

Making  
food  
with love  
changes  
the world

**DO THE  
RIGHT  
THING**

**DO IT  
WELL**

**DO IT  
TOGETHER**

Annual and  
Sustainability Report  
2022



São Salvador  
Alimentos

# Summary



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## Do it together

Do it together means cherishing people. We care for and trust them. We persevere in the face of challenges and celebrate our achievements.

# About this Report

| GRI 2-2, 2-3, 2-5, 2-14

We present our **Annual and Sustainability Report 2022**, which presents the evolutionary process, principles and assumptions, initiatives and results of São Salvador Alimentos (SSA) in 2022.

More than rendering accounts and reporting guidelines, strategies, projects and performance, we want to demonstrate how we have progressed towards continuous improvement, the generation of material value and sustainable development.

## Context – external and internal environment

We had, in 2022, a highly challenging year for business activity on the world scenario, with high inflation, rising interest rates, and a slowdown in the level of activity in several locations. This panorama was aggravated by the prolonging of the Ukraine war and by China's problems with its zero covid policy. In Brazil, the horizon mixed these issues with economic instabilities, climatic events, and the complications of an election year.

In addition to this scenario, there was a fact, already at the beginning of the year, that had a significant impact on the production planning of São Salvador Alimentos. At the end of January 2022, it was announced that China was suspending the import of chicken meat from two Brazilian companies, among them SSA.

However, thanks to the assertiveness of our management and our operational and commercial efficiency, we were able to alter our course quickly, adapting the production mix, adjusting operational processes, and

recalibrating the commercial strategy. We will talk more about this in the Commercial Strategy item, in the Value Generation – pillars of our Strategic Map chapter in this Report.

Even against this background, the year was one of many achievements and accomplishments for São Salvador Alimentos. We managed to keep on the path of growth, in a balanced, responsible and sustainable way with consistent results and with the support of a qualified and engaged team. We ended the year of 2022 at the rhythm of expansion and growth, winning the confidence and preference of our customers and consumers.

We have made constant investments in development and improvement projects and in actions aimed at expanding and increasing our slaughter, production and storage capacities, with the objective of consolidating the segments in which we operate and continually seek better results in, in line with sustainable development and environmental, social and governance (ESG) aspects.



## Based on GRI Standards

| GRI 2-2, 2-3, 2-5, 2-14

This Report covers all our units, plants and activities. The financial data are aligned with the Financial Statements available at: <https://ssa-br.com/>. The information covers the **period from January 1, 2022 to December 31, 2022**. This document has been published annually since 2012, and was published on May 19, 2023.

**GRI Usage Statement** - This reporting process was prepared based on the Global Reporting Initiative (GRI) standards.

The document also considers the correlations of our business and initiatives with the Sustainable Development Goals (SDGs) of the United Nations (UN), and the premises of integrated reporting, in line with the guidelines of the International Integrated Reporting Council (IIRC) and the Securities and Exchange Commission of Brazil (CVM).

The responsibility for analyzing the information reported in this Report, including the material themes of the Organization, lies upon the Strategic Management team, linked to the structure of the Company's Board of Finance. The Chief Executive Officer is responsible for approving the information inserted, including the Organization's material themes.

In line with good business practices, all the information was externally assured by KPMG Assurance Services Ltda.

 The digital version of this Report is available on our **website**.

Your contribution is always welcome, so that we may further improve the reporting process the communication with our stakeholders. In case of doubts or suggestions, please send an e-mail to [noticias@ssa-br.com](mailto:noticias@ssa-br.com).

**Enjoy your reading!**

## How to read this Report:

To read this Report, please pay attention to the following:

### GRI

The GRI indicators are indicated throughout this document by means of the number of each indicator in the places in the text where they correlate. At the end of the Report you will find the table of consolidated GRI indicators with all the indicators.

## Integrated reporting



In items of this Report, as appropriate, there are icons referring to the capitals of integrated reporting:

- Financial capital
- Human capital
- Intellectual capital
- Manufactured capital
- Natural capital
- Social and relationship capital

## SDG



Icons have also been inserted, in items of this Report, as appropriate, referring to our correlations with the SDGs.

## Navigation support



In addition, in order to facilitate the understanding and the analysis of certain specific topics throughout the Report, the text will include clickable links that refer to complementary external content or other parts of this document, represented by underlined text or iconography whenever necessary.

Every year, **materiality subsidizes our strategic planning** and directs actions in our relationship with **our stakeholders**.

## Materiality

| GRI 2-29, 3-1, 3-2

Our last materiality review took place in 2021, in line with our system of continuous improvement and with the objective of adjusting our list of material themes to external scenarios, the market, and the needs of our stakeholders.

With this, we seek to evolve in our purpose of permanently aligning our materiality with our strategic direction and with the premises of the ESG themes, bearing in mind that sustainable development is a fundamental principle in our business performance.

It is important to note that, on an annual basis, materiality subsidizes our strategic planning and directs actions in our relationship with our stakeholders.

Thus, in 2022 we kept the same material themes as in the last validation, because we are still in the process of developing the defined material themes. Furthermore, no process in our value chain was modified.

## Material Themes

| GRI 3-2

We have **13 material themes**, which are:

- **Operational efficiency and profitability of investments**
- **Expansion and consolidation plan**
- **Logistics strategy**
- **Product quality and safety**
- **Biosafety and sanitation**
  - Healthiness
  - Animal welfare
- **Employee health and safety**
- **Training and education**
- **Relationship with integrated personnel and partners**
- **Supply chain management**
- **Climate change (adaptation and mitigation)**
- **Operational eco-efficiency**
- **Promotion of socioeconomic development**
- **Corporate governance**

## Our stakeholders

| GRI 3-2

In our Strategic Map we have outlined pillars based on the economic, social, and environmental areas with specific approaches. See Our Strategic Map item, in the Value Generation – pillars of our Strategic Map chapter.

In the last materiality review, our stakeholders were selected based on the Company's strategic alignment. Key stakeholders were classified according to each strategic pillar, defining the target audience of each pillar or which stakeholders are involved in the strategic objectives.

The Board of Directors approved the main aspects of each area, as aligned by the Executive Board. Each Executive Board, in its area of activity, has carried out institutional interactions with customers, partners, suppliers, regulatory and inspection agencies, and other (as applicable). Hence it is possible to stratify the main points and desires in relation to ESG issues and, as a consequence, stimulate engagement.

Our stakeholders:





## Interaction with stakeholders

| GRI 2-29

As mentioned, each Board of Directors, according to its area of activity, has been interacting with its stakeholders. The interaction with consumers and the general public is carried out with the support of our Marketing Area and by means of market research and similar tools, through which it is also possible to extract the most relevant points and themes regarding economic, social, and environmental dimensions.

To subsidize, on a permanent basis, the periodic materiality review processes and the definition of our strategic direction, we have then defined a structured set of actions for engagement and interaction with our stakeholders, as follows:

