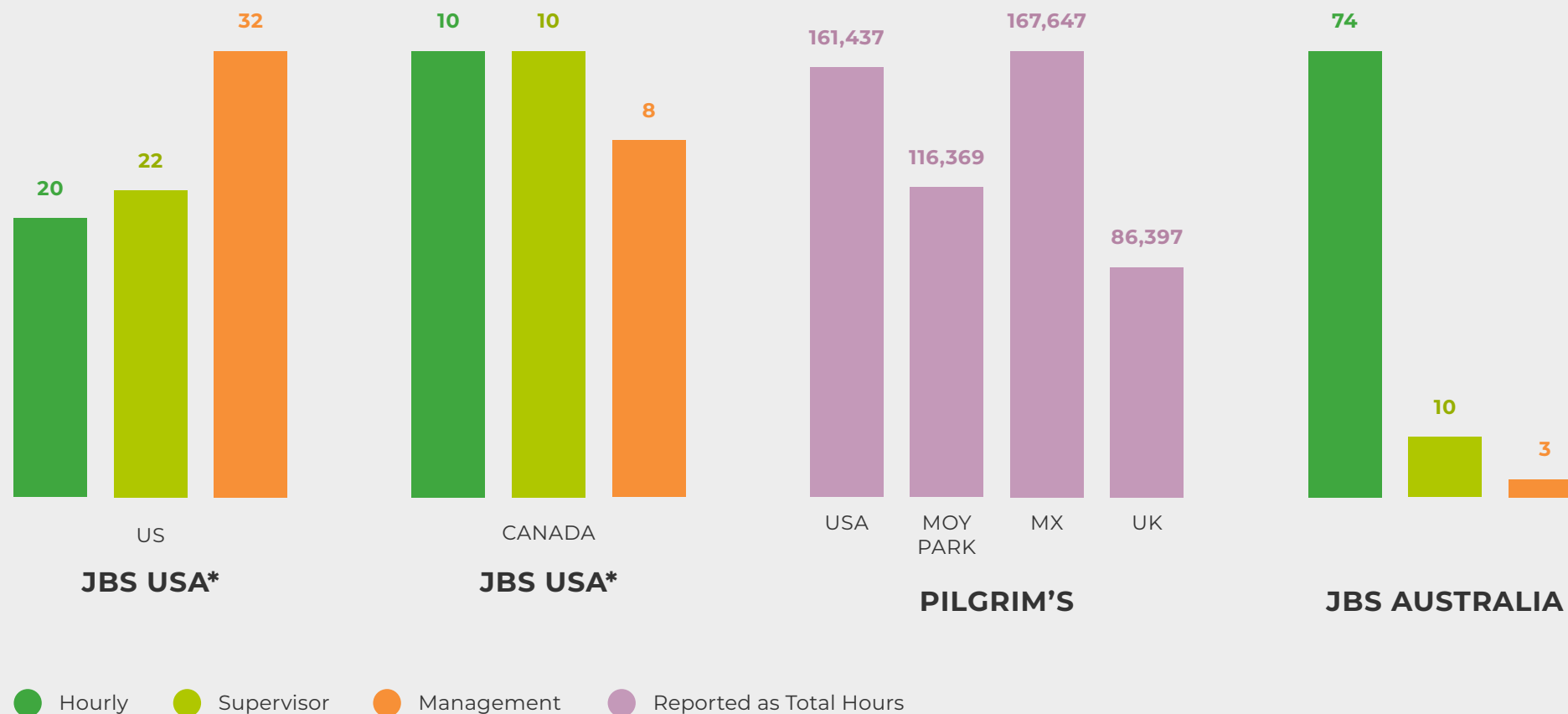
* Includes all facilities in the U.S., except poultry facilities.

** Includes all facilities in the U.S.

2020 PERFORMANCE

TEAM MEMBER TRAINING

AVERAGE NUMBER OF HOURS OF TRAINING
PER YEAR PER TEAM MEMBER



* Includes all facilities in the U.S., except poultry facilities.

DEVELOPING LEADERS GRI 102-43

Our Commitment

At JBS USA, we are dedicated to offering growth and development opportunities to team members. We offer leadership and training programs to team members to further develop incoming and existing leaders. We know that leaders are not born – they are made – and we pride ourselves on employing and recognizing people who have the potential to be successful leaders.

In 2020, our training format shifted primarily to virtual system delivery, which allowed for much greater access and increased training hours; in some cases, the training was specifically for new COVID-19 related interventions and topics.

Our Management Approach

Our team members have the opportunity to receive leadership training through many programs. Our leadership programs are tailored to the needs of each business unit with communication across units to share best practices and results.



Internship Program

The Internship Program gives college students an opportunity to gain practical industry experience and develop extensive leadership skills. This 10-week summer internship challenges approximately 150 participants through hands-on learning experiences and meaningful projects that improve our business and provide education and valuable workplace experience.

Interns are placed in either a production or corporate business unit role where they learn from experienced leaders who offer them industry exposure and networking opportunities with senior management. Not only are our internships paid positions, but the program also allows students to receive college credits.



Management Trainee Program

Recent college graduates looking to pursue their passion for building a career in the animal protein industry can apply to our Management Trainee Program. This 12-month rotational program is designed for those ready to excel in our technical, cultural and leader-based work environments. Customizable rotations allow trainees to grow their project management, problem-solving and collaboration skills in line with their own interests and career aspirations. Each year, we onboard nearly 100 JBS USA trainees from the U.S., Canada and Mexico. The orientation curriculum empowers trainees to strive for individual success while contributing to JBS USA operations.



Mexico Trainee Program

The Mexico Trainee Program is designed to create a pipeline of recent college graduates from Mexico who will develop into future operations leaders. This 12-month rotational leadership development program is an opportunity to gain hands-on experience in multiple areas of a facility giving and an in-depth understanding of how pieces of our business work together. The first six months of the training program are spent in Mexico at a Pilgrim's processing facility. The last six months are spent in the U.S. with the intention of trainees being placed in a leadership role at that facility. Throughout the 12 months, trainees go through three leadership development training sessions to prepare them for an accelerated career.



We offer leadership and training programs to team members to further develop incoming and existing leaders



Supervisor Development Program

Our Supervisor Development Program was created to identify hourly production team members who possess leadership abilities and to develop those team members into frontline supervisors with the potential for continued advancement. The Supervisor Development Program is designed to invest in driven, passionate and results-oriented team members by giving them the tools they need to accelerate their careers within JBS USA. The program includes four months of rotational training in a JBS USA facility, leadership skills training and the opportunity to meet with and learn from other leaders across the company. The program totals more than 150 team members.



Leadership Warehouse Program

At JBS USA, our goal is to create a culture that yields sustained excellence. Our Leadership Warehouse works to motivate team members to do their part in the continuation of JBS USA's culture. The Leadership Warehouse Program outlines six different leadership development offerings, providing education opportunities to different levels of leadership. We provide team members with access to programs that further their leadership abilities and propels JBS USA closer to its mission. Each of the Leadership Warehouse development programs are designed and facilitated internally allowing us to offer culturally relevant and company-oriented leadership solutions.



Gateway

The Gateway Executive Leadership program is built for senior and executive leaders who have been identified as potential business presidents and future executive leaders within the company. The program is a part of the JBS USA's broader talent mapping (succession planning) process to ensure readiness and increased capabilities within our highest level leadership roles. The program is focused primarily on technical, strategic business functions and provides participants with the opportunity to master these core business areas prior to moving into broader, executive leadership roles.



Summit

Summit is built for senior leaders who are interested in continued learning and growth. The program is open to all JBS USA business units and brings together 25 nominated, high-potential leaders for yearlong education. The Summit introduces nominees to business concepts by partnering with executive sponsors and local business leaders to solve real-world problems occurring at local facilities. With exposure to our operations in the U.S., Australia and Brazil, Summit participants gain business knowledge from every unit of the company.



People First

The People First Program creates a success framework for our frontline supervisors, mid-level managers and corporate managers. The program provides specific training to all frontline supervisors in four sessions throughout the year, focusing on leadership techniques and tools that build, maintain and uplift our teams. Program topics include building trust and respect, the cost of turnover, accountability, delegation and prioritization, communication and information sharing. To empower our team members, we identify and train internal team members to become facilitators of the People First Program.



Leadership Fundamentals 1.0

Leadership Fundamentals 1.0 is our new manager training program designed for recently promoted or hired team members coming from outside the company. The one-day program is offered eight times throughout the year, giving new leaders exposure to JBS USA's Values, Mission and Beliefs, while also offering basic leadership skills such as effective team communication, delegation and performance management. This program is a pre-requisite for the more advanced Leadership Fundamentals 2.0 program.



Leadership Fundamentals 2.0

Leadership Fundamentals 2.0 is a weeklong leadership development education program designed to guide mid-level managers in three leadership categories: Self, Others and Process. The Strategic Leadership program builds on the groundwork that mid-management leaders have honed, pushing their knowledge and experience even further. Much of the practical items taught are adapted from the JBS USA culture, but the overall focus of the program is to develop competent and inspiring leaders.





Development Workshops

Development Workshops are designed for salary non-exempt and hourly team members in supporting corporate roles to meet their growing personal and professional needs. This past year, we offered more than 500 hours in development workshop trainings and plan to develop additional content and more training hours in 2020.



Power Hour

We created Power Hour development workshops in direct response to the COVID-19 pandemic. As team members and leaders began working through uncertain conditions and unprecedented change, we provided a quick, weekly, one-hour program to bring everybody together. The Power Hour workshops provided training and tools training and tools for managing stress, working through change, leading remote teams and a variety of pandemic related, just-in-time content.



Individual Development

JBS and Colorado State University LogosJBS USA also offers full tuition sponsorship for a wide array of coursework through our 10-year partnership with Colorado State University. This partnership includes executive MBA, online MBA, graduate certificate, professional certificate and online agribusiness degree completion programs.



In 2020, our training format shifted primarily to virtual system delivery, which allowed for much greater access and increased training hours

University of Pilgrim's, Mexico

University of Pilgrim's is a training and leadership program designed to benefit all levels of team members. To date, we have been able to help more than 275 team members develop personally and professionally and obtain their High School Degree.

Moy Park Accelerate Future Leaders Program

The Accelerate Future Leaders program supports the development of our future senior leaders in the business by focusing on effectiveness, influence and awareness to better lead our teams to "Be the Best."

Pilgrim's UK Operational Leadership Trainee Program

The Pilgrim's UK Operational Leadership Trainee Program was created in 2019 to identify internal and external early career talent, such as recent graduates or apprentices, who have the potential to become future operational leaders. It is a 24-month rotational program whereby trainees spend six-month placements at various UK facilities working on key operational projects.



Pilgrim's UK Apprenticeships

The Pilgrim's UK apprenticeship program supports and develop colleagues by combining on and off-the-job learning to improve knowledge, skills and behaviors. Currently, colleagues are enrolled in apprenticeships across a wide range of disciplines including finance, project management, HR, food science and management. Our apprenticeships range from entry-level to MBA degrees.

JBS AUSTRALIA

Senior Leaders

JBS Australia offers tailored leadership development opportunities for company executives and senior leadership. Offerings include the JBS USA Summit Program, Executive MBA programs, post-graduate individual placements, executive coaching and international secondments.

Next Generation Leaders

For senior leaders aspiring to executive roles within JBS Australia, development opportunities include an eight-month Next Generation Leaders course delivered annually in partnership with the Queensland University of Technology, the JBS USA Summit Program, and individual coaching and rotations.

Senior Supervisors

The JBS Australia Impact leadership development program prepares those at the senior supervisor level for a role as 2IC, plant manager or an equivalent support function. The program combines residential experience with active learning in the workplace in the form of structured mentoring from nominated senior leaders.

People First Program

JBS Australia debuted its People First Program in 2019. Modeled on the JBS USA People First, the program supports team members transitioning from an hourly role to a salaried position by giving them foundational leadership and management skills.

2020 PROGRESS

At JBS USA, our programs create a culture of excellence and result in strong retention of graduates and high job satisfaction among seasoned team members. In 2020, we

experienced success across all leadership and development programs.

Each of our talent initiatives yielded impressive results in 2020:

- > A record US\$ 30 million investment in leadership training and development
- > A record 429,000 hours of virtual and in-person leadership training and development programming
- > Our talent initiatives are garnering more and more attention worldwide, with applicants to our programs exceeding 12,000 in 2020
- > Our 2020 JBS USA Internship Program grew to 125 interns, and we maintained our strong intern conversion rates into full-time team members as either JBS USA trainees or direct hires
- > Our 2020 JBS USA Management Trainee Program on-boarded 80 trainees and enjoyed a 80% retention rate
- > In 2020, we graduated more than 75% of our 2019 JBS USA trainees into management roles at the superintendent level and above
- > Our 2020 Supervisor Development Program had a 80% retention rate and enjoyed turnover 10% below the average for managers at the same level elsewhere in the company
- > In 2020, we provided approximately 170,000 hours of training through University of Pilgrim's Mexico and University of Pilgrim's US
- > Pilgrim's Mexico assisted more than 275 team members with obtaining their High School degree
- > Pilgrim's Moy Park trained 28 people through their Accelerate program
- > Pilgrim's UK enrolled two inaugural trainees through their Operational Leadership Trainee program and enrolled 128 team members in their apprenticeship program
- > 15 JBS Australia team member leaders completed the inaugural Next Generation Leaders program in 2020
- > In 2020, 25 senior supervisors completed the JBS Australia Impact leadership development program
- > We provided academic services for:
 - > 25 undergraduate degrees in agribusiness
 - > 25 online MBAs
- > Even more aggressive MBA participation and overall formal education figures budgeted for in 2020



Looking ahead, we are excited about and committed to supporting the growth of our interns, trainees and team members as they start or continue their careers in the food industry.

We are proud of our results and will continue to look for ways to strengthen all our team member engagement programs and efforts in 2021.

TEAM MEMBER HEALTH AND SAFETY

GRI 103-2, 103-3 | 401-2, 403-1, 403-2, 403-3,
403-4, 403-5, 403-6, 403-7, 403-9

OUR COMMITMENT

At JBS USA, we believe that safety is essential to our success. We do not tolerate unsafe working conditions and are committed to providing safe work environments for our team members across all JBS Foods facilities.

Team member health and safety is an integral component of our 2020 sustainability strategy. We developed aggressive goals in the U.S. to improve team member health and safety year over year.



2020/Goals*



We improved our Safety Index performance by

56%

surpassing our goal of

10%*



* Goal set for our U.S. and Canadian facilities.

OUR MANAGEMENT APPROACH

In total, we have more than 800 team members whose roles and responsibilities are dedicated to the health and safety of team members in our facilities

Our safety policies, governance structure and management approach are designed to promote a safe work culture for our more than 100,000 team members. The JBS USA Occupational Health and Safety Management System focuses on training and educating our team members and eliminating work hazards. The system meets relevant government requirements in each country. We defer to governing bodies like those listed below to evaluate the effectiveness of external safety audit processes, collect feedback and make necessary adjustments. **GRI 403-1**

Our U.S. and Puerto Rican facilities operate in alignment with U.S. Occupational Safety and Health Administration (OSHA) standards. In Europe, our programs meet the Health Safety Executive RIDDOR (Reporting of Incidents Diseases and Dangerous Occurrences) Regulations.

In Australia, each jurisdiction enforces their own Work Health and Safety Act and regulations, and our facilities comply with them in each region. Our overarching safety management system framework in Australia aligns with the National Audit Tool (NAT) for self-insurers, which is based on the Australian Standard 4804 Occupational Health and Safety Management and Australian Standard 4801 Occupational Health and Safety Management Systems.

In Mexico, our team tracks data according to the government Secretaria del Trabajo and the Safety and Health regulations, which comply with OSHA standards.

In Canada, our Health and Safety Management System is aligned with the Alberta Occupational Health and Safety (OH&S) law. In addition, our facility is a holder of a Certificate of

Recognition (COR) through a certified auditor, Alberta Food Processing Association (AFPA).

Each JBS USA facility has a Safety Manager who reports to the General Manager. In total, we have more than 800 team members whose roles and responsibilities are dedicated to the health and safety of team members in our facilities. In addition, every facility also has a safety committee, which is chaired by the facility Safety Manager and consists of hourly team members, union representatives (where applicable) and key senior management. Approximately 3-15% of all team members are engaged in these committees, providing representation for 100% of the workforce. The facility safety managers and safety teams analyze work environment and physical hazards and propose innovative strategies, aligned with the hierarchy of controls, to keep our workplace safe.

Each JBS USA business unit has a Head of Safety who reports to the Head of Human Resources or Head of Operations, who report to the Head of Operations or the President of that business unit. There is also a corporate safety and human resources team that supports all JBS USA

business units by further analyzing data and tracking programs across the company. The Heads of Safety at JBS USA sit on a corporate Safety Leadership Committee. This committee meets regularly to discuss safety standards and best practices.

Every Head of Safety also participates in the Executive Safety Council. This Council consists of executives from across the company, inclusive of business unit Presidents, Vice Presidents, Heads of Operations, Heads of Engineering, Heads of Human Resources and the Heads of Safety. The council meets regularly to discuss outcomes and progress and review recommended changes from the Safety Leadership Committee. Finally, safety performance is a material driver of executive-level bonuses.

To ensure successful implementation of our health and safety policies, safety data is integrated across a shared digital platform, allowing us to better share best practices and identify enterprise wide trends. This enables us to develop data-driven corrective actions to our processes, including team member observations, safety inspections and audits. We also update our safety programs regularly by detailing new challenges,

auditing techniques and providing straightforward solutions. Our safety teams focus on safety training, performance, measurement and the sharing of best practices across all of the JBS USA business units.

If a team member notices an unsafe act or unsafe condition, we empower them to speak up and make sure unsafe acts are stopped and unsafe conditions are made safe. Everyone is empowered to report and correct unsafe acts and conditions without fear of retribution. Each team member is also empowered to remove themselves from any situation they deem to be unsafe.

To continuously improve, we set companywide and facility-specific safety goals each year and track leading safety indicators weekly. These leading indicators include monitoring observations for unsafe behaviors, working surfaces, machine guarding, safety gaps, electrical safety, drive cam coaching effectiveness, preventable vehicle accident rates and corrective actions. Performance is reported daily, weekly and monthly to management teams so

that decisions that impact health and safety can be made swiftly and have the utmost priority. All of our operations supervisors are required to conduct multiple safety observations each week. The intent of these safety observations is to identify unsafe behaviors and intervene with helpful coaching prior to the occurrence of an unsafe act, condition or injury.

We also track traditional lagging indicators, such as Total Recordable Incident Rate (TRIR), Days Away, Restrictions and Transfers (DART) rate and Lost Time rate. We consistently outperform industry averages in TRIR and DART rate and continue to work to improve the performance of our health and safety programs.

We also track a Safety Index for each facility which measures the frequency of severe incidents per hour of operation. A severe incident is defined as an amputation, hospitalization, vision loss, fracture or second or third degree burns resulting in greater than five days lost time, any injury resulting in greater than five days lost time or a fatality.

PROMOTING TEAM MEMBER HEALTH

We recognize and respond to the occupational health concerns and needs of all team members, and we are in compliance with all applicable state and federal regulations governing occupational healthcare delivery. JBS USA has a Director of Occupational Health, who provides continual improvements to our health protocols and ongoing training to our Occupational Health Staff to further share and implement best practices across all of our facilities. **GRI 403-6**

Our Ergonomic Improvement Program is designed to reduce the effects of repetition, contact stress and static postures. The program is tailored for each facility to control or eliminate potential conditions or work activities that pose ergonomic risks at each particular site. Our managers take ergonomic improvements seriously and conduct annual training and assessments to continually improve the program.

Personal protective equipment (PPE) for team members is standard across JBS USA. Our Facility Safety Managers conduct workplace hazard assessments regularly to assess PPE needs and provide training and technical assistance to team members to ensure effective PPE usage.



We are in compliance with all applicable state and federal regulations governing occupational healthcare delivery



HEALTH AND SAFETY TRAINING AND EDUCATION PROGRAM

We center our Occupational Health and Safety Management System on training and education, as well as controlling or eliminating job-related hazards, to reduce the number of work-related injuries and illnesses throughout our facilities. Our in-depth safety training consists of new team member orientation, job- and task-specific training, departmental safety meetings and refresher training for team members every month. All newly hired team members must complete both classroom and department-specific training. We use the Alchemy Training system, which makes safety training available in multiple languages. We have written job-safety analyses for all of our positions. **GRI 403-5**

We use the Alchemy Training system, which makes safety training available in multiple languages



INCREASING OUR FOCUS ON PREVENTION

In the U.S., we have prioritized a comprehensive safety audit project to identify and reduce potential hazards. We have shifted our enterprise wide focus to early detection, including an in-depth review of policies and programs related to walking surfaces, protection from and prevention of falls or slips, electrical safety, machine guarding and ergonomics. **GRI 403-2**

Based on the results of these audits, each year, we identify three high-priority initiatives—one that is companywide, one that is business unit-wide and two that are prioritized by each facility. In 2021, our company-wide initiative is machine guarding with a focus on conveyor belt guarding. Additionally, each facility undergoes an ergonomics audit annually, where ergonomic issues are identified, logged, and remediated within a reasonable period of time.

We continue to increase our focus on prevention by improving our observation process to enhance our measurement and ultimately our performance of leading safety

indicators. For example, our Safety Observation Process makes sure that our supervisors are observing and identifying unsafe acts and workplace conditions, as well as coaching team members to proactively change and challenge unsafe behaviors. This allows us to use data collection, analysis and coaching to prevent potential injuries from occurring. Our reporting includes a leading indicator dashboard that is tracked weekly according to targets and includes monitoring observations for unsafe behaviors, working surfaces, machine guarding, safety gaps, electrical safety, drive cam coaching effectiveness, preventable vehicle accident rates and corrective actions. In addition, we have incorporated more team members, including hourly, salaried and management, into our Safety Observation Process to create a culture of ownership with regard to team member health and safety. We track our performance and improvements through safety-gap scorecards and corrective action logs. **GRI 403-7**

CORRECTIVE ACTIONS

While we focus on education, training, process improvements and cultural accountability, accidents do occur, and we must acknowledge, report and learn from safety-related incidents. We have a formal Incident Investigation Procedure to investigate and reduce, mitigate or eliminate injuries, illnesses and fatalities. The incident investigation process assists operations in preventing the recurrence of similar incidents and in identifying injury and illness trends, potential weaknesses or failures in our safety management and proximate and root causes of incidents. This process allows us to develop effective corrective action plans. In addition, within each business unit, locations regularly share incident investigation information to facilitate learning and prevention.

AUDITS

Each year, every location undergoes a comprehensive safety management system audit, a fleet safety audit and an occupational health audit. In addition, since 2015, JBS USA has conducted comprehensive safety analysis audits to identify and reduce potential hazards.

INDEPENDENT CONTRACTORS

Although our contracted workforce is a small portion of our total workforce, we take our responsibility for their health and safety seriously. We partner with a third party to ensure that our contractors meet our health and safety standards. In the U.S. and Canada, contractors are required to have an "A" or "B" grade to work at our facilities. Those contractors with "C" and "F" grades must have a variance form on file granted by the site Safety and Health Manager and the General Manager. Contractor grades are derived from Contract Safety Information, which includes safety, injury and illness statistics; aggregate insurance requirements, OSHA inspection history, workers' compensation experience modifier (EMR), OSHA forms 300 and 300A, written health, safety and environmental programs, safety-training documentation; and JBS Foods' safety briefing online training.

In Australia, all independent contractors are required to meet the Australian Standard 4804 Occupational Health and Safety Management

and the Australian Standard 4801 Occupational Health and Safety Management Systems.

In Mexico and Europe, all independent contractors are required to meet our health and safety standards.

INNOVATION TO IMPROVE SAFETY

We continue to find new ways to leverage cutting edge technologies to enhance team member safety and implement virtual reality technology to train team members on food and team member safety protocol.

In parallel with our increased focus on preventing injuries, our partnership with Scott Technology, a leading global developer of automation and robotic solutions, has allowed us to decrease the potential for injuries and identify solutions to safety and automation challenges by establishing cross-functional teams to identify ways to utilize their technology. For example, we have a goal to transition to BladeStop Bandsaws, which are designed to reduce serious injuries by mechanically stopping the blade



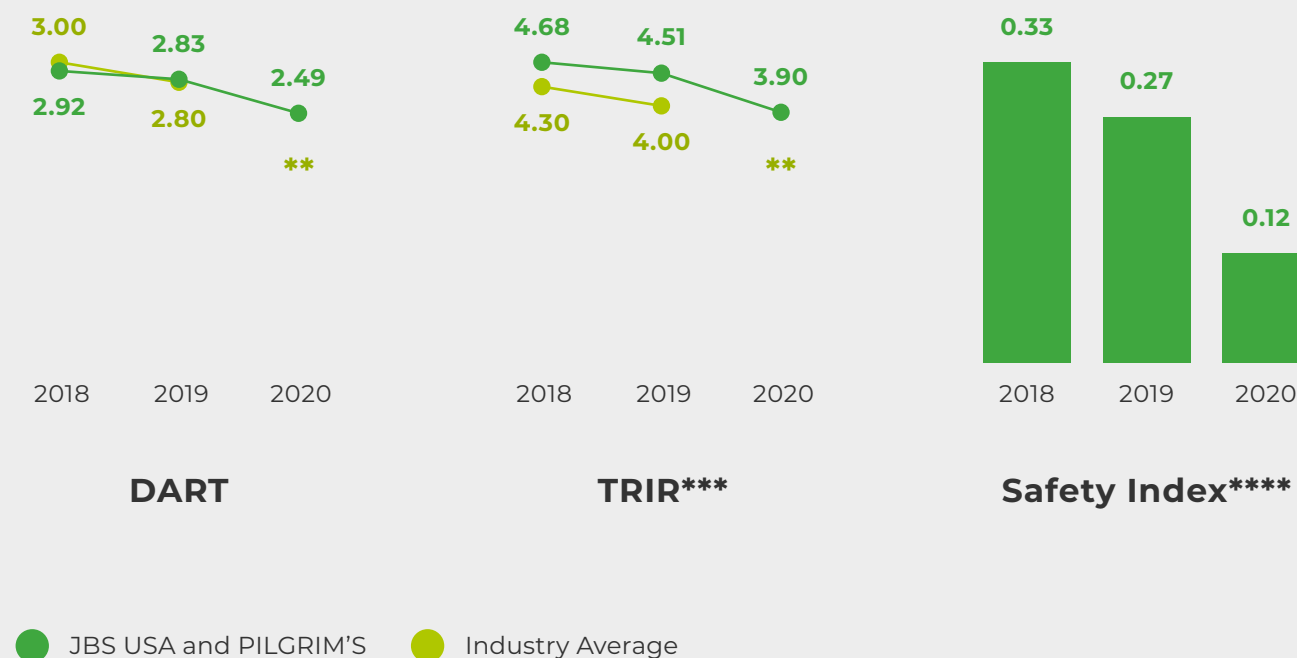
when the unit senses the operator has come in contact with the blade. In addition to BladeStop technology, Pilgrim's has partnered with Scott to develop an automated whole bird trussing machine, and in Australia, two of our lamb production facilities have implemented automated lamb deboning technology from Scott. In addition, various business units have piloted wearable technology and many facilities are using machines to validate knife sharpness and perform calibrated knife sharpening to ensure team members are performing their duties in the most ergonomically optimal manner possible. As a result of this innovative technology, the number of injuries has been further reduced.

2020 PROGRESS

United States

In 2020, we reduced our DART rate by 12%, decreased our TRIR by 13%, and improved our Safety Index score by 56%. In 2019, JBS Foods's DART rate was 11% below the industry average. Unfortunately, in 2020 we had one fatality in the U.S. We will continue to strive for improved company performance around safety, and allocate resources and tools to better understand and identify opportunities and improve the safety of our team members.

JBS USA AND PILGRIM'S* DART RATE AND TRIR COMPARED TO INDUSTRY AVERAGES AND SAFETY INDEX



* Includes all facilities in the U.S., Puerto Rico and Canada.

** Industry averages not yet available.

*** U.S. Bureau of Labor Statistics, U.S. Department of Labor, Animal Slaughtering and Processing.

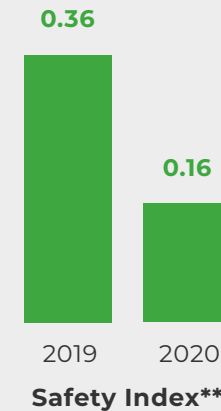
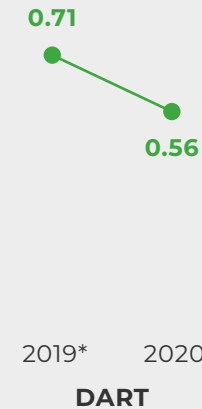
**** Safety Index measures the frequency of severe incidents per hour of operation. A severe incident is defined as an amputation, hospitalization, vision loss, fracture or second

or third degree burns resulting in greater than five days lost time, any injury resulting in greater than five days lost time or a fatality.

Europe

Our Pilgrim's Moy Park and Pilgrim's UK teams track data according to the Health Safety Executive RIDDOR (Reporting of Incidents Diseases and Dangerous Occurrences) Regulations, and in accordance with OSHA standards. Our teams across Europe have reduced DART rate 21% from 2019 to 2020 and improved the Safety Index 56% from 2019 to 2020.

PILGRIM'S EUROPE* DART RATE AND SAFETY INDEX



* Data includes Pilgrim's Moy Park and Pilgrim's UK.

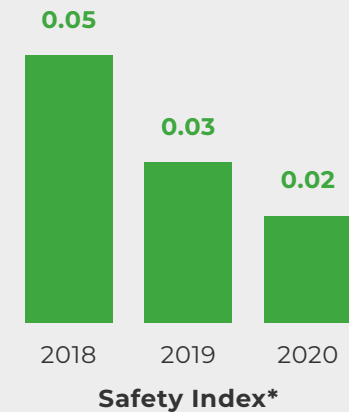
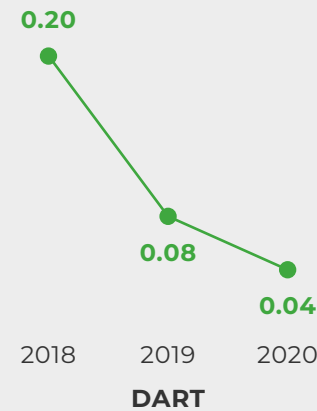
** Safety Index measures the frequency of severe incidents per hour of operation. A severe incident is defined as an amputation, hospitalization, vision loss, fracture or second

or third degree burns resulting in greater than five days lost time, any injury resulting in greater than five days lost time or a fatality.

Mexico

In Mexico, our team tracks data according to the government Secretaria del Trabajo and the Safety and Health regulations, which comply with OSHA standards. Our team has continued to reduce DART rate and improve our Safety Index score year over year. We decreased our DART rate by 50% and improved our Safety Index score by 33% from 2019 to 2020.

PILGRIM'S MEXICO DART RATE AND SAFETY INDEX



* Safety Index measures the frequency of severe incidents per hour of operation. A severe incident is defined as an amputation, hospitalization, vision loss, fracture or

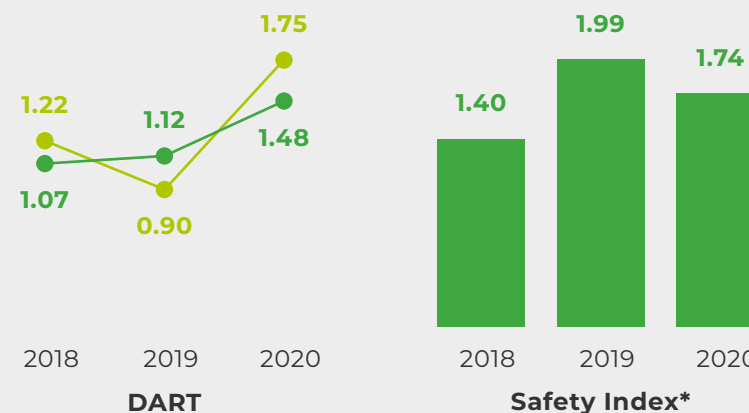
second or third degree burns resulting in greater than five days lost time, any injury resulting in greater than five days lost time or a fatality.

Canada

In Canada, we track safety data according to the Worker Compensation Board (WCB-Alberta), which complies with OSHA standards. Year over year, our team has consistently reduced the Lost Time Rate, and in 2020, we reduced this further by 71%. In 2020 our team also improved the Safety Index score 13% compared to 2019. We will continue to stay focused on safety to reduce the Modified/Restricted Duties rate.

JBS CANADA LOST TIME RATE, MODIFIED/RESTRICTED DUTIES RATE AND SAFETY INDEX

- Modified/restricted duties rate
- Lost Time Rate



* Safety Index measures the frequency of severe incidents per hour of operation. A severe incident is defined as an

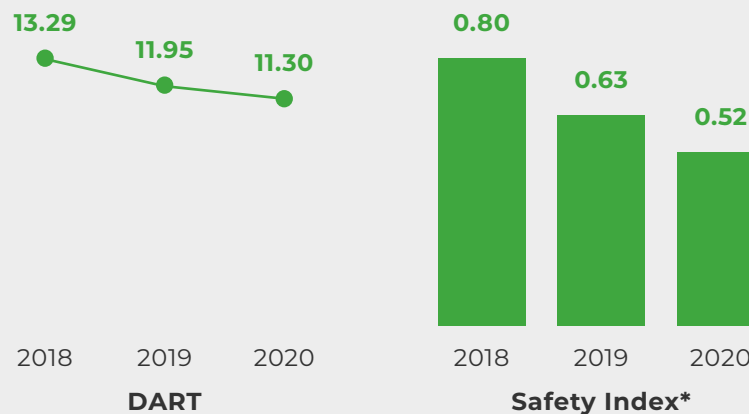
amputation, hospitalization, vision loss, fracture or second or third degree burns resulting in greater than five days

lost time, any injury resulting in greater than five days lost time or a fatality.

Australia

In Australia, our teams continued to decrease Lost Time Injury Frequency Rate (LTIFR) by 5% and improved the Safety Index by 17% compared to 2019.

JBS AUSTRALIA LTIFR AND SAFETY INDEX



* Safety Index measures the frequency of severe incidents per hour of operation. A severe incident is defined as an

amputation, hospitalization, vision loss, fracture or second or third degree burns resulting in greater than five days

lost time, any injury resulting in greater than five days lost time or a fatality.

COMMUNITIES

GRI 102-43, 103-2, 103-3 | 201-1

To make sure our efforts have the most meaningful impact, we target our support to local initiatives

OUR COMMITMENT

At JBS USA, we value the important role we play in the communities where our team members live and work. We appreciate the responsibility that comes with being a major employer in rural communities. We continue to dedicate our time and resources to the well-being of these communities by volunteering our time, donating product, sponsoring local events and teams, and providing gainful employment opportunities.



OUR MANAGEMENT APPROACH

To make sure our efforts have the most meaningful impact, we target our support to local initiatives. Our contributions benefit schools, hospitals and youth organizations – just to name a few. We have a long history of partnering with a wide variety of non-profit organizations in local communities, and each of our facilities encourages its team members to take every opportunity to be active stewards of their community.