| Stakeholder         | Customers and consumers   | Employees   | Suppliers and partners   | Integrated   | Organized civil society   | Communities  | Financial institutions   | Universities and laboratories   | Inspection agencies   |
|---------------------|---|---|--|--|---|--|--|---|---|
| Strategic Pillar    | Customers and consumers   | People  | Suppliers and partners   | Suppliers and partners   | Communities and environmental impact  | Communities and environmental impact   | Finance  | Clients and consumers   | Clients and consumers   |
| <b>Requirements</b> | Quality of products and services, and adequate prices.  | Compensation, benefits, working conditions, and career plan.  | Satisfactory and ethical business relations.   | Satisfactory and ethical compensation and business relations.  | Cooperation with public policies and class interests.   | Care for the environment and development of the surroundings.  | Operational and economic and financial performance.  | Scientific development of the sector.   | Compliance with regulatory and normative requirements.  |
| <b>Objective</b>    | Improve the experience and highlight the quality of our products and operational processes.   | Retain and develop talents and share values and principles to align behavior and purpose.   | Ensure supply within the established standards, aligning values and principles.  | Stimulate development in line with internal quality guidelines and technological advances, as well as values and principles.   | Ensure our leadership in the sector before society.   | Ensure the sustainable development of the surroundings.  | Win the public's trust through transparency and obtaining financial resources.   | Establish partnerships for the constant improvement of processes and products, and attract specialized personnel. | Certify the quality of products and processes to our clients and consumers, partners, financiers, and other audiences.  |
| <b>Approach</b>     | A continual relationship through informative and institutional materials, actions at points of sale, customer service (SAC), and social digital media. In addition, we apply surveys in partnership with institutes, in order to gauge the perception of this public, as well as their demands. | A continual relationship, supported by internal communication materials and tools, memorable moments and campaigns, social assistance, training, partnerships with companies to promote benefits, and other tools and initiatives. Implementation of the GPTW Survey to identify opportunities to improve the work environment. | A continual relationship, by means of targeted communication newsletters, periodic specific events with each sector, and technical visits. | An open and clear communication channel with the integrated members and their cooperative, training, and periodic supervisions. Integration and approximation actions, by means of semi-annual meetings and commemorative dates. | Participation in trade associations to address regulatory and industry issues, dialogue with trade unions on labor relations issues, and with the public linked to the Cooperative of Rural Producers of Itaberai and Surrounding Areas (Copavir). Partnerships with non-profit institutions, to support projects related to food, the environment, education, and welfare. | Visits by schools, universities and customers to our operations, in addition to actions and campaigns for donations in the municipalities where we operate. We also prioritize the contracting local collaborators and suppliers. Relationship through social media. | Periodic meetings of executives with representatives of these organizations, every three months or as demanded, to present the financial results and the panorama of the sector. | Relationship established through partnerships for research and development of internship programs.                | Participation in public consultations, audits (internal and external), periodic monitoring programs throughout the production chain, among other initiatives. Performance of the Statutory Audit Committee. |

# Message from the Board of Directors

| GRI 2-22



**José Garrote**  
President of the Board of Directors

In last year's Report, I closed my message by saying that with our journey at São Salvador Alimentos (SSA), we want to leave a legacy: that it is worthwhile to work tirelessly seeking excellence and doing things well, with attention, respect, honesty, and responsibility. It's been 32 years since we inaugurated our first processing plant and launched the SuperFrango brand. Since then, it has been 32 years of uninterrupted growth! However, what makes me most proud is the way in which we have achieved this continuous growth.

We wanted a company that could perpetuate itself, and so we were born with a DNA focused on excellence, quality, operational efficiency, innovation, biosecurity, health, and respect for people and the environment, that is, emphasizing responsible and sustainable growth (although, at that time, the term sustainability was not yet widely used to designate a guiding principle for actions, attitudes, and practices). And these are the guidelines that are part of our culture, which is translated into three commitments that are our guide: **do the right thing, do it well, and do it together**. We are fully convinced that our internal culture, our principles, and our way of being have brought us to this point and will continue to lead us to an admirable future.

2022 was challenging, but we kept growing, both in revenue and production. We invested heavily in expanding our slaughterhouse, our operations, and our production, in expanding our product mix, in improvements to our facilities, and in several internal improvements in areas and processes. The year started with a less than pleasant surprise: the temporary suspension of purchases of our products by China, an issue that was managed and solved – we resumed sales to China in January 2023. To readjust our course for the year, we quickly reworked our mix, reorganized our commercial strategy, and placed more products on the domestic and foreign markets.

The launch of our processed products plant, with lines of sausages, breaded products, and sliced products made an old dream come true. We also increased our proximity with the final consumers by launching our Distribution Center for our brand Mercado Sabor, which works as an online store. On the commercial side, we were able to capture the market opportunities and increase our strategies. And our supply chain managed well a year of high cost increases.

In 2022 we continued with our organizational restructuring initiatives, which we started a few years ago, and with our initiatives on environmental, social, and governance (ESG) issues. With the support of external consultants and internal analyses, we are remodeling areas, new strategies, and improvements in practices, processes, and structures, always with an eye on value creation and continuous growth.

Our industrial management has continued to evolve, our Engineering Area has improved its governance and its way of operating and has remained at full steam, and our administrative areas – such as People and Management, IT, Finance – have also undergone rethinking and improvements. We held a new edition of our Integrity Week and made possible the introduction of new corporate policies and private social investment projects. On the environmental side, we highlight the circularity of our waste – we reached the mark of 95% of our waste being reused internally or sent to other chains that reused it. And we increased the generation and use of photovoltaic (solar) energy in our units. Finally, we have doubled our attention and our preventive measures, and we have worked tirelessly so that the avian flu does not get here.

With all of this, we have once again achieved consistent results by the end of the year. This demonstrates the assertiveness of our management, care, operational efficiency, and strategies. Furthermore, we were awarded several certificates from the market and specialized entities and publications, which reinforces that we are going in the right direction. We know that, to achieve these results and continue on our path, the strength of our team is essential. Therefore, we have invested heavily in people management, with organizational adjustments, improvements in systems and processes, as well as in development and training.

In 2023 and the coming years, we will be making new investments and continue steadily on our path. We want to keep improving our management, production, operations, and processes – always in line with our principles, our way of being, and our internal culture to pursue better results every year in a balanced, responsible, and sustainable way.

**José Garrote**  
Chairman of the Board of Directors

## Zé Garrote receives the Order of Industrial Merit Medal



In a ceremony that took place on May 25<sup>th</sup>, 2022, at Sesi Theater in Goiânia, Zé Garrote received the highest honor given by the Brazilian industry: the Order of Industrial Merit Medal. The tribute was organized by the Federation of Industries of the State of Goiás (FIEG) and by the National Confederation of Industry (CNI).

This medal was instituted to celebrate the pioneers of the productive sector who, with creativity and a vision of the future, forged the basis of Brazil's modern industrial park. Created in 1958, the purpose of the medal is to pay the highest reverence from the industrial segment to entrepreneurs or other personalities who have stood out or are standing out in the national scenario.



# Message from the President

| GRI 2-22



**Hugo Perillo**  
CEO

2022 was one of achievements and good results but also a year featuring many challenges. We had external factors that influenced our business, such as inflationary pressures, the high cost of inputs, high-interest rates, and the impacts of the war in Ukraine and avian influenza.

We ended that year with a 15.9% increase in gross operating income (GOI) and a 3.6% increase in volume, even with a 7.5% drop in GOI in the fourth quarter and a 3.3% drop in volume, mainly due to sales in the Chinese market that took place at the end of 2021 and the pressure of breast fillet prices in Europe due to the return of Ukraine with the tax exemption and supply volume quotas that impacted the Mexican market. In the Asian market besides the impact of China, we had implications from the Japanese market, due to the depreciation of the yen, which suffered from fears in the financial market regarding Japanese government bonds; with this, importers became much more cautious and put downward pressure on the prices of imported products.

With such impacts in the foreign market, we directed part of the production to the domestic market, which justifies the increase in this segment, although the price pressure especially for brisket has also occurred locally, considering the large supply.

Even with all this, we obtained quite satisfactory results considering the circumstances. We grew in production volume and revenue, and this reflected in our economic-financial results. At the end of 2022, we reached R\$493.3 million in adjusted EBITDA, with a margin of 16.2%. Our net income closed the year at R\$284.7 million, 3.5% lower when compared to 2021, with a net margin of 9.4%, resulting from the sales strategy and inventory management, which shows that, even with important conjunctural impacts, we continue to consistently register positive margins.

The assertiveness of our management and our commercial, business, and production strategies, our operational efficiency, the quality of our products, our permanent concern with biosafety and health, and our focus on innovation and continuous improvement contributed to these results. All supported by the effort and competence of our team.

We continue with our growth plans with (Capex) investments of R\$217.7 million by 2022. The highlight is the new line of Individually Quick Frozen (IQF), which will start operating in the first quarter of 2023, and the new industrialized products plant in Itaberaí (GO), which will produce sausages, breaded and sliced products, also starting in 2023. We have also expanded our feed production, improved our grain storage and carried out works

and improvements in our facilities, among them the creation of an integrated and collaborative space, meeting the needs of our employees, as well as providing comfort and well-being.

We have progressed a lot in technology, automation and innovation. We are restructuring our Information Technology (IT) Area, which now has a strategic role more proactive and less responsive, evaluating possibilities, analyzing opportunities, and bringing solutions. It is IT contributing more to the business. In the agribusiness operation, besides the emphasis on the concepts of Industry 4.0, we are also working with the model of Farm 4.0, with more monitoring and more data capture and analysis, taking technology to the field.

On the administrative side, we have implemented the Gupy Talent Portal and the Success Factor to improve the recruitment and selection, and the development and training experience of our employees, respectively. And, to evolve even more in this sense, we contracted the implementation of SAP, which will reorganize the company, starting in 2023.

A major event was the launch, in February 2023, of the restructuring of our Cultural Architecture. With premises, beliefs, and commitments. We didn't create anything from scratch but strengthened what already existed. Our internal culture has always been very strong, what was missing was to present it in a format that could be easily assimilated and replicated, and this is what was done. The great motto is the triad of **do the right thing, do it right, and do it together**. To do the right thing is to follow the norms, the policies, our Code of Ethics and Conduct, and our principles, acting with integrity and in compliance. To do well is to work with a focus on quality, excellence, and efficiency. And do it together is the team spirit, the union, the sense of belonging. If we want to grow to other geographical areas our culture needs to be understood and disseminated. There can be no doubt, it has to be clear to everyone so that people can replicate it.

We also highlight, as recognition of our strong culture, that we received for the third year in a row, the Great Place to Work (GPTW) certification seal, as an excellent company to work for, and, also by GPTW, we were among the ten best companies to work for in the Midwest.

We closed the year with a increase of **15.9%** in gross operational income (GOI) and the increase in sales volume sales volume of **3.6%**



On the external front, we aim to maintain and/or improve our relationship with customers. In this sense, we have participated in representative events of the sector, in Brazil and abroad – such as the International Poultry and Swine Show (Siavs), in Brazil, and the Sial, in Paris. With consumers, we want to increase our proximity. To this end, we started the work of Mercado Sabor, our e-commerce and digital retail brand, with the operation method of delivery within an hour for the entire greater Goiania.

Finally, in the Environmental Area, we received in 2022, referring to the 2021 inventory, the Gold Seal of the GHG Protocol Program, which reinforces our commitment to the reduction of greenhouse gases (GHG). We have increased the circular economy of our waste and had revenues of R\$ 155 million from the sale of waste and scrap. We have also expanded the use of solar energy. And we continue to preserve and/or recover forests and springs.

For 2023, we expect to stabilize costs and improve margins. The macroeconomy is better in Brazil, with a positive employment rate and relatively controlled inflation. For our part, we will continue investing because investments are in our DNA. We want to continue on the path of continuous growth, making new advances, fostering partnerships, exploring new technologies, and generating new business. But keeping our essence and the good practices that have characterized us. We are ready for more growth. All areas have received attention and investment in recent years. Therefore, we have all the conditions to continue growing, aiming at the perennality of our business.

**Hugo Perillo**  
CEO

# 2022 Highlights



- Launch of our restructured **Cultural Architecture**, continuing the process of **strengthening our internal culture**.
- **Gross operational income of R\$3.28 billion.**
- **Adjusted EBITDA of R\$493.3 million.**
- **Net income of R\$284.7 million.**
- **Implementation and inauguration of the processed products plant**, with the implementation of the sausage, breaded and sliced products lines, as part of the Industrialized Products Project.

- **The average daily slaughter reached 417 thousand poultry/day.**
- **An investment of more than R\$200 million in the production chain.**
- **Start up of 43 new poultry houses.**
- **Launch of the brand Mercado Sabor**, our online store.
- **The second edition of the Integrity Week takes place.**

- **New policies launched: Policy of Relationship and Communication with Public Agents, Information Security Policy, and Privacy Policy.**
- **Creation of the Shared Shared Services Center.**
- **95% circularity of our waste**, that is, waste that was reused internally or destined to chains that reused it.

- **Revenue of about R\$155 million from the sale of waste and scrap**, an amount 50% higher than in 2021.
- **Increase in the generation and use of solar energy (photovoltaic).**

## Awards and certificates



In 2022, we received, once again, the **More Integrity Seal**, awarded by the Ministry of Agriculture, Livestock, and Supply, which recognizes agribusiness companies and cooperatives for their practices of integrity from the perspective of sustainability, covering actions of social responsibility, ethics, and also efforts to mitigate practices of fraud, bribery, and corruption. Seventeen organizations were granted the award, being 9 with the green seal (first time award) and 8 with the yellow seal (seal renewal).



For the first time in our history, we received the **Gold Seal of the GHG Protocol Program**, referring to the 2021 Emissions Inventory, and we will seek to maintain it in 2023 (regarding the 2022 information), which reinforces our commitment to the reduction of greenhouse gases (GHG).

[Learn more by clicking here .](#)





We are in 55<sup>th</sup> place among the **100 largest Brazilian agribusinesses**, according to **Forbes magazine's** 2022 list. We have advanced in relation to the previous edition, in which we were ranked the 87<sup>th</sup> place.



[Learn more by clicking here.](#)

For the fourth year in a row, we were recognized as the **best poultry and pork industry** in the country, in the **Best of Agribusiness** ranking, from **Globo Rural magazine**. The winning companies in several categories of Brazilian agribusiness received the award in an event held on November 30, 2022, in São Paulo (SP). The 18<sup>th</sup> edition of this award, which brings the ranking of the 500 largest companies in the sector, took into account the survey and evaluation of Serasa Experian, considering accounting data and also the social and environmental responsibility of more than 600 companies linked to the production sector – from the field to retail, including industries and services. The best in 21 categories were chosen: Food and Beverages; Wholesale and Retail; Poultry and Pork; Bioenergy; Foreign Trade; Cooperatives; Crop Protection; Fertilizers; Fruits and Vegetables; Coffee Industry; Beef Industry; Oil Industry; Dairy Products; Machinery and Agricultural Implements; Pastas and Flours; Animal Nutrition; Cattle Production; Reforestation, Pulp and Paper; Animal Health; Seeds; and Agricultural Services.



[Learn more by clicking here.](#)



[Learn more by clicking here.](#)

We were included in the 22<sup>nd</sup> edition of the **Valor 1000 Yearbook**, by Valor Econômico newspaper, which comprises the ranking of the 1,000 largest companies in Brazil. In addition to presenting detailed analyses of the country's 1,000 largest companies, the yearbook provides comparable rankings and current accounting and financial performance measurement criteria, such as value creation and debt management. We are again in this yearbook, and we are proud to contribute to the growth of the food sector in Brazil. And, as of this edition, the companies with the best scores in six financial evaluation requisites are also scored for their environmental, social, and governance (ESG) practices. A committee formed by market professionals evaluated the sustainability aspects of the best in each sector.



[Learn more by clicking here.](#)

In the **Pop List 2022 Award**, which reached its 30<sup>th</sup> edition, SuperFrango was, once again, the top-of-mind brand by consumers in Goiás in the Chicken Meat category. This award process is organized by the O Popular newspaper and aims to recognize the work of the most remembered brands, thanks to the quality of their products and services and the correct direction of investments in marketing.



[Learn more by clicking here.](#)



We are among the **10 best companies to work for in the Midwest**, in the 12<sup>th</sup> edition of this ranking (2022), promoted and organized by the international consultancy **Great Place to Work (GPTW)**.

And, also in relation to the Great Place to Work, we received, for the third year in a row, the **certification seal** as one of the excellent companies to work for in Brazil, with good human resources management practices.



[Learn more by clicking here.](#)



For the third consecutive year, we appeared in the **Exame Melhores e Maiores** yearbook, by Exame magazine, for which a selection of the best and largest companies in the country is made, gathering 1,000 companies in the main market segments. SSA is in the food and beverage segment holding 16<sup>th</sup> place.



[Learn more by clicking here.](#)



# The São Salvador Alimentos



- 5.1 Who we are
- 5.2 Corporate Identity
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- 5.4 Brands for everyone and a diversified product portfolio
- 5.5 Markets served
- 5.6 Business model
- 5.7 Value chain
- 5.8 Business strategy
- 5.9 ESG vision
- 5.10 Strong governance standards



## Who We Are

| GRI 2-1, 2-6

We are São Salvador Alimentos S.A. (SSA), a private company operating in the food industry. We are one of the main producers of chicken meat in the country and we serve markets in Brazil and abroad.

We operate in all stages of the production chain, from breeding stock and fertile egg production to the distribution of fresh and processed products.

We are part of Grupo São Salvador Alimentos, which is formed by São Salvador Alimentos Participações S.A., the holding company that owns 100% of the operating company, São Salvador Alimentos S.A.