Each JBS USA facility has an annual budget dedicated to supporting local initiatives and communities. While some facilities focus on bettering the lives of local youth, others choose to assist in the fight to alleviate hunger in their communities. This locally focused approach allows us to have the greatest impact.

Each facility is encouraged to follow basic guidelines for partnering with local organizations and determining the best use of the funds. We prioritize organizations that:

- > Support the disadvantaged and those in need
- > Improve the development and well-being of youth
- > Promote agriculture
- > Support our team members
- > Promote acceptance and diversity
- > Support our local communities

Keeping these criteria in mind, each facility's human resources director and general manager support organizations and community functions that they believe will have the greatest impact on their community. We strive to provide a balance between providing financial support and in-person volunteer hours that match community requests.

We evaluate our giving to ensure that we are having a real impact by reviewing event execution and assessing how well the organization used JBS USA support. We use this feedback to decide if our support or participation is appropriate in subsequent years.



INVESTING IN POSITIVE SOCIAL CHANGE

Hometown Strong

In 2020, JBS USA, Canada and Pilgrim's US launched Hometown Strong, a US\$ 50 million initiative to bring strength and stability to the communities where we live and work. Our facility management teams have been working with local leaders and organizations to determine how the funds can best help meet immediate and longer-term community needs.

Projects include donating books and computers to underserved children, constructing warehouses for food pantries, funding high school agriculture programs, as well as developing land for playgrounds, community gardens and team member housing.

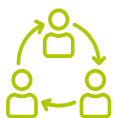
To date, Hometown Strong has invested in over 150 projects across the following categories, with more projects to come:



US\$ 1.6MM
in social services



US\$ 1.4MM
in healthcare



US\$ 18MM
in community infrastructure



US\$ 6.7MM
in housing



US\$ 4.4MM
in education



US\$ 565K
in public services



Throughout the global pandemic, our team members and our communities have looked to us for reassurance that we can – and will – get through this pandemic. Toward that end, JBS USA and Pilgrim's are excited to provide meaningful investments in projects that will have positive impacts for generations to come.

[Click here](#) to read more about our Hometown Strong initiative

“Hometown Strong is our way of showing our ongoing commitment and support to the communities where our team members live and work,” said Andre Nogueira, JBS USA CEO



Better Futures

As part of our Hometown Strong initiative, JBS USA and Pilgrim's U.S. are building the largest free college tuition program in rural America – Better Futures. Our team members and their child dependents have the opportunity to pursue their higher education dreams for associate degrees and trade certificates at community and technical colleges – tuition free.

We recognize and believe in the transformative power of higher education and the opportunities that come from education, coursework and technical skill training.

Better Futures removes a major financial barrier to college attendance and stands to become the largest free college tuition program in rural America. JBS USA and Pilgrim's advisors will also help team members – many from first-generation American families – navigate the application process, which can be a deterrence to people applying to college for the first time.

The Better Futures program provides meaningful investments in the futures of our team members, their families and our communities.

[Click here to learn more about the Better Futures initiative](#)

JBS Australia

In light of the recent bushfires that burned across Australia, JBS Australia donated US\$ 1 million to the Australian Volunteer Trust, established by the Business Council of Australia in partnership with Equity Trustees. The Trust will be a permanent and ongoing fund to support the children of volunteers who have died in fighting the fires and any future major disasters. The Trust represents a vehicle to support these families and especially the children of these volunteers through their education.

The impact of the fires has been significant, and devastated communities across mainland eastern states. We have a direct contact and long-term relationships with many livestock producers and communities in these affected areas and our support for them will continue.

JBS Australia CEO Brent Eastwood said, "As the CEO of a business employing over 12,000 people across five Australian states, we understand the importance of a safe working environment and making sure our people go home to their families in the same way they arrived to work. Unfortunately, we have seen with these fires and other recent natural

disasters such as floods, there are times when volunteer lives are lost in the line of duty and families are forever impacted. The Trust represents a vehicle to support these families and especially the children of these volunteers through their education."

Along with this donation, JBS Australia will continue to work with and support affected communities and our livestock producers through regular business and food donations.

JBS Australia is a member of the Business Council of Australia.





Pilgrim's Tomorrow Fund

In 2019, Pilgrim's U.S. launched the Tomorrow Fund, a scholarship program to support the collegiate pursuits of our team members and their direct dependents. Our vision is to become the best and most respected company in our industry, creating the opportunity of a better future for our team members. In line with this pursuit, we established the Tomorrow Fund to help our team members achieve their dreams and create a better future for themselves and their families through education. Every year, an eligible student from each of our 30 processing facilities across the U.S. and Puerto Rico, plus our corporate office, will be awarded a full-ride scholarship to an eligible university of their choice. Our goal is to invest US\$ 2 million in the Pilgrim's Tomorrow Fund scholarship recipients by 2025.

The Tomorrow Fund supports team members and direct dependents pursuing an initial bachelor's degree, an accredited vocational-technical certification or an associate degree. Award recipients participate in a Pilgrim's mentorship program and are extended internship offers for the summer at Pilgrim's locations across the country.

At Pilgrim's, we believe our people are our greatest strength. The Tomorrow Fund invests in the future, supports our local communities and improves the lives of our team members and their families through empowerment, education and personal growth. We awarded our inaugural class of Tomorrow Fund leaders with a full-ride scholarship in Fall 2020 and will announce the second class of 30 awardees in 2021.

[Click here to read more about the Tomorrow Fund](#)



Pilgrim's Mexico

Our 2020 focus continued to be supporting our team members and the communities where we live and work. Some of our philanthropic work included:

- Continuing our Chicken Donations Program, which focuses on contributing to the communities surrounding our complexes and areas hit hardest by the pandemic. Donations were made possible through DIF (National System for the Development of the Family) and municipal governments.
- Donating cleaning and disinfection equipment, as well as storage barrels, which were modified and used to transfer patients with COVID-19.
- During 2020 and two years prior, we obtained the ESR Distinctive (Corporate Social Responsibility Distinctive), which is granted by CEMEFI Mexican Center for Philanthropy. This is the highest recognition awarded in Mexico to companies committed to socially responsible and sustainable management.

Pilgrim's Moy Park

Moy Park established a £1 million Community Support Fund aimed at supporting and enriching the lives of those in need across its local communities. This new initiative builds on Moy Park's range of existing and long-established community measures, including charity and educational programs.

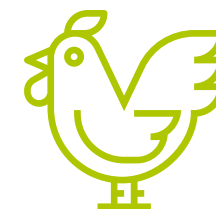
Moy Park's HR and Performance Director, Kirsty Wilkins said, "The food industry plays a vital role, keeping our supermarket shelves stocked and we are thankful to our local towns, villages and team members who are part of this important effort. Moy Park is a people focused organization, and we invest heavily in development opportunities for our colleagues in the workplace. This new community initiative is a natural extension of this approach and we look forward to receiving applications from local groups."

Pilgrim's UK

From 2018 to 2020, Pilgrim's UK has donated more than £65,000 to Mind, which provides mental health support services that have become even more important throughout the pandemic.

Pilgrim's UK staff have taken part in a host of activities to raise funds for Mind, including a sponsored staff head shave, which raised more than £600; climbing Mount Kilimanjaro to raise funds; and participating in a 100km challenge, which raised more than £2,000.

Pilgrim's UK also regularly donates to Mind through its staff lottery, which has raised nearly £30,000 throughout the past four years.



Product Donation

In addition to numerous community investment projects, JBS USA donated more than 22.4 million (4 oz.) servings of food in 2020. We partner with local food banks and community kitchens to provide fresh meat and poultry produced in nearby facilities.

RESPONDING TO COVID-19

GRI 403-6

Since early 2020, we have been singularly focused on protecting our team members from COVID-19. We changed the way we do business, resulting in more than US\$ 600 million in costs and safety investments, to keep our team members safe.

We've implemented hundreds of safety measures and policies to protect our team members, including a unique set of measures that exceed any provided state or federal guidance, such as:

- > Voluntarily removing vulnerable populations from all of our facilities, offering full pay and benefits
- > Securing masks for our entire workforce before they were recommended by health officials or the government, and offering unlimited PPE
- > Covering 100% of COVID-19 health expenses for team members and their dependents enrolled in the company's health plan
- > Providing immediate and free testing to all symptomatic team members and close contacts
- > Conducting random, routine surveillance testing of asymptomatic team members

- > Installing hospital-grade ventilation systems and UV lighting in all of our facilities
- > Offering a US\$ 100 incentive bonus for any U.S. team member willing to get vaccinated

During the pandemic, we spent more than US\$ 160 million in increased wages and bonuses, in addition to more than US\$ 200 million in health and safety measures. And, we are proud that more than 70% of our workforce has been vaccinated.

[Click here to read more about our response to COVID-19](#)



In addition to these measures, in 2020, we announced the Hometown Strong initiative, a US\$ 50 million investment in the communities where our team members live and work in the United States and Canada. Throughout the global pandemic, our team members and our communities have looked to us for reassurance that we can – and will – get through this crisis. That's why JBS USA has provided meaningful investments in projects that will have a lasting impact in our communities for generations to come.

From education and recreation to healthcare and social services, we have invested in community projects that are under way across the country. [Click here to learn more about our Hometown Strong initiative.](#)

[Click here to read more about our efforts to combat COVID-19 and our progress in vaccinating our workforce](#)

Media Contact

Please contact Nikki Richardson (nikki.richardson@jbssa.com) for additional information



Environmental Stewardship

The significant reduction in the use of natural resources in production processes is, at the same time, a goal and a practice at JBS



OUR MANAGEMENT APPROACH

JBS USA is committed to helping meet the global challenge of feeding a growing population, responsibly, by improving the efficiency of our operations and minimizing our environmental footprint.

To continue reducing our environmental impact and reaffirm our commitment to minimize the resources needed to produce quality protein products, we have set aggressive 2020 goals as a part of our Sustainable Management System. Each of our facilities has developed water, energy and greenhouse gas reduction goals that come together to form JBS Foods' environmental goals. Performance against these goals is discussed in the Water and Energy and Emissions sections of this report.

Because we rely on natural resources to produce our products, environmental stewardship is a part of who we are. We promote a model of continuous improvement and recognize that environmental protection and resource conservation provide value and security to current and future generations. Our management approach is focused on improving operational efficiency, encouraging innovation and being compliant with all applicable environmental laws and regulations.

Our internally audited Environmental Management System (EMS) is based on the specifications of ISO 14001, yet tailored to enable our businesses to most effectively achieve our goals of protecting the environment. Pilgrim's UK is working toward ISO 14001 certification. Pilgrim's Moy Park operate an Integrated Safety and Environmental Management System (IMS) and Energy Management System (EnMS) which will be externally certified to, or will be in alignment with, ISO 14001, 45001 and 50001 standards.

Our environmental management structures encourage accountability and promote ownership within our environmental and operations teams. Almost every JBS USA facility has a full-time environmental manager or officer who oversees the environmental requirements and performance of the facility. This manager or officer then reports to the facility-specific general manager. In addition, corporate environmental teams oversee the environmental performance of multiple facilities and provide individual facility support by sharing best management practices and offering assistance to address specific issues, should they arise.

Corporate environmental teams generally report to the head of engineering for each business unit, who reports to the head of operations, who reports directly to the president of the business unit. This differs for JBS USA Live Pork business unit as its corporate environmental managers report to the vice president of environment, who reports to the president of the business unit. For Pilgrim's Moy Park, the corporate environmental teams

report to the head of sustainability and risk management, who reports to the president of the business unit. In Australia, the group environmental manager reports to the head of corporate and regulatory.

ENVIRONMENTAL MANAGEMENT POLICY

All team members share in the commitment to the JBS USA Environmental Policy. The policy is supported and reinforced by JBS USA executive management, overseen and governed by our environmental teams and implemented across the organization through direct support of in-plant personnel.

Read Our Environmental Policies



[Learn more](#)



[Learn more](#)

WATER AND WASTEWATER MANAGEMENT

GRI 103-2, 103-3



Our Commitment

Water use and water quality are priorities at JBS USA and critical pillars in our sustainability program. We recognize that water scarcity is a major global issue and is critical to securing a consistent, high-quality global food supply. We embrace our responsibility to reduce water use and strive to improve our water-stewardship by monitoring its use at each JBS USA facility and prioritizing usage reductions, while preserving our high standards for food safety and sanitary conditions. We are also aware that some JBS USA facilities are located in water-stressed areas and require more strategic focus to ensure proper management. Water quality is an important priority for us as well, and we continuously work to ensure that all wastewater we discharge meets or exceeds all regulatory and internal standards.

Water Stewardship

Our approach to water stewardship is defined at the corporate level, but goals and targets are set by each facility to ensure ownership and accountability

At JBS USA, water stewardship is crucial to our long-term viability. Companywide, our approach to water stewardship is defined at the corporate level, but goals and targets are set by each facility to ensure ownership and accountability. We work closely and collaboratively with federal, state and local municipalities to address complex issues and jointly develop solutions. Finally, every facility invests capital annually to make sure it stays in alignment with and committed to our Environmental Policy while appropriately addressing local challenges.

Water plays an important role in producing safe food. This necessitates its everyday use so we are meeting the highest food safety standards. To ensure that our water conservation efforts do not interfere with food safety, we work cross-functionally

with our environmental, engineering, operations and food quality and safety teams when designing and implementing these strategies.

Each of our production and further processing facilities has a tailored wastewater treatment program that meets its individual discharge permit requirements. These site-specific initiatives have helped reduce our total discharged water volume and addressed noncompliance issues. All of our feedlots and live hog operations are run in accordance with federally mandated, nutrient-management plans or an equivalent program. Manure from our feedlots and live hog operations plays an important role in conservation as a soil amendment and fertilizer. It is composted and used by local farmers to enhance soil quality and as a sustainable alternative to synthetic fertilizers.



2020 Progress

GRI 306-2

We track both total water use and water intensity (water use per pound of finished product, including by-products) to consistently identify opportunities for improvements, irrespective of changes in production. In 2020, we used approximately 24 billion gallons of water in our JBS USA facilities, drawing 70% of this water from public municipalities, 26% from groundwater sources and 4% from surface water, including streams. We will work to continually optimize water use and identify opportunities to reduce water use intensity without compromising food safety, animal welfare or environmental compliance.

As a global company, our water use intensity unfortunately increased by 1% from 2019 to 2020 due to increased focus on sanitation during the COVID-19 global pandemic. For our participating business units in the U.S., Canada and Puerto Rico, water use intensity decreased 10% since 2015, meeting our 2020 reduction goal.

Throughout 2020, all of our facilities discharged wastewater according to applicable wastewater treatment permits. We maintain and, where needed, improve facilities and wastewater programs to be in compliance with permits, laws and regulations. Discharged water is measured for its overall quality at each facility to ensure that it meets permitting requirements. The majority, 59%, of discharged water is sent to city-owned treatment centers, while 29% is discharged to non-municipalities, and 12% is used as land irrigation.

GRI 303-1



2020/Goals

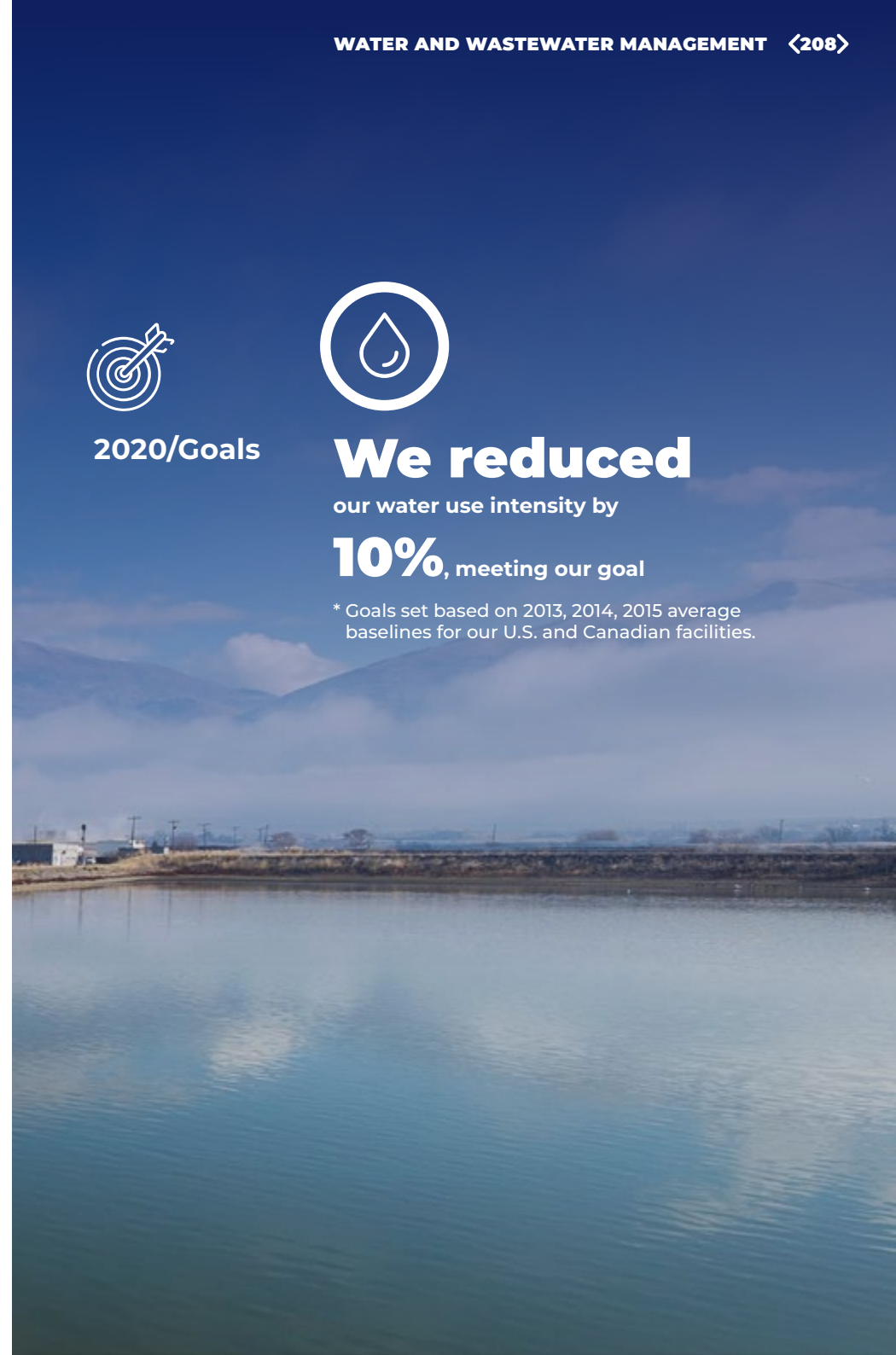


We reduced

our water use intensity by

10%, meeting our goal

* Goals set based on 2013, 2014, 2015 average baselines for our U.S. and Canadian facilities.