What guides us is guaranteeing healthy, safe, and accessible food to the entire population, respecting life and the environment, and contributing to a better world.

It has been 32 years of official history, since we inaugurated our first industrial processing plant in Itaberaí (GO), in 1991. But this story began much earlier, 50 years ago, in 1973, when the farmer Carlos Vieira da Cunha built the first broiler aviaries in Itaberaí. Nine years later, in 1981, he established a partnership with his son-in-law, José Garrote, to later create the Abatedouro São Salvador (São Salvador Slaughterhouse).



Carlos Vieira and Zé Garrote



Learn more about our history by clicking here.

We have about 6 thousand direct employees spread over seven states and the Federal District, and two production units located in the state of Goiás, in Itaberaí, and Nova Veneza. Our headquarters is located in Itaberaí.

Our production chain is verticalized and we value operational efficiency, with emphasis on continuous and sustainable growth. Our production processes are supported by modern equipment and high technology, and our products follow the highest standards of quality, biosecurity, and food safety.

Our brands are SuperFrango, Boua, and Mercado Sabor. We serve more than 25,000 customers and, besides Brazil, we are also present in 75 countries.

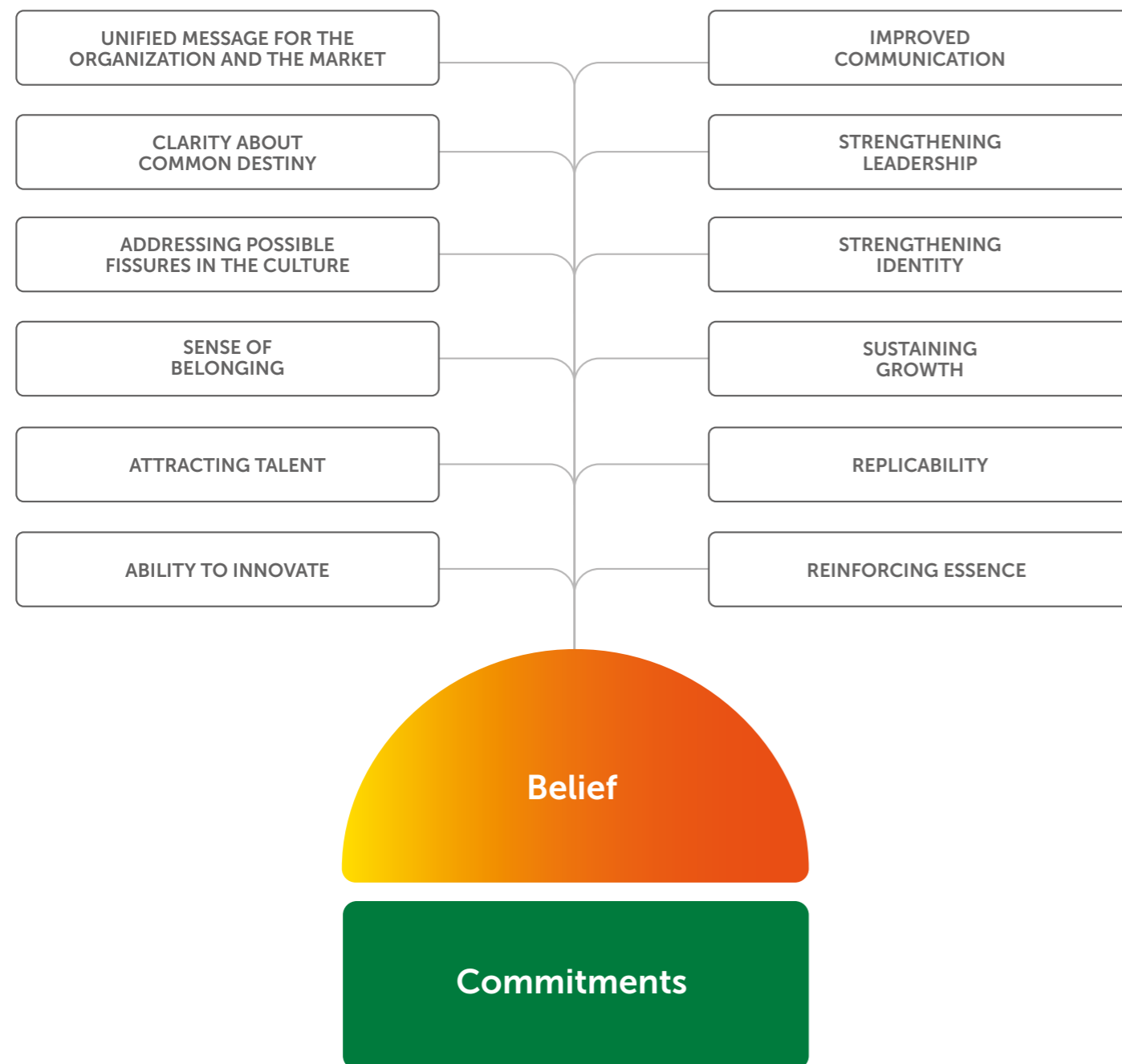
We have become the second largest animal protein producing company in the state and we are ranked 55<sup>th</sup> among the 100 largest Brazilian agribusinesses, according to Forbes magazine's 2022 list – a leap compared to the previous edition, in which we were ranked 87<sup>th</sup>. We are also among the 10 best companies to work for in the Midwest according to the 2022 ranking of the international consultancy Great Place to Work (GPTW), and we received, for the third consecutive year, the certification seal as one of the excellent companies to work for in Brazil, also by GPTW.

# Corporate Identity

Our corporate identity has the purpose of strengthening our DNA by means of beliefs and commitments that interconnect our essence, our way of being, and the vision of the future of São Salvador Alimentos.

**We restructured our Cultural Architecture.** Thus, we intended to **reaffirm the essence of the culture lived at SSA and translate it into a set of beliefs and commitments, with simple and true messages.** We already had a very solid culture, and our essence is shared by everyone who works at the Company. The new Cultural Architecture gives an updated and contemporary form to this essence, which was already very present in our day-to-day activities.

## Essential elements in our Cultural Architecture process



|   |  |  |
|---|--|--|
| <p><b>do the right thing</b></p> <p>Do the right thing is the only way. We keep our promises and do not run away from our responsibilities.</p> | <p><b>do it right</b></p> <p>Do it right is simplicity at the service of efficiency. We have a sense of urgency and do it with quality because it is ours.</p> | <p><b>do it together</b></p> <p>Do it together is valuing people. We care for and trust them. We persevere in the challenges and celebrate our achievements.</p> |
|---|--|--|

**Belief translates what moves us.** It tells what we do, how we do it and, above all, why we do it. **Belief unites our essence and our ambition as a business.**

**To be a global reference in sustainable and innovative food production in order to transform realities.**

We make food production explicit as the core of our business, and affirm our sustainable and innovative way of doing it.

Transforming the world through food is our goal as an organization and expresses our global ambition.

We put love into everything we do, and this is our differentiator as an organization, and what guides us towards our dream.

**Commitments are our guide.** They represent what brought us here and what we will not give up during our journey to become the **global reference in food production.**



To make the commitments even more tangible and closer to our reality, we have broken down the behaviors into simple and direct explanations:

### DO THE RIGHT THING

What it is:

- Consider socio-environmental responsibility and SSA guidelines in all our actions.
- Establishing fair and sustainable relationships with all people.
- Ensuring clear and accessible communication.

### DO IT RIGHT

What it is:

- Acting as an owner, taking responsibility and doing with excellence.
- Making decisions with a long-term view, considering results.
- Having a sense of urgency, doing what has to be done on time.

### DO IT TOGETHER

What it is:

- Promote a culture of trust and autonomy.
- Stimulate the integration between teams and areas.
- To care for relationships and celebrate our achievements.



Belief and commitment form our **Cultural Architecture.**

The launch of the new milestone (Cultural Architecture) took place, initially, in an event, held in Itaberaí on February 15, 2023, for SSA's leaders – about 250 people –, who at this first moment will be the guardians of our beliefs and commitments.

Throughout 2023 several actions will unfold this launching in order to promote and disseminate the new Cultural Architecture.

Under the optics of this new architecture, **we reinforce that we don't want to be the biggest company in our sector, but we want to be the best.** Therefore, we always seek to act with quality, safety and efficiency in our operational and production processes. And we need capable and engaged people who, besides being great professionals, share our beliefs and convictions. With our partners, suppliers, customers and consumers, and with the communities, agencies, and entities with which we relate, we have an extreme respect.



The new architecture helps us to leverage our culture through a simple, inspiring structure that is simple easy to communicate.



Thus, we understand that **our greatest commitment is to work the right way and to do it together and well, offering quality and safe products and taking care of people in the best way possible.**

We believe that the success obtained in our journey is a consequence of this internal culture and our way of being, which we have had since SSA was founded and which will certainly lead us to a great future.

At the same time, we have a very strong focus on environment, social, and governance (ESG) issues because sustainability has always been part of our internal culture and our business direction.

## Units

| GRI 2-1, 2-6, 3-3 413, 413-1

We have **two productive units** located in the state of Goiás:

- Itaberaí
- Nova Veneza



Both units have modern equipment, high level of automation and act in a verticalized way, totaling a **daily slaughter and processing capacity of approximately 520 thousand birds**, being:

- Itaberaí = 360 thousand birds/day
- Nova Veneza = 160 thousand birds/day

Each unit operates autonomously with verticalized activities, working in all stages of our production chain, which guarantees

operational independence, cost reduction, and total quality control of our processes and products.

In the two production complexes, besides the industrial areas, we have feed mills, hatcheries and slaughterhouses. The Itaberaí unit is also the head office and main headquarters of the company.

We also have distribution centers in Belém (PA), Brasília (DF), and Uberlândia (MG), in addition to a cross-docking in Paraíso do Tocantins (TO).

## Brands for everyone and a diversified and diversified product portfolio

| GRI 2-6

We reach customers and consumers via three brands:



### SuperFrango

This is our flagship brand, SSA's pioneering brand. Launched in 1991, it is a brand that specializes in chicken meat. It comprises poultry meat in various forms: whole chickens, frozen and chilled cuts, semi-ready meals, as well as sausages and breaded products. The SuperFrango brand is already well known in the Midwest region and is present in the homes of thousands of consumers in Brazil and around the world.



### Boua

The Boua brand, launched in 2014, aims to complete our product mix. Its main features are diversification and practicality. It is a brand with a generalist profile and offers diversified products with high added value. It includes products in various categories, such as frozen vegetables, dairy products, mozzarella, ham, formed ham, bologna, mortadella, smoked products, sausages, hamburgers, pork cuts, fish, sausages, and frankfurters, among others.

### Mercado Sabor

Mercado Sabor is our online store brand, which means it is a fast way for customers and consumers to order and purchase your products SuperFrango and Boua in a practical and uncomplicated way, creating a proximity channel.



# Markets served

| GRI 2-6

By 2022, we will be working with more than 25,000 clients, encompassing both the Brazilian and the international markets.

## Domestic market

Our main markets are the state of Goiás, where we are present in practically all the municipalities, and the Federal District. But we also operate in other states, on a smaller scale, such as Minas Gerais, Pará, Tocantins, Mato Grosso, Mato Grosso do Sul, Rio de Janeiro and São Paulo, and in the Northeastern states.

## External market

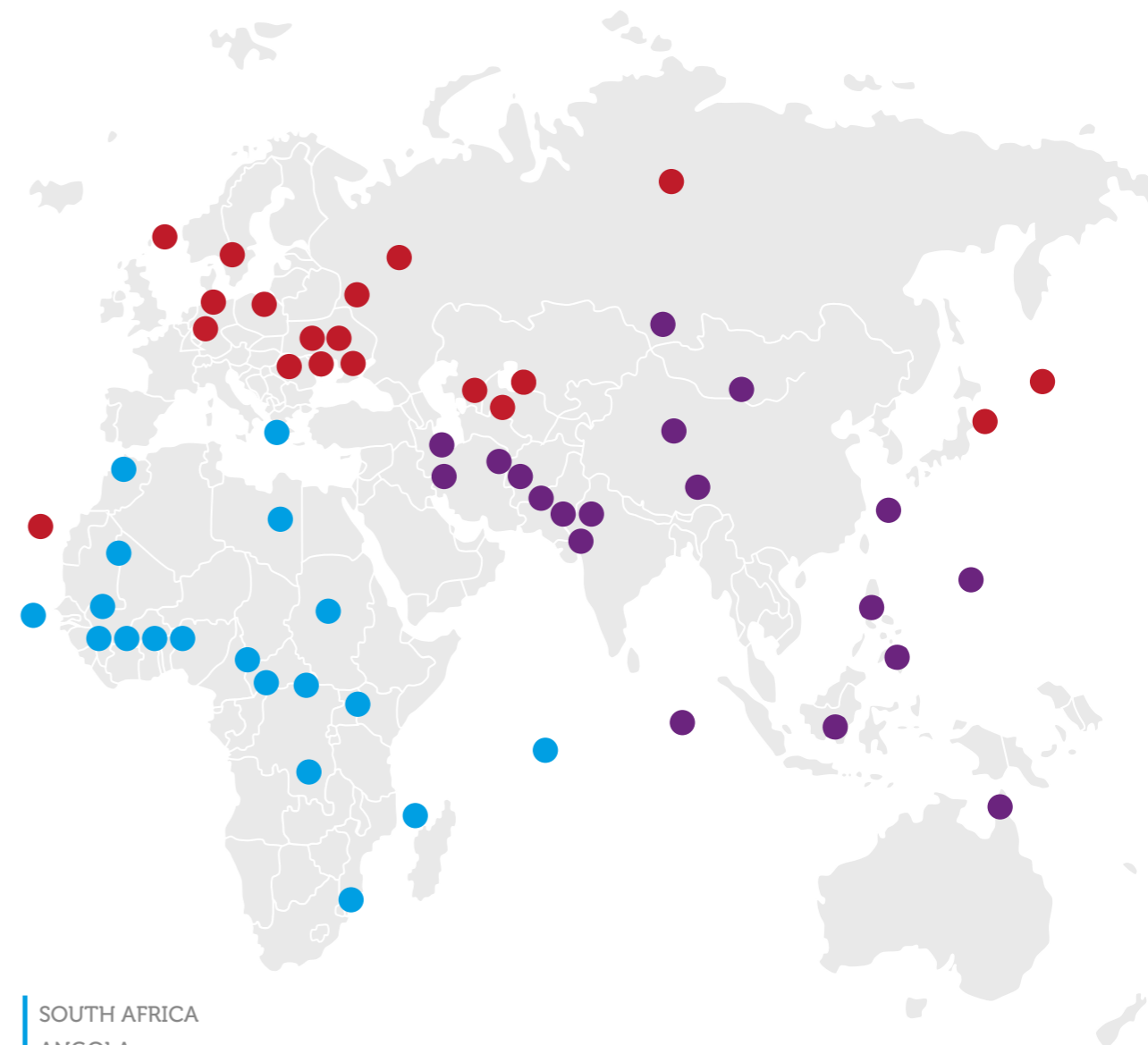
In 2022, we export to 75 countries on 4 continents (Africa, America, Asia, and Europe), with Japan, South Korea, the United Arab Emirates, Mexico, Peru, and Hong Kong as highlights. And we are qualified to export to more than 191 countries.

## Market intelligence

We rely on research and analysis tools, as well as predictive models, to assess the most attractive markets (in terms of volumes, use of channels, etc.) and to understand where we are headed.