WATER PERFORMANCE³ GRI 303-2, 303-3

| | | 2018 | 2019 | 2020 |
|---|----------------------------|----------------|----------------|----------------|
| Total Water Use (Gallons) | JBS USA ¹ | 9,209,939,735 | 9,314,472,084 | 8,924,117,163 |
| | JBS Australia | 1,691,557,285 | 1,809,818,362 | 1,614,536,332 |
| | Pilgrim's USA ² | 11,149,670,730 | 11,405,328,895 | 11,132,706,853 |
| | Pilgrim's Mexico | 1,035,152,170 | 1,035,893,437 | 1,022,534,795 |
| | Pilgrim's Europe | 1,138,926,299 | 1,379,559,414 | 1,319,962,608 |
| Water Use Intensity (Gallons Per lb. of Finished Product) | JBS USA ¹ | 0.58 | 0.58 | 0.59 |
| | JBS Australia | 0.74 | 0.73 | 0.94 |
| | Pilgrim's USA ² | 1.13 | 1.12 | 1.08 |
| | Pilgrim's Mexico | 0.52 | 0.52 | 0.51 |
| | Pilgrim's Europe | 0.84 | 0.68 | 0.70 |

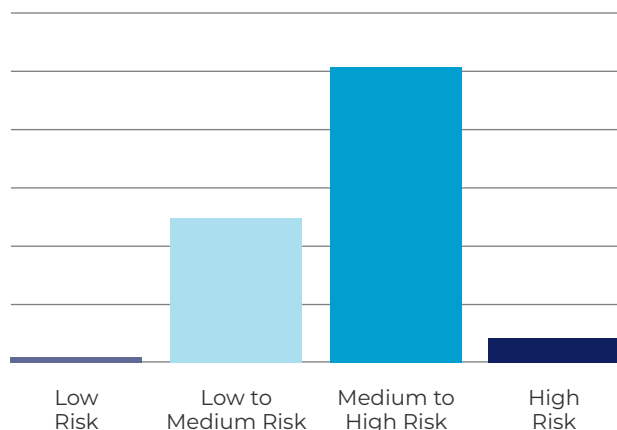
¹ Includes U.S. and Canadian facilities, excluding poultry facilities.

² Includes U.S. and Puerto Rican facilities.

³ We make every effort to report accurate data. We provide updated data from previous years in cases where improved information is available. JBS USA/Pilgrim's revisited data

collection processes and as a result, this report includes some improved metrics from past years.

JBS USA Facilities by Water Risk Category



Water Risk Assessment

JBS USA has conducted a comprehensive water risk assessment at each facility, inclusive of quantity (baseline water stress, inter-annual variability, seasonal variability, flood occurrence, drought severity, upstream storage and groundwater storage), quality (return flow ratio and upstream protected land) and regulatory and reputational risk (media coverage, access to water and threatened amphibians). The assessment identifies areas with higher exposure to aforementioned

water-related risks. As indicated in the graphic below, the majority of our facilities are low-to-medium or medium-to-high risk as defined by the World Resources Institute Aqueduct, 2014.

The water risk assessment is a critical element of our water stewardship strategy and allows us to identify and prioritize water resource projects that are locally relevant to each watershed and reduce the company's overall water impact.

CLIMATE CHANGE AND ENERGY

GRI 103-2, 103-3

Our Commitment

Air quality and greenhouse gases are a top concerns for our team and the communities where we operate – as such we are constantly looking for opportunities to improve our energy efficiency and reduce air emissions.

Reducing Energy and Greenhouse Gasses

Our environmental teams work to implement best practices for energy efficiency and reduce greenhouse gas emissions across our operations.

We continuously invest in energy efficient technologies including LED lighting, real-time measurement devices, predictive maintenance, more efficient equipment, electrification of heating systems and transportation and more efficient refrigeration systems.

To date, 12 of our facilities use biogas as a renewable energy source, and seven have implemented solar systems. These solar systems are located in the U.S., one in Australia and three in Europe. The share of indirect energy from renewable sources across our JBS USA facilities, globally, is approximately 4%. Pilgrim's UK sources 100% renewable energy.

2020 Progress

GRI 302-4, 302-5, 305-2, 305-4

As a global company, we decreased our fuel use intensity by 0.5% and increased our electricity use intensity by 4% from 2019 to 2020. For our business units in the U.S., Canada and Puerto Rico that participated in our 2020 goal-setting process, natural gas use intensity decreased by 16% and electricity use intensity decreased by 14% since 2015, successfully achieving our electricity reduction goal.

We track direct greenhouse gas emissions from stationary and mobile sources (scope 1) (excluding enteric and manure emissions from our live animal operations) and indirect energy emissions (scope 2). From 2019 to 2020, we reduced our global greenhouse gas emission intensity by 5%. In the U.S., Canada and Puerto Rico, greenhouse gas emission intensity decreased 20% since 2015, meeting our 2020 reduction goal.

Our JBS USA Carriers business unit is focused on improving fuel efficiency as the primary means to reduce energy use and greenhouse gas emissions. In 2020, they improved fuel efficiency across the fleet by 0.15 miles per gallon and decreased GHG emissions by 3%.





2020/Goals Energy & Emissions*



We met our **12%** electricity reduction target, achieving a 14% reduction

16% decrease in natural gas use intensity, short of our 20% reduction target

We achieved our **20%** GHG emission intensity reduction goal

* Goals set based on 2013, 2014, 2015 average baselines for our U.S. and Canadian facilities.

ENERGY PERFORMANCE⁴ GRI 302-1, 302-3

| | | 2018 | 2019 | 2020 |
|--|-------------------------------|---------------|---------------|---------------|
| Total Fuel Use (MMBTU) | JBS USA ¹ | 9,770,521 | 10,553,938 | 10,401,777 |
| | JBS Australia | 1,720,692 | 1,917,911 | 1,459,695 |
| | Pilgrim's USA ² | 6,562,572 | 6,699,359 | 6,261,448 |
| | Pilgrim's Mexico | 667,097 | 693,184 | 691,465 |
| | Pilgrim's Europe ³ | 954,605 | 1,504,938 | 1,598,199 |
| Total Electricity Use (kWh) | JBS USA ¹ | 1,162,674,506 | 1,152,460,188 | 1,176,366,001 |
| | JBS Australia | 308,172,972 | 303,203,572 | 289,148,703 |
| | Pilgrim's USA ² | 1,120,342,927 | 1,132,394,299 | 1,111,499,948 |
| | Pilgrim's Mexico | 136,779,309 | 139,446,183 | 166,094,234 |
| | Pilgrim's Europe ³ | 234,775,857 | 355,017,648 | 331,767,528 |
| Electricity Use Intensity (kWh Per 100 lbs. of Finished Product) | JBS USA ¹ | 7.36 | 7.16 | 7.78 |
| | JBS Australia | 13.42 | 13.13 | 14.54 |
| | Pilgrim's USA ² | 11.31 | 11.08 | 10.82 |
| | Pilgrim's Mexico | 6.83 | 6.98 | 8.25 |
| | Pilgrim's Europe ³ | 17.34 | 17.55 | 17.67 |

¹ Includes U.S. and Canadian facilities, excluding poultry facilities.

² Includes U.S. and Puerto Rican facilities.

³ Pilgrim's acquired Tulip Limited in October of 2019 whose name was then changed to Pilgrim's UK, and that data is reported in 2019 within Pilgrim's Europe.

⁴ We make every effort to report accurate data. We provide updated data from previous years in cases where improved information is available. JBS Foods/Pilgrim's revisited data collection processes and as a result, this report includes some improved metrics from past years.



GREENHOUSE GAS PERFORMANCE³

GRI 305-1, 305-2

| | | 2018 | 2019 | 2020 |
|--|-------------------------------|-----------|-----------|-----------|
| Scope 1 and 2 Greenhouse Gas Emissions (Tons of CO₂e) | JBS USA ¹ | 1,639,449 | 1,612,483 | 1,457,522 |
| | JBS Australia | 545,316 | 541,042 | 503,285 |
| | Pilgrim's USA | 1,097,164 | 1,061,374 | 1,018,865 |
| | Pilgrim's Mexico | 186,829 | 194,276 | 174,847 |
| | Pilgrim's Europe ² | 185,755 | 243,648 | 187,273 |
| Greenhouse Gas Emission Intensity (Tons of CO ₂ e Per 100 lbs. of Finished Product) | JBS USA ¹ | 0.01038 | 0.01002 | 0.00964 |
| | JBS Australia | 0.02375 | 0.02342 | 0.02531 |
| | Pilgrim's USA | 0.01107 | 0.01039 | 0.00992 |
| | Pilgrim's Mexico | 0.00933 | 0.00972 | 0.00868 |
| | Pilgrim's Europe ² | 0.01372 | 0.01204 | 0.00997 |

¹ Includes U.S. and Canadian facilities, excluding poultry facilities.

² Pilgrim's acquired Tulip Limited in October of 2019 whose name was then changed to Pilgrim's UK, and that data is reported in 2019 within Pilgrim's Europe.

³ We make every effort to report accurate data. We provide updated data from previous years in cases where improved information is available including a shift from national averages to regional factors when calculating Scope 2 emissions. JBS USA/Pilgrim's revisited data collection and as a result, this report includes some improved metrics from past years.

TRANSPORTATION PERFORMANCE¹

| JBS USA Carriers | 2018 | 2019 | 2020 |
|---|------------|------------|------------|
| Total Miles Driven | 51,268,404 | 57,603,284 | 57,724,883 |
| Total Gallons of Fuel Used | 8,486,669 | 8,108,989 | 7,957,515 |
| Fleet Fuel Efficiency (MPG) | 6.04 | 7.10 | 7.25 |
| Scope 1 Greenhouse Gas Emissions (Tons of CO₂e) | 95,525 | 91,282 | 88,979 |

¹ We make every effort to report accurate data. We provide updated data from previous years in cases where improved information is available. JBS Foods/Pilgrim's revisited data collection processes and as a result, this report includes some improved metrics from past years.



WASTE REDUCTION AND RECYCLING

GRI 103-2, 103-3

Our Commitment

JBS USA's commitment is to reuse or recycle the maximum amount of materials, with the goal of sending as little to landfills as possible. Each facility works to recycle material and reduce waste by optimizing facility logistics and team member training.

Waste and Recycling Practices

In each of our production facilities, we have goals to decrease the amount of packaging used in our finished products and decrease waste sent to landfills. Our Pilgrim's

Moy Park team maintained its commitment of zero waste to landfill in all of their facilities, and Pilgrim's UK maintained their commitment of zero waste to landfill in the majority of their facilities.

In Europe, Pilgrim's Moy Park was the first poultry company to undertake a commitment to reduce packaging and food waste in its supply chain. The initiative is part of an ambitious campaign to combat the use of plastics and packaging in its business and in the industry. The company plans to lower its global use of packaging by 5% each year, while simultaneously raising the percentage of recyclable packages by 5%. Among actions planned, Moy Park will collaborate with researchers and supply chain partners to develop sustainable packaging for its entire product portfolio and will eliminate single use plastic from its office and restaurants by 2020. Moy Park and Pilgrim's UK have adopted the strategy of "Remove, Reduce, Recycle and

Research" and will begin using 100% recyclable rigid packaging by 2022. All other packaging will be widely recyclable by 2025.

As a company, we continue to explore alternative materials that offer recyclability and technologies that allow us to reduce the amount of packaging needed, while still maintaining strict product safety requirements. In our day-to-day operations, we work to improve recycling opportunities at each facility and reduce overall waste generated.

Product packaging provides a unique challenge for our industry. To prevent contamination at recycling facilities, packaging materials used at production facilities that come into contact with blood, meat or fat cannot be recycled, per the Institute of Scrap Recycling Industries (ISRI) standards. Due to the nature of our products, this reduces our ability to recycle packaging material used at our production facilities.





The meat processing industry is incredibly efficient from a food waste prevention standpoint. We process byproducts, such as blood, meat and bones, to create saleable materials and reduce waste. Nearly 100% of inedible byproducts are rendered to produce tallow and blood and bone meal, which we then sell to other companies to be used in consumer goods, such as cosmetics and pharmaceuticals or in livestock or poultry feed. Pilgrim's UK has commitments to both the Sustainable Development goal 12.3 and to Courtauld Commitment which are both working towards halving food waste by 2030. Currently only 0.1% of Pilgrim's UK's production is classified as food waste. Actions currently employed to reduce this number even further include using the Waste Hierarchy to derive as much value as possible from all product and donating approximately 90,000 meal equivalents in 2020 to food redistribution charities to prevent food waste.

Reducing and Recycling Waste


80%

of clean cardboard material, which is sent to recycling centers or paper mills to be reused


95%

of our pallets, which are returned to our suppliers for reuse


95%

of all metal, which is sent to a salvage yard


95%

of clean, non-contaminated plastic, which is collected in bins and then sent to either a recycling center or melted down and repurposed to make new products


95%

of our plastic high-density polyethylene (HDPE) tote bags, which are sold to our original manufacturer and then reused in our next order, creating a closed loop system



2020 Progress

GRI 306-2

We have continued to focus on improving data quality related to waste and packaging, as a result we are tracking more indicators and are able to better understand and monitor our waste streams. Improved data quality also leads to more complete measurements which are higher than partially complete past data. As a global company, from 2019 to 2020, our total waste generated decreased by 21% and decreased waste sent to landfills by 7% and decreased waste to landfill per ton of finished product by 3%.

Our Pilgrim's Moy Park team maintained its commitment of zero waste to landfill in all of their facilities, and Pilgrim's UK maintained their commitment of zero waste to landfill in the majority of their facilities.

In the U.S., Puerto Rico and Canada, our percent of biodegradable and recyclable packaging material used increased by 12%; and, our total packaging material per ton of finished product decreased by 23%. We continue to stay focused on increasing our recyclable packaging. We expect packaging material per ton to increase due to customer and consumer demand for smaller pack sizes.

The data below represents our best efforts at tracking waste and recycling at our facilities. In some cases, the local municipality collects all waste and recycling, which makes tracking the data impossible. We are currently working to develop collaborative partnerships in these locations, so that we can share data to better track our performance.

From 2019 to 2020, our total waste generated decreased by 21% and decreased waste sent to landfills by 7% and decreased waste to landfill per ton of finished product by 3%

WASTE PERFORMANCE⁴ (TONS) GRI 306-2

| | JBS USA ¹ | | | Pilgrim's USA ² | | | Pilgrim's Europe ³ | | | Pilgrim's Mexico | | | JBS Australia | | |
|---|----------------------|--------|--------|----------------------------|--------|--------|-------------------------------|--------|--------|------------------|--------|--------|---------------|--------|--------|
| | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 |
| Total Waste Generated | 447,94 | 432,4 | 350,24 | 79,156 | 61,111 | 41,355 | 179,12 | 210,86 | 135,36 | 113,03 | 87,436 | 74,622 | 88,029 | 88,113 | 93,361 |
| Total Waste To Landfill | 73,149 | 74,773 | 82,218 | 70,117 | 54,36 | 34,302 | 0 | 721 | 516 | 14,709 | 21,433 | 19,93 | 4,513 | 14,02 | 17,097 |
| Waste to Landfill Intensity (Per Ton of Finished Product) | 0.0093 | 0.0537 | 0.0463 | 0.0142 | 0.0106 | 0.0067 | 0.0000 | 0.0007 | 0.0005 | 0.0147 | 0.0875 | 0.0741 | 0.0038 | 0.0309 | 0.0939 |
| Total Waste Recycled | 99,968 | 85,877 | 7,432 | 4,904 | 6,751 | 7,053 | 56,443 | 69,012 | 16,699 | 27,59 | 5,384 | 2,659 | 4,439 | 5,451 | 6,691 |
| Total Waste Composted | 84,476 | 82,247 | 92,719 | 0 | 0 | 0 | 1,602 | 0 | 0 | 70,714 | 60,614 | 52,03 | 64,349 | 68,641 | 57,709 |
| Total Waste Incinerated | 8 | 1 | 69 | 0 | 0 | 0 | 12,33 | 14,246 | 26,578 | 14 | 5 | 4 | 0 | 0 | 0 |
| Total Waste For Energy Reuse | 0 | 0 | 17,65 | 0 | 0 | 0 | 105,71 | 109,63 | 47,878 | 0 | 0 | 0 | 0 | 0 | 7,817 |
| Total Waste Cogenerated/ Coprocesed | 0 | 0 | 643 | 0 | 0 | 0 | 3,031 | 17,252 | 14,436 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Waste For Fertigation/ Land Application | 190,34 | 189,5 | 149,5 | 0 | 0 | 0 | 0 | 0 | 29,257 | 0 | 0 | 0 | 13,189 | 0 | 4,047 |

¹ Includes U.S. and Canadian facilities, excluding poultry facilities.

² Includes U.S. and Puerto Rican facilities.

³ Pilgrim's acquired Tulip Limited in October of 2019 and that data is reported in 2019 within Pilgrim's Europe.

⁴ We make every effort to report accurate data. We provide updated data from previous years in cases where improved information is available. JBS USA/Pilgrim's revisited data collection processes and as a result, this report includes some improved metrics from past. years.

PACKAGING PERFORMANCE

| | JBS USA ¹ | | | Pilgrim's USA ² | | |
|--|----------------------|---------|---------|----------------------------|---------|---------|
| | 2018 | 2019 | 2020 | 2018 | 2019 | 2020 |
| Packaging Material Used (Tons) | 196,490 | 297,904 | 181,328 | 159,472 | 165,952 | 164,752 |
| Total Packaging Material Used Intensity (Per Ton of Finished Product) | 0.0249 | 0.0370 | 0.0240 | 0.0322 | 0.0325 | 0.0321 |
| Total Biodegradable and Recyclable Packaging Material Used (Tons) | 178,981 | 224,193 | 179,009 | 113,753 | 116,593 | 122,065 |
| Percentage Biogradable and Recycling Packaging Materials | 91.09% | 75.26% | 98.72% | 71.33% | 70.26% | 74.09% |

¹ Includes U.S., Puerto Rican and Canadian facilities, excluding poultry facilities.

² Includes U.S. and Puerto Rican facilities.



**JBS respects and supports
the responsible breeding
of animals, based on their
fundamental freedoms**

Animal Welfare

OUR ANIMAL WELFARE EFFORTS

Ensuring the well-being of the livestock and poultry under our care is an uncompromising commitment at JBS USA. We continually strive to improve our welfare efforts through new technologies and the implementation of standards that meet and often exceed regulatory requirements and industry guidelines.

We have established and implemented animal welfare policies and programs in all our business units to further promote the humane treatment of animals. Our animal welfare programs lay out the appropriate practices, controls, training and documentation, and are motivated by the Five Freedoms:

- > **Freedom to express natural behavior**
- > **Freedom from injury and disease**
- > **Freedom from discomfort**
- > **Freedom from thirst and hunger**
- > **Freedom from fear and distress**

We have established and implemented animal welfare policies and programs in all our business units to further promote the humane treatment of animals

To continually improve the well-being of our animals, we have set 2020 animal welfare goals according to the JBS USA Animal Health and Welfare Scorecard as part of our Sustainable Management System in the U.S. and Canada.

The scorecard was developed by our JBS USA animal welfare team and uses a combined 19 indicators selected for their importance to the health and welfare of our animals. The indicators are weighed on a 100-point scale across eight main areas of importance, including regulatory compliance, audits (internal and third-party), losses, priority indicators, investment, transportation, management and health.



2020/Goals



Achieve a 90%

or better on our JBS USA Animal Health and Welfare Scorecard. We're refocusing on this topic in our 2030 sustainability strategy*

* 2020 goal was set for our U.S. and Canadian facilities.





OUR MANAGEMENT APPROACH

GRI 103-2, 103-3 | FP

Each production facility has team members from livestock and poultry handling, processing, quality assurance, operations, procurement and human resources

At JBS USA, animal welfare responsibilities in our production facilities are reported through the Food Safety and Quality Assurance Team. Each business unit also has a Corporate Animal Welfare Manager who reports to the Head of Food Safety and Quality Assurance (FSQA; also referred to in some businesses as the Heads of Technical Services and Quality Assurance) or the Vice President of Operations, who reports directly to the president of the business unit. The Corporate Animal Welfare Manager oversees the animal welfare performance of multiple facilities and provides individual facility support by sharing best management practices and helping address specific issues, should they arise.

Nearly every JBS USA production facility has a full-time Quality Assurance Manager, Animal Welfare Manager or Animal Welfare Officer (AWO) who is responsible for overseeing the implementation of our animal welfare program, which includes facility assessment, training programs and ongoing monitoring. In most facilities, the Quality Assurance Manager reports to the Head of FSQA and receives support from the Corporate Animal Welfare Manager. In our pork facilities in the U.S., the Quality Assurance Manager reports to the Facility Manager and receives support from the Corporate Animal Welfare Manager.



For our beef and pork production facilities in the U.S. and Canada, the Animal Welfare Manager is a Professional Animal Auditor Certification Organization (PAACO)-trained humane handling specialist. In Australia, they are trained according to industry AWO skills and are Australia Livestock Processing Industry Animal Welfare Certification System (AAWCS) approved auditors. In Europe at our Moy Park facilities, our AWOs at our poultry facilities are certified through Animal Welfare Training Ltd. In addition, all personnel handling chickens must have a certificate of competency (COC), which is an assessed qualification issued by the regional regulatory authorities: Food Standards Agency (FSA) in Great Britain or the Department of Agriculture, Environment and Rural Affairs (DAERA) in Northern Ireland. At our Pilgrim's UK pork facilities our AWOs are accredited according to Bristol University or Livestockwise.

Each production facility has team members from livestock and poultry handling, processing, quality assurance, operations, procurement and human resources. These team members ensure that the policies and procedures required by the animal welfare program, including annual training of all team members, are being correctly implemented and followed.

Additionally, the welfare of livestock and poultry in our production facilities is regulated by the U.S. Department of Agriculture (USDA) and Food Safety and Inspection Services (FSIS), Canadian Food Inspection Agency (CFIA) Meat Inspection, Buenas Prácticas Pecuarias en Producción de Pollo de Engorda de SADER y SENASICA, Council Regulation N°1099/2009, Australian Animal Welfare Standards and Guidelines and Australian Standard for the Hygienic Production and Transportation of Meat and Meat Products for Human Consumption, dependent on region and protein.

At our beef and pork facilities, a veterinarian has authority over animal handling and inspects animals that are delivered to the processing facilities. In the unusual event that a standard operating procedure, guideline or regulation is violated, corrective action is taken immediately.

For our U.S. based live pork business, the Director of Animal Welfare provides animal welfare program oversight and program implementation support to all company-owned and contract farms. The Director of Animal Welfare reports to the president of the business unit. In addition, five licensed and accredited veterinarians and two swine nutritionists maintain the health and well-being of our pigs.

For JBS Australia, every feedlot's animal health and welfare program is the direct responsibility of the Feedlot Manager, who is trained to be a competent AWO. The Feedlot Manager receives support from independent nutritionists and veterinarians.

At Pilgrim's, the Chief Animal Welfare Officer, who is also the Head Veterinarian, is responsible for the welfare of our chickens. The Head of Live Operations supervises the Chief Animal Welfare Officer, with ultimate oversight from the president of the business unit. Animal welfare within

Pilgrim's UK's higher welfare supply chain is overseen by the Pig Production Director who reports to the Agriculture Director. The Executive Vice President of the business unit supervises the Agriculture Director. The animal welfare of the hogs procured by Pilgrim's UK from independent farmers is overseen by the Pig Supply Chain Director who also reports to the Agriculture Director.

We have a zero-tolerance policy for abuse of any kind, and all team members are required to report any violations, either anonymously through our ethics line or directly to management. Team members or family farm and ranch partners who violate our Animal Welfare Policy and associated procedures are subject to disciplinary action including termination of employment, termination of contract and/or reporting to the government authority responsible for overseeing animal welfare.

In addition, our animal welfare programs are often reviewed by animal handling and welfare experts from universities across the globe. These lasting academic partnerships have assisted JBS USA in identifying and investing in additional upgrades to both our facilities and team member training programs to further enhance the welfare of our animals.

TRAINING

All new JBS USA team members receive department-specific animal welfare training during orientation, and all team members who handle livestock or poultry must attend annual refresher trainings. Our Quality Assurance and Human Resources Managers make sure that all training requirements are completed as scheduled, documented and available for review.



AUDITS

GRI 103-2, 103-3 | FP

All of our production facilities are audited regularly to guarantee compliance with our animal welfare programs. Quality assurance personnel conduct daily audits to verify adherence to each country's respective compliance program, depending on the protein. These programs include USDA, NAMI (North American Meat Institute) Animal Handling Guidelines, National Chicken Council (NCC) Guidelines, CFIA Meat Inspection Regulations, Buenas Prácticas Pecuarias en Producción de Pollo de Engorda de SADER y SENASICA, Council Regulation N°1099/2009 standards on animal welfare and Australian Meat Industry Council (AMIC) Industry Animal Welfare Standards for Livestock and Processing Establishments. Government inspectors also monitor animal welfare practices daily to guarantee compliance with regulations.

Every production facility also undergoes annual third-party animal handling audits. If a deficiency is identified, immediate corrective action is taken, and internal follow-up audits are scheduled until the issue is resolved. We share corrective action

strategies across the company so that all facilities can benefit from new knowledge and perspectives to drive continuous improvement in our approach to animal welfare.

In addition, we have implemented a video auditing system in all of our beef, lamb and pork production facilities and are piloting a system in select poultry facilities. This allows us to conduct real-time internal auditing from a viewing room and provide team members with immediate feedback for improvement. Our video footage is audited remotely by our animal welfare team and/or an independent third party. These independent reviews are designed to verify our ongoing commitment to best practices in animal handling and include alerts and daily summaries to facilities for process improvement.

Livestock transporters are audited daily to verify adherence to JBS USA humane handling standards, NAMI Transportation Guidelines, CFIA Health of Animal Regulations Livestock Transport Requirements and Australian Standard for the Hygienic Production and Transportation of Meat and Meat

Products for Human Consumption, depending on the region.

We also prioritize animal welfare standards within our supply chain.

In the U.S., we require all our partners who raise the cattle and hogs that we purchase to be Beef Quality Assurance (BQA) or Pork Quality Assurance Plus (PQA+) certified and verify compliance by conducting third-party audits according to the BQA Feedyard Assessment and the Common Swine Industry Audit (CSIA). Our sow and finishing farms are regularly assessed by field managers, veterinarians and the Director of Animal Welfare. When necessary, corrective actions are outlined with caretakers and additional training is administered as needed. The Director of Animal Welfare and Animal Welfare Manager conduct second-party site assessments as part of the National Pork Board's Pork Quality Assurance Plus (PQA+) program to verify that caretakers are providing care in accordance to industry standards. In addition to internal audits, JBS USA Live Pork participates in third-party animal welfare audits using the PAACO certified CSIA tool.

In Australia, our feedlots are subject to annual third-party audits as part of the National Feedlot Accreditation

Scheme (NFAS), which includes mandatory biannual internal animal welfare audits according to Australian Animal Welfare Standards and Guidelines for Cattle. All hogs are sourced from Australia Pork Industry Quality Assurance Program (APIQ) accredited farms with industry best-practice animal welfare standards.

At Pilgrim's, farms are visited and assessed weekly according to our Animal Welfare Program. In the U.S., a subset of farms are audited by PAACO-certified auditor according to NCC guidelines. A majority of our Mexico complexes are compliant with the Federally Inspected Type (TIF), a voluntary food-quality certification of the Mexican government. In Europe, poultry farms are Red Tractor approved and meet or exceed Red Tractor or equivalent welfare standards. Annually, an external auditor audits each farm to Red Tractor standards, which results in Assured Chicken Production (ACP) Certification. Our Pilgrim's UK higher welfare hogs are raised according to Royal Society for Prevention of Cruelty to Animals (RSPCA) higher welfare standards and all the hogs supplied to Pilgrim's UK are either Red Tractor, Quality Meat Scotland (QMS) or Red Tractor/QMS and RSPCA Farm Assured.

HUMANE HANDLING

Our Commitment

JBS USA is committed to meeting or exceeding government and industry standards for humane animal handling and expects livestock and poultry to be handled in a safe and humane manner throughout our supply chain.



Humane Handling at Our Facilities

GRI 103-2 | FP

Our animal welfare programs include specific requirements and procedures to protect the health and welfare of our livestock and poultry during transportation, unloading, handling and processing, as well as the safety of our team members.

In the U.S., our beef and pork production facilities implement animal welfare programs that align with the NAMI guidelines and are compliant with USDA FSIS Directives 6,100.1, 6,900.2 and 9 CFR Part 313. All of our facilities have voluntarily implemented the USDA's recommended program for animal handling: A Systematic Approach to Humane Handling and Slaughter. This program has four elements:

- > Initial assessment of where and under what circumstances live-stock may experience excitement, discomfort or accidental injury while being handled in connection with transportation, holding or slaughter
- > Facility design and implementation of training and practices, addressed through standard operating procedures that will minimize the risk of undue excitement, discomfort or accidental injury
- > Periodic auditing of facility design and practices used to ensure that livestock are handled humanely
- > Continuous improvement of our process using internal and third-party audit results, incorporation of regulatory changes, performance trends and improvement opportunities that arise during discussion in our weekly Animal Welfare Team meetings

In Canada, our beef production facility implements animal welfare programs that align with NAMI

guidelines and comply with the CFIA Meat Inspection Regulations.

As part of the animal welfare programs in our North American beef and pork production facilities, we also use an internal Animal Welfare Index with key performance indicators based on stunning efficiency, prodding and insensibility. Our Animal Welfare Index Goals are calculated based on a 100-point score. For production facilities that score below their targeted goal, immediate corrective actions are required and implemented.

All of our U.S. pork production facilities use controlled atmospheric stunning technology, and as such, use a modified internal Animal Welfare Index that includes metrics for humanely filling the gondolas, where hogs are gathered for atmospheric stunning, rather than stunning efficiency.

For our U.S. live pork operations, team members and contract partners understand that using low-stress handling techniques is one of the true arts of successful, humane pork production. Specific handling guidelines and standards to improve

low-stress handling on our farms are outlined in our producer manuals.

In Australia, our production facilities implement animal welfare programs that comply with the AMIC Industry Animal Welfare Standard – Livestock Processing Establishments and The Australian Standard for Hygienic Production and Transportation of Meat and Meat Products for Human Consumption AS4696. Compliance with our programs is verified through daily and third-party audits. The industry program sets six standards:

- > **Management procedures and planning**
- > **Design and maintenance of facilities and equipment**
- > **Staff competency**
- > **Management and humane destruction of weak, ill or injured livestock**
- > **Management of livestock to minimize stress and injuries**
- > **Humane slaughter procedures**



We use an internal Animal Welfare Index with key performance indicators based on stunning efficiency, prodding and insensibility

For our JBS Australia feedlots, all team members who handle cattle are trained in animal husbandry, proper positioning and flight zone techniques, low-stress handling techniques and proper protocols for when an animal is uncooperative, aggressive or uneasy. In addition to properly training team members, facility design and maintenance are critical to low-stress handling in our feedlots. Facilities are designed to ensure smooth cattle flow, and team members are trained to identify potential problems that may impede the flow of cattle through our facilities. In addition, our animal welfare commitments and program include working animals, such as horses used in our feedlots. All hogs are sourced from Australia Pork Industry Quality Assurance Program (APIQ) accredited farms with industry best-practice animal welfare standards.

For Pilgrim's, our U.S. animal welfare programs meet or exceed PAACO-certified NCC Guidelines for our breeders, hatcheries, broilers and at slaughter. Our Mexico complexes are compliant with the Federally Inspected Type (FIT), a voluntary food-quality certification of the Mexican government. Our facilities

in Europe are compliant with Council Regulation N°1099/2009 standards on animal welfare. Across all Pilgrim's facilities, handling of animals for any reason, including vaccinations, treatment and movement to new facilities or processing is done using approved methods to avoid injury. At processing facilities, chickens are handled in a humane manner and lighting is adjusted to keep the chickens calm.

Pilgrim's UK higher welfare supply chain raises hogs according to the RSPCA higher welfare standards as a minimum and has been awarded the highest ranking, Tier 1, by the Business Benchmark on Farm Animal Welfare (BBFAW) for its animal welfare performance, through an independently commissioned private review. Pilgrim's UK approved facilities also process lambs. Handling

of hogs and lambs is done using low-stress techniques and facilities are maintained to ensure appropriate animal flow. Controlled atmospheric stunning is utilized for all hogs. Animal welfare practices at production facilities are in compliance with Council Regulation N°1099/2009 standards which are monitored daily by Food Standards Agency (FSA) inspectors.

Our animal welfare programs include specific requirements and procedures to protect the health and welfare of our livestock and poultry

ANIMAL WELFARE INDEX

JBS USA and Canada beef production facilities

| Audit Categories | Unacceptable | | Bottom Performer | | Goal | | Top Performer | |
|---------------------|-----------------|---------------|------------------|---------------|-----------------|---------------|-----------------|---------------|
| | Performance (%) | Points Earned | Performance (%) | Points Earned | Performance (%) | Points Earned | Performance (%) | Points Earned |
| Stunning Efficiency | 97.0 | 0.0 | 98.5 | 27.0 | 99.0 | 28.5 | 100.0 | 30.0 |
| Prodding | 15.0 | 0.0 | 8.0 | 27.0 | 5.0 | 28.5 | 0.0 | 30.0 |
| Insensibility | 99.2 | 0.0 | 99.7 | 36.0 | 99.8 | 38.0 | 100.0 | 40.0 |

For our U.S. live pork operations, team members and contract partners understand that using low-stress handling techniques is one of the true arts of successful, humane pork production. Specific handling guidelines and standards to improve low-stress handling on our farms are outlined in our producer manuals.