- ANTIGUA AND BARBUDA
- ARUBA
- BAHAMAS
- BRAZIL
- CURAÇAO
- GRANADA
- HAITI
- MEXICO
- PERU
- SAINT KITTS AND NEVIS
- SAINT MARTIN
- SURINAME
- TRINIDAD AND TOBAGO



- SOUTH AFRICA
- ANGOLA
- BENIN
- CAPE VERDE
- CHAD
- CONGO
- COTE D'IVOIRE
- GABON
- GANA
- EQUATORIAL GUINEA
- LIBERIA
- LIBYA
- MOROCCO
- MAURITANIA
- MOZAMBIQUE
- DEMOCRATIC REPUBLIC OF THE CONGO
- SEYCHELLES
- SIERRA LEONE
- TUNISIA

- ALBANIA
- GERMANY
- ARMENIA
- AZERBAIJAN
- BELGIUM
- DENMARK
- SCOTLAND
- GEORGIA
- HOLLAND
- CANARY ISLANDS
- ITALY
- KOSOVO
- MACEDONIA
- MOLDOVA
- MONTENEGRO
- RUSSIA
- UKRAINE

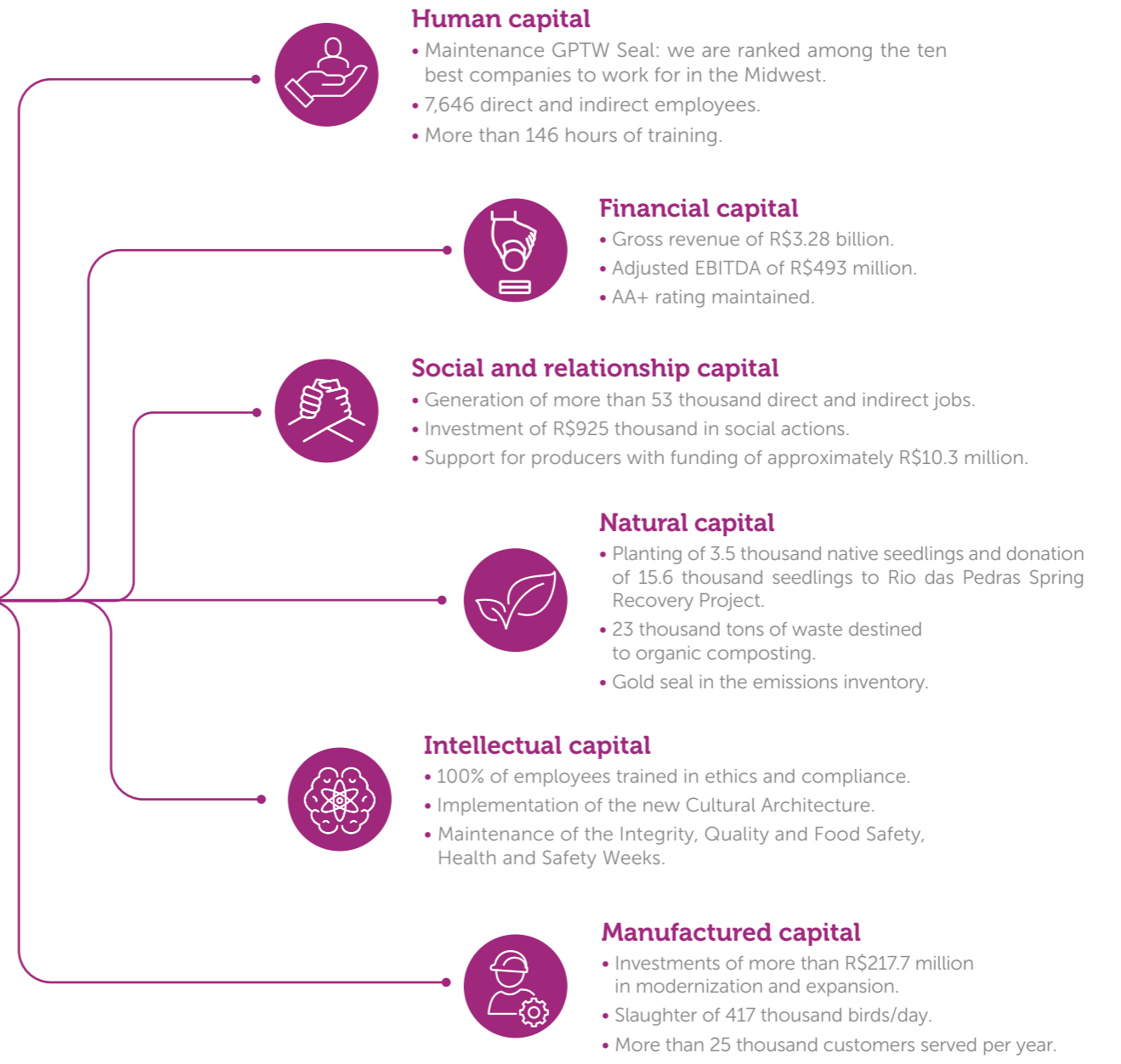
- AFGHANISTAN
- BAHREIN
- BRUNEI
- QATAR
- KAZAKHSTAN
- CHINA
- SOUTH KOREA
- UNITED ARAB EMIRATES
- HONG KONG
- MALDIVES
- IRAQ
- JAPAN
- JORDAN
- KUWAIT
- LEBANON
- OMAN
- PAKISTAN
- SINGAPORE
- TAJIKISTAN
- EAST TIMOR
- VIETNAM

# Business Model

| GRI 3-3 203 (203-1/203-2)



## Risks



## Generation of value



# Value Chain

| GRI 2-6

Standard of excellence with a **focus on quality, technology, and biosecurity.**

## Breeding stock

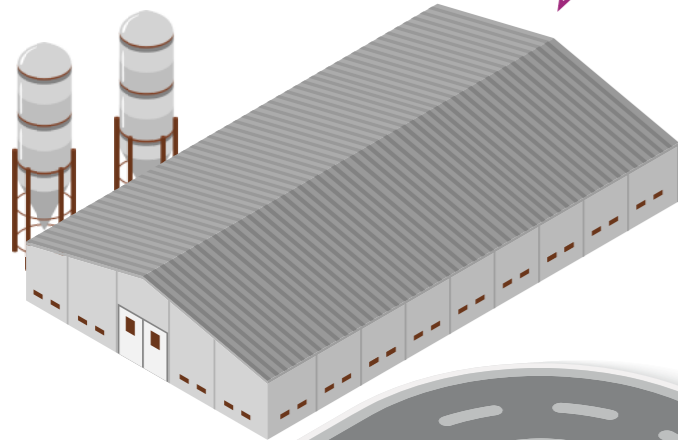
- Project of matrices was conceived with a standard of **excellence in technology** and biosecurity, focusing on quality and animal welfare.
- We produce approximately 12.6 million fertile eggs per month on our farms and on dedicated poultry partnership integration farms.



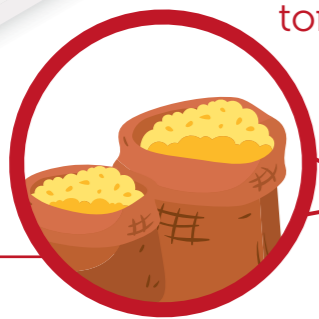
## Hatchery

- Capacity to incubate **11.4 million** eggs per month in our own facilities, in addition to **4 million** in partnerships.
- We have a **qualified and dedicated technical team** to monitor and check all production and sanitary processes.

Capacity to incubate **11.4 million** eggs per month.



**110 thousand** tons of grains.



## Feed mills and warehouses

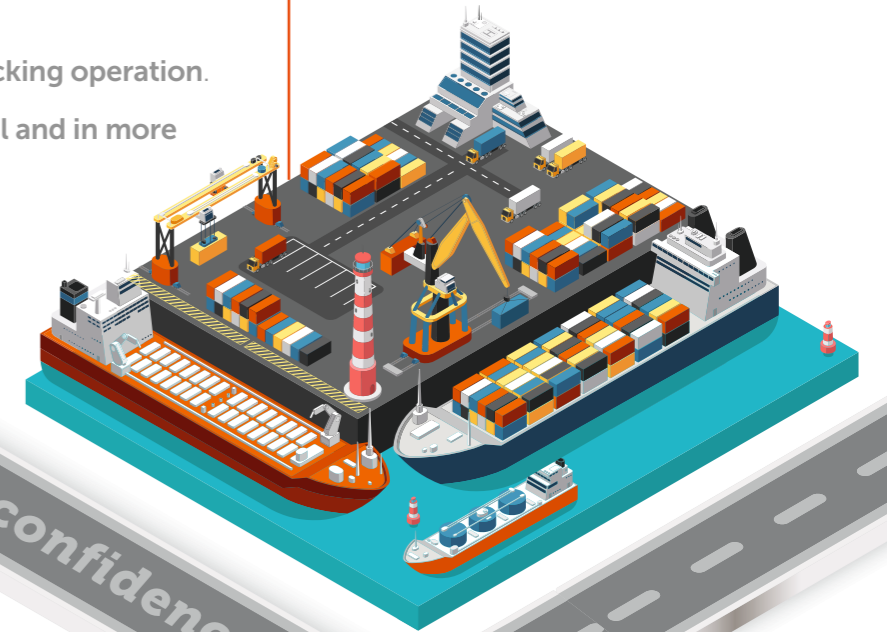
- Capacity to store around **110,000 tons** of grain; this volume represents **4 months** of strategic stock.
- We **constantly invest in technology** and in process improvement at the feed mills.



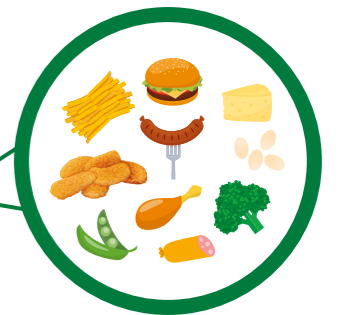
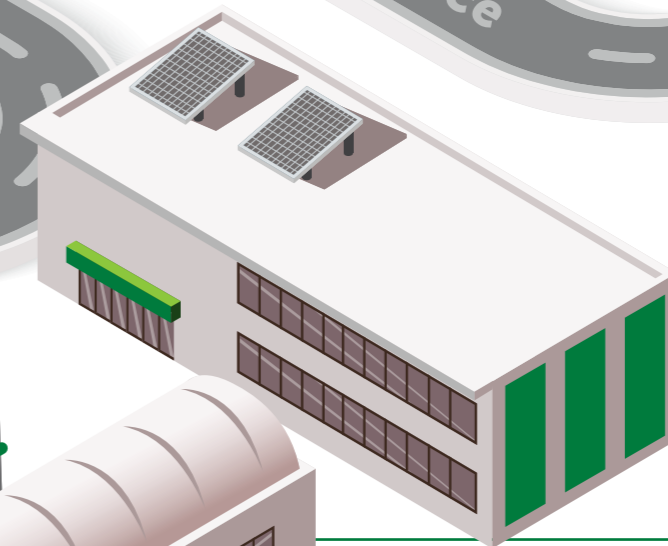
## Distribution

- Every year we adjust our logistics and distribution strategy and improve processes.
- **3** distribution centers and **1** cross-docking operation.
- More than **25,000** customers, in Brazil and in more than **75** countries.

**75+ countries and 480+** cities served.



*Growth with confidence*



## Processing and industrialization

- High flexibility to work with different cuts, according to demand.
- **Rigorous control and compliance with the current norms for food safety and healthiness**, with recent investments in lines with metal detectors.
- Intense use of **technology and automation**.
- **Growth of Boua brand** in the last years, bringing positive results.
- Beginning of the Industrialized Project, for a **new line of industrialized products**.

## Broiler

- We operate in partnership with **222** integrated producers, who own **812** poultry farms.
- We have invested **R\$10.3 million** in farm remodeling and modernization projects.



## Operation strategy

| GRI 2-6, 3-3 413, 413-1

Our performance strategy is oriented to **value generation** and goes through **five pillars aligned to the Sustainable Development Goals (SDGs)**, of the United Nations Organization (UN):

- Financial results
- People
- Customers and consumers
- Partners and suppliers
- Communities and environmental impact

We have a **strategic plan** that is reviewed and readjusted annually, analyzing the market, the industry, our operational and business performance, the internal and external scenarios, and extraordinary factors.

**Organic growth, in a responsible, balanced, and sustainable way**, has guided our strategy since we started our industrial activities.

To achieve consistent financial results, we have **four major foundations**:

- Ownership culture (for employees, engaged and committed).
- ESG culture, guidelines and practices.
- Operational efficiency.
- Commercial strategy.



**On a daily basis**, the parameters of biosecurity, health, quality, innovation, use of state-of-the-art technology, operational efficiency, automation of processes and activities, extreme care with people, interaction with stakeholders and attention to sustainability/ESG aspects continue to be the basis for our production and operational processes.

At the same time, we periodically analyze possible **strategic opportunities** that may add value to our operations, whether in terms of organic growth and expansion or in terms of increased efficiency. We have, for example, sought to diversify our product lines in order to offer an even more complete food mix to our customers and consumers.

In 2022, we also continued the **organizational restructuring** process we have been conducting in the Company which started over the last few years, with the support of external consultants and contemplating the remodeling of areas, the evolution of strategies, and improvements in practices, procedures, and structures, increasing our focus on the generation of value and continuous growth, always in a responsible, balanced, and sustainable manner in order to ensure the perpetuity of the business. This restructuring process has given rise to a series of initiatives and projects throughout the Company, which are being developed in parallel with our daily activities.



## ESG Vision

| GRI 2-24

**Our commitment to sustainability and adherence to ESG topics are part of our corporate culture** (starting with our mission, vision and values) and are intrinsically present in all our processes, projects, initiatives, operations and business.

This means that the **emphasis on sustainable development and ESG topics**, including good corporate governance practices, social issues, respect for human rights, and environmental management, **are in our internal culture, in our planning, in our strategies, in our performance and management pillars, and in all our actions.**

This direction permeates our corporate identity and our culture. It is also inserted in a series of internal documents, such as the **Code of Ethics and Conduct and corporate policies.**

Among these policies, and in order to reinforce the commitment to responsible business conduct, we have an **ESG Policy**, which establishes the guidelines that orient the pillars of action and management, and the strategic decision-making of São Salvador Alimentos. This policy applies to all who impact our business and are impacted by it: employees (including members of the Senior Management), board members, young apprentices, interns, customers, suppliers, production partners, service providers and communities.

We have sustainable development as a commitment in all our activities, and this also involves **the control and mitigation of impacts that involve our operations.** In this sense, we carry out analyses and controls in all our production stages, always seeking to produce with the lowest impact possible.

Our **main sustainability goals** are:

- Valorization, care and training of our employees.
- Sustainable use of natural resources throughout the production chain.
- Maintenance of principles such as ethics, integrity, and transparency.
- Support to the communities where we are present.



In terms of alignment with **formalized representative commitments**, we follow the guidelines of the UN Global Compact and seek to be in tune with the SDGs. In Brazil, we are signatories of the Business Pact for Integrity and Against Corruption, of the Ethos Institute.

| GRI FP5  
We also have **certifications** that demonstrate our commitment to the most demanding international standards of quality, sustainability, and biosecurity. Some countries or locations will only buy from us if we have certain certifications.

**To learn more about our certifications, click here.**

## Solid governance standards

| GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-15, 2-16, 2-17, 2-18, 2-19, 2-20, 2-23, 2-26, 2-27, 2-28

### Guidelines, structure, and advances in corporate governance

We are a **closed corporation**, of family origin and control, but our premises, guidelines, and governance structure are fully aligned with the precepts followed by publicly traded companies.

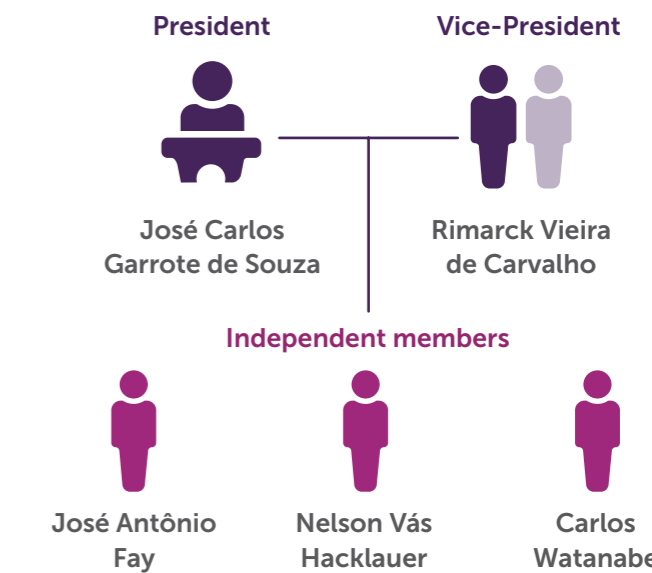
individuals, elected and removable by the General Assembly. Of the members of the Board of Directors, three are independent. The mandate of the members of the Board of Directors is two years.

Throughout our history, we have sought to exercise standards of governance, transparency, and internal controls in line with the best market practices, in order to ensure our growth on a solid and sustainable basis.

#### Current composition of the Board of Directors:

#### Governance Structure

We have the following **governance structure**:



We also have the **Ethics and Compliance Committee**, which is not linked to any Management body and has total autonomy to carry out its activities, which are of an advisory nature.