In Australia, our production facilities implement animal welfare programs that comply with the AMIC Industry Animal Welfare Standard – Livestock Processing Establishments and The Australian Standard for Hygienic Production and Transportation of Meat and Meat Products for Human Consumption AS4696. Compliance with our programs is verified through daily and third-party audits. The industry program sets six standards:

- > **Management procedures and planning**
- > **Design and maintenance of facilities and equipment**
- > **Staff competency**
- > **Management and humane destruction of weak, ill or injured livestock**
- > **Management of livestock to minimize stress and injuries**
- > **Humane slaughter procedures**

For our JBS Australia feedlots, all team members who handle cattle are trained in animal husbandry, proper positioning and flight zone techniques, low-stress handling techniques and proper protocols for when an animal is uncooperative, aggressive or uneasy. In addition to properly training team members, facility design and maintenance are critical to low-stress handling in our feedlots. Facilities are designed to ensure smooth cattle flow, and team members are trained to identify potential problems that may impede the flow of cattle through our facilities. In addition, our animal welfare commitments and program include working animals, such as horses used in our feedlots. All hogs are sourced from Australia Pork Industry Quality Assurance Program (APIQ) accredited farms with industry best-practice animal welfare standards.

For Pilgrim's, our U.S. animal welfare programs meet or exceed PAACO-certified NCC Guidelines for our breeders, hatcheries, broilers and at slaughter



For Pilgrim's, our U.S. animal welfare programs meet or exceed PAACO-certified NCC Guidelines for our breeders, hatcheries, broilers and at slaughter. Our Mexico complexes are compliant with the Federally Inspected Type (FIT), a voluntary food-quality certification of the Mexican government. Our facilities in Europe are compliant with Council Regulation N°1099/2009 standards on animal welfare. Across all Pilgrim's facilities, handling of animals for any reason, including vaccinations, treatment and movement to new facilities or processing is done using approved methods to avoid injury. At processing facilities, chickens are handled in a humane manner and lighting is adjusted to keep the chickens calm.

Pilgrim's UK higher welfare supply chain raises hogs according to the RSPCA higher welfare standards as a minimum and has been awarded the highest ranking, Tier 1, by the Business Benchmark on Farm Animal Welfare (BBFAW) for its animal welfare performance, through an independently commissioned private review. Pilgrim's UK approved facilities also process lambs. Handling of hogs and lambs is done using low-stress techniques and facilities are maintained to ensure appropriate animal flow. Controlled atmospheric stunning is utilized for all hogs. Animal welfare practices at production facilities are in compliance with Council Regulation N°1099/2009 standards which are monitored daily by Food Standards Agency (FSA) inspectors.

Transportation



As a component of the animal welfare programs at each production facility, livestock transporters are audited daily to verify adherence to JBS USA humane handling standards, and depending on the country, the NAMI Transportation Guidelines, CFIA Humane Transport Guidelines, Australian Welfare Standards and Guidelines – Land Transport of Livestock and RSPCA, Red Tractor or QMS.

Our U.S. and Canadian beef and pork production facilities also require all transporters to present documentation that demonstrates their understanding of and adherence to the JBS USA guidelines and in the U.S., certification with Beef Quality Assurance Transportation (BQAT), Canadian Livestock Transportation (CLT), and the National

Pork Board's Transport Quality Assurance (TQA) programs. Improper handling of livestock results in immediate corrective actions and can result in the transporter being permanently banned from delivering livestock to JBS USA facilities in the future.

In Europe, our pork and approved lamb production facilities require that livestock are moved in their social groups, and hog trailers are equipped with lifting decks to make loading as stress free as possible. Trailers are bedded with straw and in the summer months extra drinking water is provided. We monitor transport time with an average journey time of four hours, and our position is that no animal should be in transit to a Pilgrim's UK production facility for longer than eight hours.

Our JBS USA Carriers business is responsible for providing safe transportation to more than 1.5 million cattle each year. Delivering cattle in a manner that promotes humane handling during loading at the feed yard, a safe journey for both drivers and animals, and minimal stress on cattle during unloading at our facilities is our priority. JBS USA Carriers takes pride in the safe and efficient transport of animals to production facilities across the country, and our drivers have a passion for the industry and their important role.

JBS USA Carriers, in conjunction with Five Rivers Cattle Feeding (JBS USA's largest producer partner) animal welfare teams, provides drivers with animal-handling and safety training.

The training materials are based on the BQAT program, which is widely recognized as the industry standard for truck driver training.

When Pilgrim's chickens are transported during cold weather, we add side and front panels to the transport cages to keep chickens warm. During the summer months, we reduce the number of chickens per cage and keep them cool and minimize heat stress with shade, fans and misters. We work to minimize the amount of time chickens spend in cages, consistent with regionally appropriate animal welfare practices. We also monitor handling and transportation animal welfare metrics of our chickens.

2020 PROGRESS

Humane handling performance is shared weekly with all facilities and senior management to guarantee constant and consistent oversight, and sharing of best management practices and corrective actions.



HUMANE HANDLING PERFORMANCE

U.S. BEEF PRODUCTION FACILITIES

| Indicator | Goal | Performance |
|-----------------------------|--------|-------------|
| Stunning Efficiency | ≥99.0% | 99.9% |
| Prodding | ≤5.0% | 1.6% |
| Insensibility | ≥99.8% | 100.0% |
| Animal Welfare Index | ≥95.0% | 99.4% |

- > Passed third-party external audits with scores ranging from 98% – 100%.
- > Passed third-party transportation audits with scores ranging from 98.6% – 100%.
- > All third-party audits passed on the first attempt.

JBS CANADA

| Indicator | Goal | Performance |
|-----------------------------|--------|-------------|
| Stunning Efficiency | ≥99.0% | 99.4% |
| Prodding | ≤5.0% | 4.7% |
| Insensibility | ≥99.8% | 100.0% |
| Animal Welfare Index | ≥95.0% | 97.6% |

- > Passed third-party external audits with scores ranging from 99.2% – 100%.
- > Passed third-party transportation audits with scores of 100%.
- > All third-party audits passed on the first attempt.

JBS USA PORK PRODUCTION FACILITIES

| Indicator | Goal | Performance |
|-----------------------------|--------|-------------|
| Animal Welfare Index | ≥97.0% | 99.6% |

- > Passed third-party audits with scores ranging from 98.9% – 100%.
- > Passed third-party transportation audits with scores of 100%.
- > All third-party audits passed on the first attempt.
- > JBS USA Live Pork.
- > Passed external third-party audits with an average score of 99.4% and a range of scores from 99.3% -100%.

JBS AUSTRALIA

| Indicator | Goal | Performance |
|-----------------------------|---------|-------------|
| Stunning Efficiency | ≥3.0% | 0.08% |
| Prodding | ≤98.3% | 99.00% |
| Insensibility | ≥15.0% | 5.00% |
| Animal Welfare Index | ≥100.0% | 100.0% |

- > Maintained all third-party and regulatory animal welfare audits and accreditations.

Pilgrim's U.S.

- > Passed internal audits with an average score of 95.6%.
- > Passed external audits with an average score of 99.5% and a range of scores from 97.7% – 100%.
- > Passed 100% of external audits.

Pilgrim's Moy Park

- > Passed all internal and external audits.

Pilgrim's Mexico

- > Passed all internal and external audits.

Pilgrim's UK

- > Passed all internal and external audits.



HOUSING

Our Commitment

JBS USA is committed to providing the livestock and poultry under our care with comfortable and safe housing that meets their needs. Housing is key to protecting and improving the health and well-being of our animals.



Our facilities meet or exceed industry guidelines to make sure that our animals are comfortable and safeguarded from extreme weather events, predators and vermin





Pen stocking rates are set according to NAMI Animal Handling Guidelines, CFIA Meat Inspection Regulations and AMIC Industry Animal Welfare Standards

Housing for our Livestock and Poultry

Our facilities meet or exceed industry guidelines to make sure that our animals are comfortable and safeguarded from extreme weather events, predators and vermin. In our production facilities, pen stocking rates are set according to NAMI Animal Handling Guidelines, CFIA Meat Inspection Regulations and AMIC Industry Animal Welfare Standards, and livestock have access to clean water at all times.

Cattle in our JBS Australia feedlots are housed in groups in open-pen, dirt lots. Pen stocking rates meet or exceed industry standards and are based on the animal's expected final weight. Cattle have access to an unlimited supply of clean water and are fed twice daily. The pens are sloped for proper drainage during winter months and wet periods to provide cattle a dry place to lie down

and reduce mud in the pens. For feedlots that are located in regions with extreme weather, shade is provided to prevent heat stress, and bedding is supplied to provide a dry and warm place to lie down in winter months.

The hogs we raise in the U.S. are housed indoors where health and welfare are prioritized. Our sows are provided with unlimited access to clean water and are fed a nutritionally balanced diet based on life stage and individual body condition. Weaned and growing hogs in the nursery and finishing stages of production are provided with unlimited access to clean water and feed. Specific standard operating procedures for maintaining animal comfort and housing are further defined in the Live Pork Production Manuals. Climate-controlled ventilation systems are expected to

be maintained to promote animal comfort, control humidity, deliver quality air and maintain desirable temperatures according to hog size and life stage. 100% of our U.S.-owned sows are housed in open pen systems based on the standard set in Colorado Senate Bill 08-201, which states, "A Gestating Sow [shall/may] be kept in a manner that permits the sow to stand up, lie down and turn around without touching the sides of its enclosure until no earlier than 12 days prior to the expected date of farrowing. For purposes of this standard, a 'Gestating Sow' shall mean a confirmed pregnant member of the porcine species with such confirmation typically occurring between days 40 and 45 of gestation. Until confirmation of pregnancy, such animals may be individually housed."

HEALTH AND NUTRITION

We are committed to providing proper nutrition and full-service veterinary care to our livestock and poultry



Our Commitment

No matter the production system deployed, the health and welfare of our animals remains our priority, and we are committed to providing proper nutrition and full-service veterinary care to our livestock and poultry.

Monitoring Livestock and Poultry Health

Assessing the daily needs and health status of the animals under our care is essential to ensuring their well-being. In our Australian cattle feedlots, this begins immediately when cattle arrive at our facilities, where they are assessed for their overall health and nutrition status. Upon arrival, cattle are provided an

individual identification tag and are vaccinated. Cattle are checked daily for injury and illness by experienced pen riders. An animal that is identified as requiring additional care is moved to the hospital area, where it is provided treatment under the direction of our veterinarians and animal health technicians.

Our U.S. live pork operation staff and contract sow and finishing partners monitor the health of hogs daily. Production field managers and veterinarians provide support to each contract partner, visiting the farm regularly and remaining on call 24 hours a day, seven days a week, to maintain the health of our hogs. Field managers inspect the health and nutrition status of the pigs to make sure that our nutrition and health programs are implemented appropriately and that animals are in optimal condition.

Pilgrim's family poultry farm partners are required to inspect the houses and chickens at least twice a day. They check for housing conditions such as ventilation, air quality, water, feed lines and bedding material quality, and closely observe eye health and lameness. Any chickens unable to thrive are humanely euthanized

using an American Veterinary Medical Association or equivalent approved technique, such as cervical dislocation. Pilgrim's technicians also work with each farm family, visiting regularly and remaining on call for the farm 24 hours a day, seven days a week, to maintain the health of our flocks. Our technicians inspect both the farm and the chickens during their visit, monitoring health factors such as eye and leg health, mortality, house and farm conditions, rodent and/or pest issues, proper ventilation, ammonia level, litter condition, adequacy of feed intake and water supply. Pilgrim's technicians not only monitor the farm's health plan; they also share best practices on how to raise healthier chickens.

At Pilgrim's UK, within our higher welfare hog supply chain, we make sure that farm partners within our supply chain thoroughly understand our animal welfare requirements, and we regularly support them through farm visits and with training on animal husbandry, welfare and health by our own team of experienced field staff and vets. We also host quarterly update meetings with our family farm partners, inclusive of training initiatives.

Nutrition

Providing the proper nutrition to maintain appropriate body condition and optimize growth is critical to the overall health and welfare of our animals. Our team of Ph. D. and expert nutritionists formulate diets specific to the animal's species and life stage and adjusts diets, daily if necessary, to optimize growth and prevent nutritional deficiencies and digestive

disorders. We manufacture our own feed in company-owned and contracted feed mills, using a proprietary mixture that includes corn, ground hay (for cattle) and other grains.

Growth promoting hormones are not used in chicken or hog production in the U.S., U.K. or Australia.

Each facility has a written health plan that is developed in consultation with our veterinarians

Veterinary Care GRI FP10

Our licensed veterinarians establish and monitor all health and vaccine protocols and follow all government regulations. Our veterinarians perform routine health checks and are available for consultation on any issue. Each facility has a written health plan that is developed in consultation with our veterinarians and includes specifications regarding animal management, vaccination schedules, animal-health monitoring and treatment, mortality and morbidity monitoring, and measures taken to prevent disease transmission.

Our veterinarians work to mitigate or eliminate pain for our animals. In the U.S., the procedures we perform on our hogs prevent injuries later in life and improve meat quality. Procedures include tail docking and castration, and are consistent with our animal welfare program. At JBS Australia feedlots, we work diligently to purchase cattle that have been

pre-conditioned, which means that cattle have been previously castrated and disbudded (if necessary) at a young age, vaccinated and weaned before arriving at our feedlots.

Pilgrim's does not perform physical alterations to any of our chickens. In the Pilgrim's supply chain, we only purchase roosters and breeders from breeding companies that have strict protocols in place to minimize stress related to these procedures.

At Pilgrim's UK, routine tail docking is not performed and is only permitted with veterinary approval, while castration is not permitted. Pilgrim's UK continues to lead the industry in research to advance animal welfare. Our current research includes a project examining pig behavior and its impact upon tail biting. The objective is to understand more about causal factors associated with tail biting and how tail docking can be reduced.





Biosecurity

Each JBS USA livestock and poultry facility has a comprehensive biosecurity program that has been designed and implemented to prevent the introduction of infectious diseases to our livestock and poultry through human and animal vectors or contaminated equipment. Our biosecurity protocol addresses every aspect of our facilities: feed mill

operations, feed delivery, transportation, vaccination and health management, visitors and auditors. All team members and contract partners are trained according to our biosecurity protocols, and all visitors and vendors must be prescreened and approved before arriving at any of our locations. Sign-in logs are also required and maintained at all locations.

Antibiotics GRI FP12

At JBS USA, all antibiotics are used under the supervision of licensed and accredited Doctors of Veterinary Medicine and only for the purposes of preventing, controlling or treating disease, rather than growth promotion or feed efficiency. Our antibiotic policy also requires written veterinary permission before the use of any antibiotics, diligent record-keeping and tracking of all antibiotic use and training programs for JBS USA team members. Training helps guarantee compliance with our comprehensive health and disease-prevention programs, including animal husbandry, hygiene, monitoring and vaccination. We focus on producing healthy animals through good hygiene and husbandry practices.

JBS USA has always practiced the principles of judicious use regarding antibiotics; and given the increased concern regarding antimicrobial resistance, we have developed statements regarding antibiotic use for our cattle and pork supply chain partners in the U.S.

As a leading provider of high-quality protein that is enjoyed by millions of consumers worldwide, JBS USA has a dual obligation of meeting the varying demands of our diverse customers, while promoting and

ensuring the health and welfare of the cattle and hogs we purchase.

JBS USA supports the judicious use of antibiotics under a valid VCPR (Veterinary Client Patient Relationship) and in accordance with the Beef Quality Assurance (BQA) Judicious Use of Antimicrobials Guidelines for cattle and the Pork Quality Assurance Plus (PQA+) Antibiotic Principles for hogs. JBS USA endorses the prevention of disease in cattle and hogs to effectively minimize the use of antibiotics, as described in the BQA and PQA+ programs. Comprehensive individual and herd health programs should be in place, including routine vaccination, balanced nutrition, and optimal animal husbandry. When illness occurs, documented disease detection and prevention programs should be employed under the guidance of licensed veterinarians.

Under a VCPR and in accordance with the guidelines and principles listed in BQA and PQA+, we support the use of medically important antibiotics in our cattle and hog supply under the supervision of licensed veterinarians for therapeutic use only, defined as prevention, control, and treatment of disease, rather than growth promotion or feed efficiency.



JBS USA is a founding member of the International Consortium for Antimicrobial Stewardship in Agriculture (ICASA) which is a public-private partnership advancing research in animal health



To ensure the responsible use of antibiotics and the welfare of the cattle and hogs we purchase, we require the following:

- Compliance with the BQA Guidelines for Judicious Use of Antimicrobials for cattle and the PQA+ Antibiotic Principles for hogs, which includes a VCPR
- Antibiotics classified as critical to human medicine are only used at therapeutic levels as prescribed by licensed veterinarians
- Sub-therapeutic use of medically important antibiotics is not practiced
- Full compliance with Food and Drug Administration (FDA) Guidance 209 and 213 Veterinary Feed Directive (VFD) rule. This guidance discontinues the use of medically important antibiotics for growth promotion and requires veterinary oversight of all medically important antibiotics. All antibiotics listed by the FDA as important for human medicine require a VFD issued by a licensed veterinarian before they can be used in cattle or pig feed.

The farm and ranch partners who supply cattle and hogs guarantee compliance to these requirements by completing an affidavit at the point of sale and are randomly third-party audited, ensuring compliance with BQA and PQA+. Our process-verified programs (natural, organic, grass-fed, antibiotic free, etc.) may require additional compliance depending upon specific program requirements.

JBS USA is a founding member of the International Consortium for Antimicrobial Stewardship in Agriculture (ICASA) which is a public-private partnership advancing research in animal health and welfare as well as antimicrobial stewardship in agriculture.

This consortium was created by the Foundation for Food and Agriculture Research (FFAR) to increase investment in research promoting the judicious use of antibiotics and improving animal health and wellness.



Since implementing our antibiotic stewardship strategy in 2013, we have reduced use by more than 70%

At Pilgrim's, all antibiotics are used under the supervision of licensed and accredited Doctor of Veterinary Medicine and only for the purposes of preventing, controlling or treating disease, rather than growth promotion or feed efficiency. Pilgrim's is focused on producing healthy animals through good hygiene and husbandry practices. Any use of antibiotics is strictly governed by national regulations and requires authorization by the overseeing Doctor of Veterinary Medicine or veterinary surgeon who care for the poultry. Any medication used is licensed by the FDA or U.K. Veterinary Medicines Directorate and undergoes intense scrutiny before being approved for use.

In the U.S., Pilgrim's has been antibiotic free in all company hatcheries since 2016 and is fully compliant with the FDA Guidance 209 and 213 VFD

rule. Any antibiotic use is under the strict guidance of the company's licensed, USDA accredited and board-certified veterinarians and is strictly for disease prevention, control or treatment. The Pilgrim's antibiotic policy is reviewed annually.

For Pilgrim's Mexico, the use of antibiotics is supervised by veterinarians. For traceability and control purposes, farms keep a record of these products, dosage and application period, to meet the withdrawal times established by the governing body, The General Directorate of Animal Health, which is part of SENASICA. All antibiotics used are registered by The General Directorate of Animal Health.

In Europe, records of medications used on farms are inspected by the auditors of the Red Tractor Scheme and by the local authority Animal Health inspectors as legally required. In addition, Pilgrim's Moy Park has

an Antimicrobial Stewardship Forum focused on the education of poultry producers in antimicrobial resistance and best practices to reduce antimicrobial usage and collects comprehensive data to give the poultry industry and regulators a clear picture of poultry-usage trends. Pilgrim's Moy Park established a Food Safety Forum and Antibiotics Stewardship Forum, to ensure that our chickens are healthy and our products are safe. These forums include external experts who assist us with the latest scientific developments.

Pilgrim's UK has introduced an industry leading initiative in our own higher welfare farming supply chains to reduce the need for antibiotic use by improving pig management and health. We have voluntarily implemented stringent controls on the use of Critically Important Antibiotics (CIAs). Since implementing our antibiotic stewardship strategy in

2013, we have reduced use by more than 70%. Antibiotic usage within our own higher welfare supply chain has been consistently below the U.K. swine sector target for 2020. Pilgrim's UK's independent supply partners, as part of the U.K. swine industry, have achieved the Responsible Use of Medicines in Agriculture Alliance (RUMA) target for the responsible use of antibiotics since its start in 2017.

As part of our long-standing commitment to safeguard the welfare of our animals, we do not withhold antibiotic treatment if a licensed veterinarian has determined it is the appropriate course of action. If antibiotic treatment is necessary, the animal is transitioned out of our antibiotic-free/NAE and organic programs and moved into our conventional programs while adhering to all appropriate antibiotic withdrawal times prior to processing. We will never allow a sick animal to suffer.

Alternatives to Antibiotics GRI FP12

We are committed to reducing the use of antibiotics in livestock and poultry production, and have conducted extensive research to optimize livestock and poultry management to reduce the incidence of disease and identify other products that promote and strengthen animal health and disease prevention.

While we continue to innovate, adopt new products and improve management to reduce the incidence of disease, it is important to remember that we cannot completely replace antibiotics and ionophores for the treatment and prevention of disease. JBS USA veterinary and nutrition teams will continue to work closely with companies that produce these alternative compounds, as well as universities and private researchers to make sure that we are on the leading edge of innovation as we continue to provide our customers with wholesome, healthy and nutritious meat and chicken products.

We only raise and source livestock and poultry that have not been cloned, genetically modified or engineered

Cloning and Genetic Engineering

We only raise and source livestock and poultry that have not been cloned, genetically modified or engineered. However, we are also aware that scientific developments which may benefit the health and well-being of livestock and poultry are ongoing and we will continue to review these in partnership with our customers.

For more information on the animal welfare requirements for our suppliers, please visit [Suppliers](#).



2020 Key Facts and Figures



98-100%

scores achieved on external animal welfare audits



99.4%

U.S. beef production facilities' Animal Welfare Index Score, surpassing our goal



99.6%

U.S. pork production facilities' Animal Welfare Index score, surpassing our goal



100%

of team members who have contact with animals have been trained according to our animal welfare programs



Ethics and Compliance

JBS monitors, evaluates and improves compliance actions throughout the operation to foster an environment of ethics and integrity



CORPORATE GOVERNANCE AND COMPLIANCE

GRI 102-17, 102-22, 103-2, 103-3 | 417-1

Implicit in our corporate philosophy is the importance of sound corporate governance

We have an independent JBS USA Advisory Board to support the company's executive leadership on matters related to corporate governance, government and regulatory affairs, commodity risk management and marketing. Our JBS USA Advisory Board is made up of independent members, ensuring that credible, expert voices of objectivity help guide the direction of our business. The board meets quarterly, in addition to providing ongoing counsel to the JBS USA CEO and executive leadership team. **GRI 102-18**

The Ethics and Compliance Group (ECG) has a dual reporting structure to the Independent Advisory Board and the CEO for JBS USA and to the Board of Directors and the CFO for Pilgrim's. The ECG is responsible for

managing the JBS USA and Pilgrim's "Ethics Line" and for developing, administering and training on the policies and procedures ancillary to the Code of Conduct & Ethics, including anti-bribery/anticorruption, anti-trust/competition, international trade and sanctions, conflicts of interest and gifts. **GRI 102-25**

JBS USA also has a Supplier Code of Conduct, which is administered by the ECG, and requires third-party vendors to adopt and demonstrate the same commitment by following acceptable standards of business conduct and integrity and complying with all applicable laws, regulations and rules.



Learn more by visiting [here](#)



OUR CODE OF CONDUCT AND ETHICS

GRI 102-16, 103-2, 103-3 | 412, 406-1

JBS USA's Code of Conduct and Ethics includes behavioral guidelines and standards to ensure appropriate workplace conduct, efficient and safe operations and the well-being of our team members. All JBS USA team members receive annual in-person, online or video-based training on the Code of Conduct and Ethics. All JBS USA team members are responsible for enforcing the Code of Conduct and Ethics in their divisions. **GRI 103-2, 103-3 | 205-2**

The Code has policies for each of the company's major risk areas, including team member safety, food safety, environmental compliance, animal welfare, corporate ethics, workplace conduct and taxation and finance.

In addition to Code of Conduct and Ethics training, new team members also receive an ethics handbook

during orientation and are expected to abide by our policies regardless of their position in the company. Corrective actions for violating the Code or company policies include coaching, written warnings, final written warnings and, if necessary, termination of employment. Serious violations such as theft can result in immediate termination.

Additionally, JBS USA provides all team members of all levels with harassment training annually. Harassment of team members by supervisors or co-workers is a violation of federal law and company policy. JBS USA has in place a policy concerning all forms of harassment, including but not limited to, sex-based harassment, harassment and retaliation against individuals who report any form of harassment in our workplace.



OUR OPEN DOOR POLICY AND ETHICS LINE

GRI 102-17, 205-2, 406-1

Each JBS USA facility has anonymous and non-anonymous ways to report grievances. Team members can bring their concerns directly to management, without retaliation or fear of retaliation. With our Open Door Policy, full- and part-time team members are encouraged to bring issues that they feel are impacting their performance or environment to supervisors or the Human Resources department. Team members are also encouraged to talk with their supervisor about situations when they feel they have not been treated fairly.

The JBS USA Ethics Line is available to every team member in every country where the company operates, and is provided in 11 languages to accommodate our diverse workforce. Through the Ethics Line, all JBS USA team members have

access to a toll-free phone number and an online platform to securely and confidentially report concerns, unethical behavior or policy violations. Reporting can be done anonymously. In 2020, 1,974 Ethics Line reports were filed, investigated and closed, with appropriate personnel or other administrative action taken when warranted.

All team members are introduced to the Open Door Policy and Ethics Line during new-hire orientation, and all new managers discuss the Policy and related procedures with senior management when they assume their roles. Using data from Open Door Policy discussions and Ethics Line reports, we monitor overall team member perceptions.



JBS USA net sales were US\$ 39.3 billion in 2020, an increase of 1.8% in relation to 2019

PERFORMANCE

Adjusted EBITDA net was US\$ 3.8 billion in 2020, which corresponds to an increase of 8.6% in relation to 2019

Our financials are consolidated and reported with many of the business units described above. Financially, we report JBS Beef, inclusive of our beef production facilities in the U.S. and Canada, JBS USA Retail Ready, JBS USA Carriers and our entire JBS Australia business unit. We report JBS USA Pork, inclusive of all of our pork production facilities in the U.S., JBS

USA Live Pork, Swift Prepared Foods and JBS USA Retail Ready. Pilgrim's is reported inclusive of facilities in the U.S., Puerto Rico, Mexico and Europe.

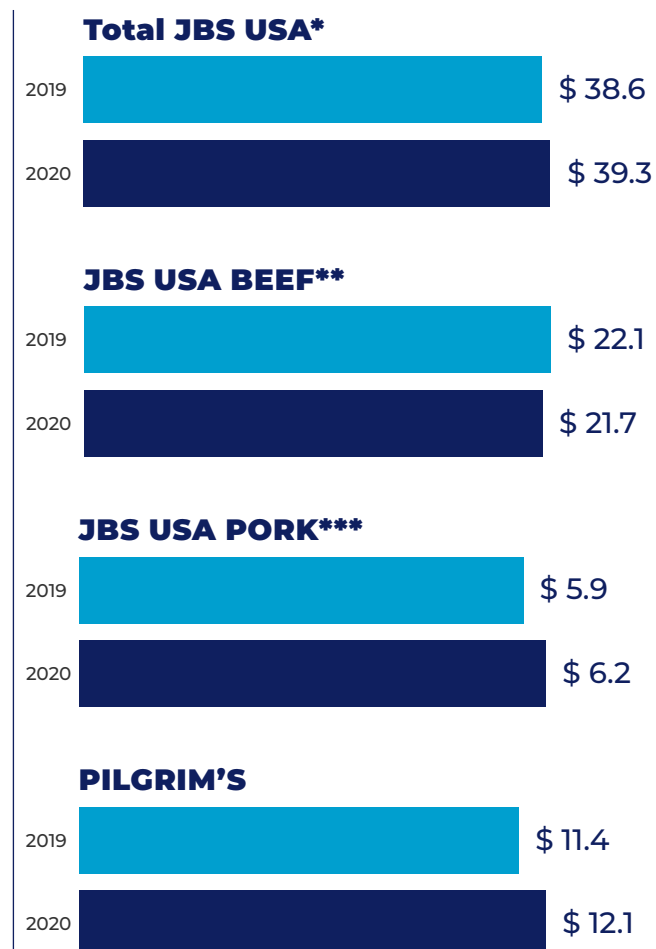
JBS USA net sales were US\$ 39.3 billion in 2020, an increase of 1.8% in relation to 2019. Net Income totaled US\$ 2.1 billion, an decrease of 8.7% compared to 2019. Adjusted EBITDA

(Earnings Before Interest, Taxes, Depreciation and Amortization), which we define as net income adding back income taxes, depreciation, amortization, interest and excluding foreign currency transaction gains/losses and non-recurring expenses, net, was US\$ 3.8 billion in 2020, which corresponds to an increase of 8.6% in relation to 2019.



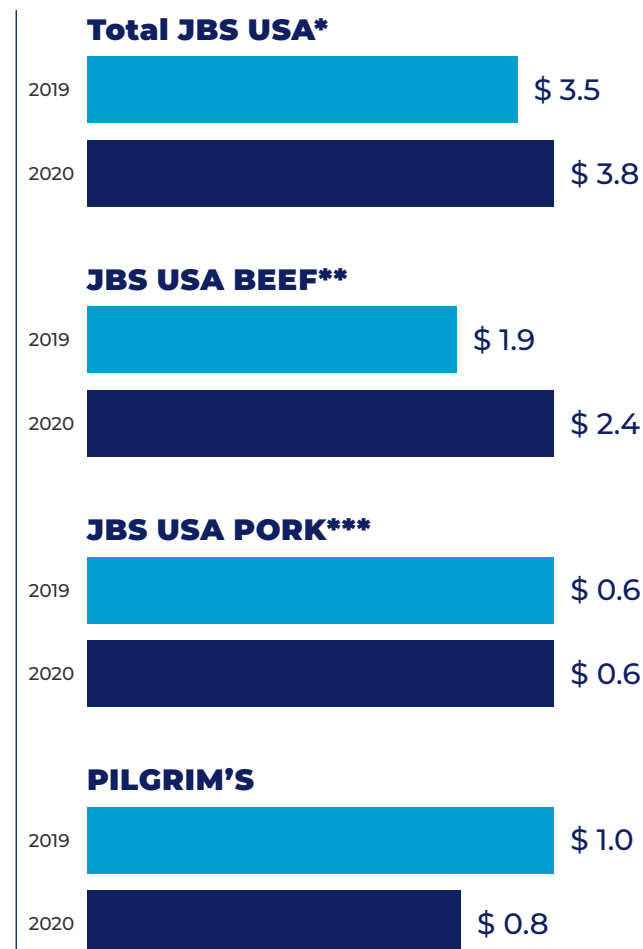
NET SALES

(Billion US\$)



ADJUSTED EBITDA

(Billion US\$)



NET INCOME

(Billion US\$)



INCOME TAX EXPENSE

(Million US\$)



* Includes JBS USA Beef, JBS USA Pork, Pilgrim's and intercompany sales eliminations.

** Includes JBS USA Fed Beef, JBS USA Regional Beef, JBS Canada, JBS USA Retail Ready, JBS USA Corriers and JBS Australia.

*** Includes JBS USA Pork, JBS USA Live Pork, Swift Prepared Foods and JBS USA Retail Ready.

GRI CONTENT INDEX GLOBAL

GRI 102-55

GENERAL DISCLOSURES

| GRI Standard | Disclosure | Page | Omission | SDG* |
|-----------------------------------|---|---------------------|----------|------|
| GRI 101: FOUNDATION 2016 | | | | |
| GRI 102: General Disclosures 2016 | GRI 101 has no disclosures | | - | - |
| | 102-1 Name of the organization | 19, 58, 139 | - | - |
| | 102-2 Activities, brands, products and services | 19, 58, 59, 60, 140 | - | - |
| | 102-3 Location of headquarters | 58, 139 | - | - |
| | 102-4 Location of operations | 24, 60, 139, 142 | - | - |
| | 102-5 Ownership and legal form | 20, 59, 139 | - | - |
| | 102-6 Markets served | 19, 24, 58, 60, 139 | - | - |
| | 102-7 Scale of the organization | 24, 56, 58, 60, 140 | - | - |



| GRI Standard | Disclosure | Page | Omission | SDG* |
|-----------------------------------|---|---|--|------|
| GRI 102: General Disclosures 2016 | 102-8 Information on employees and other workers | JBS USA – Direct Response: In the U.S., compiled safety data includes company team members and third-party agency staff. 97% of JBS USA team members are full-time. 99.5% of Pilgrim's US team members are full-time. In Australia, compiled safety data includes all people working on-site. 87% of JBS Australia team members are full-time. In Europe, compiled safety data includes all company team members and third-party agency staff. 80% of Pilgrim's Europe team members are full-time. 100% of Pilgrim's Mexico and JBS Canada team members are full-time. More information at p. 19, 36, 58, 98, 179, 180 and 181. | JBS USA – Part of Disclosure Omitted: Total number of team members by contract, by gender and region. And total number of team members by employment type, by gender. Reason for Omission: Information unavailable Explanation for Omission: The Company continues to improve data gathering capabilities. Information available on employee gender and geographic region can be found in the Team Members section of this report. | - |
| | 102-9 Supply chain | JBS USA – There have not been any significant changes. More information at p. 34, 91 and 162. | - | - |
| | 102-10 Significant changes to the organization and its supply chain | JBS USA – There have not been any significant changes. More information at p. 69. | - | - |
| | 102-11 Precautionary principle or approach | JBS USA – Our risk-management approach is inclusive of the material issues identified by our stakeholders, compliance audits and our high-priority areas identified by our executive team. More information at p. 38 and 103. | - | 12 |
| | 102-12 External initiatives | 86, 156 | - | - |
| | 102-13 Membership of associations | 86, 156 | - | - |
| STRATEGY | | | | |
| GRI 102: General Disclosures 2016 | 102-14 Statement from senior decision-maker | 4, 6 | - | - |
| | 102-15 Key impacts, risks and opportunities | 4, 6 | - | - |
| ETHICS AND INTEGRITY | | | | |
| GRI 102: General Disclosures 2016 | 102-16 Values, principles, standards and norms of behavior | 3, 50, 51, 131, 238 | - | - |
| | 102-17 Mechanisms for advice and concerns about ethics | 50, 129, 131, 132, 177, 237, 238 | - | - |



| GRI Standard | Disclosure | Page | Omission | SDG* |
|-----------------------------------|--|--|----------|------|
| GOVERNANCE | | | | |
| GRI 102: General Disclosures 2016 | 102-18 Governance structure | 21, 237 | - | - |
| | 102-20 Executive-level responsibility for economic, environmental, and social topics | Information available on the website . | - | - |
| | 102-21 Consulting stakeholders on economic, environmental, and social topics | 10, 86, 156 | - | - |
| | 102-22 Composition of the highest governance body and its committees | JBS – The JBS Independent Advisory Board is made up of four, male, non-executive board members. Each have served on the Board for four years and brought knowledge from diverse backgrounds in the private and public sectors. Information available on the website . | - | - |
| | 102-23 Chair of the highest governance body | JBS USA does not have a chairman of the Independent Advisory Board. Information available on the website . | - | - |
| | 102-24 Nominating and selecting the highest governance body | Information available on the website . | - | - |
| | 102-25 Conflicts of Interest | JBS USA – Each Team Member, including members of Independent Advisory Board, must provide a disclosure to JBS identifying any and all potential conflicts of interest he or she may encounter. No Team Member should serve as a director of a forprofit corporation without disclosing the position to JBS's Ethics Officer and obtaining approval to serve. JBS encourages Team Members to serve on the boards of not-for-profit organizations, if such service does not conflict with the Team Member's commitment to JBS. More information at p. 51, 129 and 237. | - | - |
| | 102-26 Role of highest governance body in setting purpose, values, and strategy | The JBS USA CEO takes a direct role in the development, approval and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental, and social topics. The Independent Advisory Board discusses management policies and procedures in addressing these topics. Information available in the document , p. 344. | - | - |



| GRI Standard | Disclosure | Page | Omission | SDG* |
|-----------------------------------|---|--|----------|------|
| GRI 102: General Disclosures 2016 | 102-27 Collective knowledge of highest governance body | 161 | - | - |
| | 102-28 Evaluating the highest governance body's performance | Information available in the document , p. 316. | - | - |
| | 102-29 Identifying and managing economic, environmental, and social impacts | 22 | - | - |
| | 102-30 Effectiveness of risk management processes | 22 | - | - |
| | 102-31 Review of economic, environmental, and social topics | 22, 161 | - | - |
| | 102-32 Highest governance body's role in sustainability reporting | Senior leadership at JBS USA reviews and approves the sustainability report to ensure all material topics are covered. The Independent Advisory Board is also provided a copy of the report. | - | - |
| | 102-33 Communicating critical concerns | 161 | - | - |
| | 102-35 Remuneration policies | Information available in the Reference Form . | - | - |
| STAKEHOLDER ENGAGEMENT | | | | |
| GRI 102: General Disclosures 2016 | 102-40 List of stakeholder groups | 10, 156, 161 | - | - |
| | 102-41 Collective bargaining agreements | 96, 177 | - | 8 |
| | 102-42 Identifying and selecting stakeholders | 10, 161 | - | - |
| | 102-43 Approach to Stakeholder Engagement | 10, 161, 198 | - | - |
| | 102-44 Key topics and concerns raised | 10, 156, 161 | - | - |



| GRI Standard | Disclosure | Page | Omission | SDG* |
|-----------------------------------|---|---|----------|------|
| REPORTING PRACTICES | | | | |
| GRI 102: General Disclosures 2016 | 102-45 Entities included in the consolidated financial statements | 8, 140 | - | - |
| | 102-46 Defining report content and topic Boundaries | 8, 161 | - | - |
| | 102-47 List of Material Topics | 8, 10, 161 | - | - |
| | 102-48 Restatements of information | JBS USA – There are no significant restatements. In some cases, data collection was improved and/or calculation errors were corrected for previous years. More information at p. 42, 43 and 69. | - | - |
| | 102-49: Changes in reporting | JBS USA – There are no significant changes in the reporting scope. More information at p 69. | - | - |
| | 102-50: Reporting period | 8 | - | - |
| | 102-51 Date of most recent report | 2019 | - | - |
| | 102-52 Reporting cycle | Annual | - | - |
| | 102-53 Contact point for questions regarding the report | 8 | - | - |
| | 102-54 Claims of reporting in accordance with the GRI Standards | This report has been prepared in accordance with the GRI Standards Core option. | - | - |
| | 102-55 GRI Content Index | 241 | - | - |
| | 102-56 External assurance | JBS USA – We did not seek external assurance for this report. More information at p. 8. | - | - |

MATERIAL TOPICS

| GRI Standard | Disclosure | Page | Omission | SDG* |
|---|--|---|----------|----------------|
| ECONOMIC PERFORMANCE | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 96, 105, 162 | - | - |
| | 103-3 Evaluation of the management approach | 96, 105, 162 | - | - |
| GRI 201: Economic Performance 2016 | 201-1 Direct economic value generated and distributed | Information available in the document , p. 44. More information at p. 156, 161, 162, 178 and 198. | - | - |
| INDIRECT ECONOMIC IMPACTS | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 105 | - | 1, 8 |
| | 103-3 Evaluation of the management approach | 105 | - | - |
| GRI 203: Indirect economic impacts 2016 | 203-1 Infrastructure investments and services supported | 108 | - | - |
| | 203-2 Significant indirect economic impacts | 105, 108 | - | 1, 2, 3, 8, 10 |
| PROCUREMENT PRACTICES | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 03-2 The management approach and its components | 163, 164 | - | - |
| | 103-3 Evaluation of the management approach | 163, 164 | - | - |
| GRI 204: Procurement Practices 2016 | 204-1 Proportion of spending on local suppliers | 163, 164, 165, 171, 173 | - | - |



| GRI Standard | Disclosure | Page | Omission | SDG* |
|-----------------------------------|--|---------------|----------|-------|
| ANTICORRUPTION | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 50, 129, 238 | - | - |
| | 103-3 Evaluation of the management approach | 50, 129, 238 | - | - |
| GRI 205: Anticorruption 2016 | 205-1 Operations assessed for risks related to corruption | 129, 131, 132 | - | - |
| | 205-2 Communication and training about anti-corruption policies and procedures | 129, 130, 238 | - | - |
| | 205-3 Confirmed incidents of corruption and actions taken | 132 | - | - |
| MATERIALS | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 45, 118, 213 | - | - |
| | 103-3 Evaluation of the management approach | 45, 118, 213 | - | - |
| GRI 301: Materials 2016 | 301-1 Materials used by weight or volume | 120 | - | - |
| | 301-2 Recycled input materials used | 118, 119 | - | - |
| | 301-3 Reclaimed products and their packaging materials | 118 | - | - |
| ENERGY | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 44, 117, 210 | - | 7, 13 |
| | 103-3 Evaluation of the management approach | 44, 117, 210 | - | - |



| GRI Standard | Disclosure | Page | Omission | SDG* |
|-----------------------------------|--|--------------|----------|---------------|
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | 44, 117, 211 | - | 7, 8, 12, 13 |
| | 302-3 Energy intensity | 113, 211 | - | - |
| | 302-4 Reduction of energy consumption | 114, 210 | - | - |
| | 302-5 Reductions in energy requirements of products and services | 113, 210 | - | - |
| WATER AND EFFLUENTS | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 42, 113, 207 | - | - |
| | 103-3 Evaluation of the management approach | 42, 113, 207 | - | - |
| GRI 303: Water and Effluents 2018 | 303-1 Interactions with water as a shared resource | 208 | - | - |
| | 303-2 Management of water discharge-related impacts | 209 | - | - |
| | 303-3 Water withdrawal | 42, 113, 209 | - | |
| | 303-4 Water discharge | 42 | - | 6, 8, 12 |
| | 303-5: Water consumption | 42, 113 | - | |
| EMISSIONS | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 43, 115, 210 | - | - |
| | 103-3 Evaluation of the management approach | 43, 115, 210 | - | - |
| GRI 305: Emissions 2016 | 305-1: Direct (Scope 1) GHG emissions | 43, 116, 212 | - | |
| | 305-2 Energy indirect (Scope 2) GHG emissions | 43, 116, 210 | - | 3, 12, 13, 15 |
| | 305-3: Other indirect (Scope 3) GHG emissions | 43, 116 | - | |
| | 305-4 GHG emissions intensity | 43, 116, 210 | - | |
| | 305-5 Reduction of GHG emissions | 43, 116 | - | 13, 15 |



| GRI Standard | Disclosure | Page | Omission | SDG* |
|---|--|---|----------|----------|
| EFFLUENTS AND WASTE | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 42, 113, 207 | - | - |
| | 103-3 Evaluation of the management approach | 42, 113, 207 | - | - |
| GRI 306: Waste 2016 | 306-1 Waste generation and significant waste-related impacts | 42, 114 | - | 3, 6, 12 |
| | 306-2 Management of significant waste-related impacts | 208 | - | 3, 12 |
| ENVIRONMENTAL EVALUATION OF SUPPLIERS | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 34, 93, 162, 163 | - | - |
| | 103-3 Evaluation of the management approach | 34, 93, 162, 163 | - | - |
| GRI 308: Supplier Environmental Assessment 2016 | 308-1 New suppliers that were screened using environmental criteria | JBS USA – All new and existing JBS USA Suppliers are held to the Supplier Code of Conduct, which covers a number of criteria including environmental issues. More information at p. 93. | - | - |
| | 308-2 Negative environmental impacts in the supply chain and actions taken | 93 | - | - |
| EMPLOYMENT | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 36, 96, 178 | - | - |
| | 103-3 Evaluation of the management approach | 36, 96, 178 | - | - |



| GRI Standard | Disclosure | Page | Omission | SDG* |
|--|---|-------------------|--|------|
| GRI 401: Employment 2016 | 401-1: New employee hires and employee turnover | 96 | JBS USA - Parts of Disclosure Omitted: New employee hires and employee turnover by category. Reason for Omission: Confidentiality constraints Explanation for Omission: Reasons for limiting disclosure include, but are not limited to, competitive advantage for the company. | - |
| | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | 178, 190 | - | - |
| OCCUPATIONAL HEALTH AND SAFETY | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 39, 104, 178, 190 | - | - |
| | 103-3 Evaluation of the management approach | 39, 104, 178, 190 | - | - |
| GRI 403: Occupational Health and Safety 2018 | 403-1 Occupational health and safety management system | 104, 190 | - | |
| | 403-2 Hazard identification, risk assessment and incident investigation | 104, 190 | - | |
| | 403-4 Worker participation, consultation, and communication on occupational health and safety | 104, 190 | - | |
| | 403-5 Worker training on occupational health and safety | 104, 190 | - | 3, 8 |
| | 403-6: Promotion of worker health | 104, 178, 190 | - | |
| | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 104, 190 | - | |
| | 403-9 Work-related injuries | 104, 190 | - | |
| | 403-10 Work-related ill health | 104 | - | |



| GRI Standard | Disclosure | Page | Omission | SDG* |
|---|--|--------------|----------|------|
| TRAINING AND EDUCATION | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 37, 101, 102 | - | - |
| | 103-3 Evaluation of the management approach | 37, 101, 102 | - | - |
| GRI 404: Training and Education 2016 | 404-1 Average hours of training per year, per employee | 100 | - | - |
| | 404-3 Percentage of employees receiving regular performance and career development reviews | 102 | - | - |
| DIVERSITY AND EQUAL OPPORTUNITY | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 99, 178 | - | - |
| | 103-3 Evaluation of the management approach | 99, 178 | - | - |
| GRI 405: Diversity and equal opportunity 2016 | 405-1 Diversity of governance bodies and employees | 100, 178 | - | - |
| NON-DISCRIMINATION | | | | |
| GRI 103: Management Approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 178, 238 | - | - |
| | 103-3 Evaluation of the management approach | 178, 238 | - | - |



| GRI Standard | Disclosure | Page | Omission | SDG* |
|--|--|-------------|---|------|
| GRI 406: Non-Discrimination 2016 | 406-1 Incidents of discrimination and corrective actions taken | 238, 178 | <p>JBS USA - Part of Disclosure Omitted: Total number of incidents of discrimination during the reporting period.</p> <p>Reason for Omission: Confidentiality constraints</p> <p>Explanation for Omission: In 2020, 1,974 Ethics Line reports were filed, investigated and closed, with appropriate personnel or other administrative action taken when warranted. In order to protect the confidentiality of those who filed reports, the Company will not disclose the number of alleged incidents in any category.</p> | - |
| FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 162, 177 | - | - |
| | 103-3 Evaluation of the management approach | 162, 177 | - | - |
| GRI 407: Freedom of Association and Collective Bargaining 2016 | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | 162, 177 | - | - |
| CHILD LABOR | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 93, 162 | - | - |
| | 103-3 Evaluation of the management approach | 93, 162 | - | - |
| GRI 408: Child Labor 2016 | 408-1 Operations and suppliers at significant risk for incidents of child labor | 93, 162 | - | - |



| GRI Standard | Disclosure | Page | Omission | SDG* |
|--|--|-------------|----------|------|
| FORCED OR COMPULSORY LABOR | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 161 | - | - |
| | 103-2 The management approach and its components | 34, 93, 162 | - | - |
| | 103-3 Evaluation of the management approach | 34, 93, 162 | - | - |
| GRI 409: Forced or compulsory labor 2016 | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | 93 | - | - |
| HUMAN RIGHTS EVALUATION | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 34, 93, 162 | - | - |
| | 103-3 Evaluation of the management approach | 34, 93, 162 | - | - |
| GRI 412: Human Rights Assessment 2016 | 412-1 Operations that have been subject to human rights reviews or impact assessments | 93 | - | - |
| | 412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening | 162, 177 | - | - |
| LOCAL COMMUNITIES | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 92 | - | - |
| | 103-3 Evaluation of the management approach | 92 | - | - |
| GRI 413: Local Communities 2016 | 413-1 Operations with local community engagement, impact assessments, and development programs | 92 | - | - |



| GRI Standard | Disclosure | Page | Omission | SDG* |
|--|---|--|----------|------|
| SOCIAL ASSESSMENT OF SUPPLIERS | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 93, 162, 163 | - | - |
| | 103-3 Evaluation of the management approach | 93, 162, 163 | - | - |
| GRI 414: Supplier Social Assessment 2016 | 414-1 New suppliers that were screened using social criteria | JBS USA – All new and existing JBS USA Suppliers are held to the Supplier Code of Conduct, which covers a number of criteria including social issues. More information at p. 93 and 162. | - | 8 |
| | 414-2 Negative social impacts on the supply chain and actions taken | 93 | - | |
| PUBLIC POLICIES | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | JBS USA – In cases where product is stored for sale at a later date, it is held in approved on- or off-site cold storage facilities in accordance with our food safety and quality programs and labeled ready for sale. Our goal is to dispose of as little product as possible. As appropriate, we will investigate options for food donations or reuse in pet food production streams before we implement disposal of product. Of course, in the rare occurrence there is a food safety concern with the product, disposal will occur to ensure consumer safety. More information at p. 50, 132 and 151. | - | - |
| | 103-3 Evaluation of the management approach | 96 | - | - |
| GRI 415: Public Policy 2016 | 415-1 Political contributions | 132 | - | - |



| GRI Standard | Disclosure | Page | Omission | SDG* |
|---|---|-------------------|----------|-------|
| CUSTOMER HEALTH AND SAFETY | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 27, 75, 151 | - | - |
| | 103-3 Evaluation of the management approach | 27, 75, 151 | - | - |
| GRI 416: Customer Health and Safety 2016 | 416-1 Assessment of the health and safety impacts of product and service categories | 76, 77, 152, 154 | - | 3, 12 |
| Food Sector Supplement – Consumer Health and Safety | FP5 Percentage of production volume manufactured in locations certified by third parties, in accordance with internationally recognized standards | 78 | - | - |
| | FP6 Percentage of total sales volume of consumer products, by product category, that have reduced saturated fat, trans fats, sodium and added sugars | 80 | - | - |
| | FP7 Percentage of total sales volume of consumer products, by product category, containing increased nutritional ingredients and food additives such as fiber, vitamins, minerals, phytochemicals and functionals | 80 | - | - |
| MARKETING AND LABELING | | | | |
| GRI 103: Management approach 2016 | 103-1 Explanation of the material topic and its boundary | 10, 88, 161 | - | - |
| | 103-2 The management approach and its components | 75, 149, 150, 237 | - | - |
| | 103-3 Evaluation of the management approach | 75, 149, 150, 237 | - | - |



| GRI Standard | Disclosure | Page | Omission | SDG* |
|---|--|---|----------|-----------|
| GRI 417: Marketing and Labeling 2016 | 417-1 Requirements for product and service information and labeling | JBS USA – In cases where product is stored for sale at a later date, it is held in approved on- or off-site cold storage facilities in accordance with our food safety and quality programs and labeled ready for sale. More information at p. 149 and 150. | - | - |
| | 417-3 Incidents of non-compliance concerning marketing communications | No cases were registered in 2020. | - | 3, 12 |
| Food Sector Supplement – Marketing and Labeling | FP8 Policies and practices for communicating to consumers about ingredients and nutritional information in addition to legal requirements | 80 | - | - |
| OUTSOURCING AND PURCHASING | | | | |
| Food Sector Supplement - Animal Welfare | FP1 Percentage of volume purchased from suppliers in compliance with the organization's purchasing policy | 93 | - | - |
| | FP2 Percentage of purchased volume that complies with internationally recognized standards and certifications, broken down by type of certification | 78 | - | - |
| ANIMAL WELFARE | | | | |
| Food Sector Supplement - Animal Welfare | FP9 Percentage and total of animals raised and/or processed, by species and type of raising | 71, 124, 165, 171, 173 | - | - |
| | FP10 Policies and practices, by species and race, related to physical changes and anesthetic use | 47, 123, 231 | - | 12, 15 |
| | FP11 Percentage and total of animals raised and/or transformed, by species and breed, by type of housing | 47, 123 | - | 12, 15 |
| | FP12 Policies and practices regarding the use of antibiotics, anti-inflammatory drugs, hormones and/or treatments with growth promoters, by species and type of creation | 47, 123, 125, 174, 232, 235 | - | 2, 12, 15 |

*Sustainable Development Goals.



CREDITS

COORDINATION

of JBS Sustainability, Investor Relations and
Corporate Communication Areas

EDITORIAL COORDINATION AND DESIGN

grupo report

TRANSLATION

LAG Traduções e Serviços de Consultoria
MS Tradução Juramentada e Técnica

PHOTOS

JBS Image Bank