The Chairman of the Board of Directors, Mr. José Carlos Garrote de Souza, does not hold an executive position in the Company. The only Board member with an executive function is the vice-president, Mr. Rimarck Vieira de Carvalho, who is an executive director.

The Board's strategic decisions are executed by the **Executive Board**, headed by the **CEO**.

The **Board of Directors** is the Company's highest governance body. The Board of Directors, with the support of the advisory committees, is responsible for the Company's strategic deliberations, the general orientation of the business, and the approval of the Annual Budget and Quarterly and Annual Financial Statements. The Board meets ordinarily every two months. Currently our Board of Directors is composed of five members, all

We have Bylaws, regulations and corporate policies that establish the competencies of each governance body, which makes the performance of each body transparent and effective. The minutes of the General Meetings also contain guidelines to be followed by the entire Company.

## Selection and Appointment to the Board of Directors

| GRI 2-10

Members appointed to the Board of Directors, including independent directors, must meet the following criteria (in addition to the legal and regulatory requirements and those expressed in our Bylaws and other existing corporate pacts):

- Alignment and commitment to our values, our culture and our Code of Ethics and Conduct.
- Clean reputation.
- Not to have been subject to an unappealable decision by the Brazilian Securities and Exchange Commission (CVM) that has rendered him/her ineligible for positions as administrator of a publicly-held company.
- Not to have been disqualified by special law or convicted of a crime of bankruptcy, prevarication, active or passive corruption, graft, embezzlement, against the popular economy, the public faith, property, or the national financial system, or of a criminal penalty that prohibits access to public positions.
- Academic background compatible with the attributions of the members of the Board of Directors, as described in the Bylaws.
- Professional experience in diversified topics.
- No conflict of interest (unless waived by the General Assembly).
- Availability of time to adequately dedicate to the function and to the responsibility undertaken, which goes beyond the presence at meetings of the Board of Directors and the prior reading of the documentation.

The selection and appointment process of the current board members was carried out by the shareholders, with technical support from the Executive Board. The criteria used were: knowledge about the Company, technical knowledge, expertise in the area, and levels of responsibility, commitment, and reliability.

**The Board of Directors is the Company's highest governance body and is composed of five members, three of whom are independent.**



### Role played by the Board of Directors in the supervision of the management of impacts

| GRI 2-12, 2-13

We have developed a **Strategic Map**, approved by the Board of Directors, which establishes pillars and shows how we generate value, in business and in our performance, in the economic, social and environmental areas. See the item Our Strategic Map, in the chapter Value Generation - pillars of our Strategic Map.

The execution of the Strategic Map is the responsibility of the Executive Board, which carries out institutional interactions with stakeholders: employees, customers, partners, suppliers, communities, and inspection agencies. Responsibilities are delegated according to each Board's area of activity.

Every six months, the results of the actions developed by the Executive Board are presented to the Board of Directors, considering the Strategic Map.

### The Board of Directors' collective knowledge about sustainable development

| GRI 2-17

We value continuous development and improvement and, as such, we encourage the members of the Board of Directors to frequently attend training courses, specialization courses and specific events, in order to improve their knowledge on the subject.

In 2022, the directors did not participate in any events or training on sustainable development.

## Performance evaluation of the Board of Directors

| GRI 2-18

Our Bylaws state that the Board of Directors must structure an evaluation process of the Board itself, its committees, and the Executive Board, to be carried out at least once during the Board's mandate. The performance evaluation of the current Board mandate will be carried out in the year 2023.

The objective of the evaluation is to continually improve the effectiveness of the Board, helping the directors and officers themselves to analyze their contributions, as well as to establish action plans for the constant improvement of the body.

### Compensation of the Board of Directors

| GRI 2-19, 2-20

**The Company's general compensation practice and the Short-Term Incentive Policy (STI) for senior executives** (president, vice-president and directors) are subject to approval by the Board of Directors and the Personnel Committee.

The compensation is calibrated periodically in accordance with market practices and is analyzed based on surveys conducted by specialized consultants. The fixed monthly remuneration is adjusted annually, according to the collective bargaining agreement percentages for each region, but there may also be adjustments for merit or promotion linked to the employee's performance. The variable remuneration (STI) of the top executives (president, vice-president and directors) takes into account the EBITDA and the net profit, and the calculation cycle is annual (parameter instituted in 2022).

The members of the Board of Directors receive pro-labore remuneration for the performance of their functions plus variable compensation. Senior executives also receive fixed and variable compensation, with the fixed part consisting of a monthly base salary plus attendance, and the variable part consisting of an annual STI linked to the achievement of results and business goals (Keys Performance Indicator [KPIs] to measure performance in this program: EBITDA and net income).

To receive the STI, a minimum of 80% of the established EBITDA target must be reached. If the percentage of 80% of EBITDA is not reached, STI payment is not due, regardless of the percentage reached in the net profit target.



**The Board of Directors** has a fundamental role in **helping make strategic decisions.**

## Ethics, integrity, and compliance

| GRI 2-23

We have a Compliance Program, supported by Senior Management, in which the main commitment is to ethics, integrity and transparency, establishing rules and guidelines of conduct in the work environment and for the relationship with external stakeholders.

### Code of Ethics and Conduct

The **Code of Ethics and Conduct** is the document that contains the rules that guide SSA's operation and brings guidelines, directives, and standards of behavior to guide all professional decisions of employees and to be observed in all relationships with external audiences and in various corporate situations.

The Code of Ethics and Conduct is applicable to all employees (direct and third parties), suppliers, integrated and business partners in general. It is updated whenever necessary and redistributed to the entire eligible public, when this happens. It is also forwarded to all new employees and partners who start working for the Company or acting with us.

The guidelines of the Code of Ethics and Conduct were based on the principles we believe in, our beliefs, and our internal culture.

## Integrity Week

In 2022, we held the second edition of **Integrity Week**. The purpose of this initiative was to reinforce aspects we consider relevant, such as:

- In the **work environment, we value mutual consideration and respect among everyone** and repudiate any kind of hostility, intimidation, harassment, discrimination or violence. We seek, on a daily basis, to build respectful, human relationships, free of aggressive, intimidating, or discriminatory situations, in order to guarantee a work environment where everyone feels good.
- Attention to the **conflict of interests**, which occurs when employees or representatives of the Company make decisions concerning the Company based on their own interests or those of a family member, friend or any other person, in disagreement with the interests of the Organization. For example: hiring a service provider because of a personal relationship with the service provider, and not because of its technical quality or commercial guidelines.
- **Respect for diversity and inclusion.** At SSA, we respect diversity and seek to raise awareness among employees to build an increasingly inclusive and plural environment. We ensure that everyone is treated fairly and has the same opportunities, and we combat all types of prejudiced or discriminatory behavior.
- **Information security and data privacy.** We treat all of our institutional and business-related information with secrecy and confidentiality to ensure that it is not used to the detriment of our managers, employees, partners, third parties, suppliers and customers. We reinforce the importance of the confidentiality of the information in our possession.
- **The relationship with public agents** must excel in integrity, ethics, and transparency, whether in meetings or services, or in inspections or fiscalization. It is strictly forbidden for any employee or representative of SSA to offer any kind of undue advantage to public officials, political parties or candidates for public office, with the intention of obtaining personal benefit or benefit to the Company.



## Compliance with LGPD

In 2022, we continued our gradual process of alignment and adaptation to the guidelines of the General Law for the Protection of Personal Data (LGPD), in accordance with the provisions of Law No. 13,709/2018.

## Anti-corruption

We understand that corruption is a global systemic problem. As a way to combat it, we have our **Compliance Program**, supported by Senior Management, through which we reinforce our commitment to ethics, integrity, and transparency.

As part of the program, the **Code of Ethics and Conduct** is our main document and clearly addresses the non-tolerance of corruption, fraud, bribery, money laundering and other illicit practices.

The processes that present the greatest risk of corruption are related to activities developed by third parties, considering that we have an extensive portfolio of business partners represented by drivers, commercial representatives, integrated, suppliers, etc. Considering this situation, we have a careful selection process of business partners, being fundamental the commitment to ethics, integrity, transparency, quality, and laws and regulations.

In our **Risk Matrix**, controlled by the Compliance Area, in 2022 a total of 31 risks were identified, of which only four are related to corruption, corresponding to 12.9%. Of these four risks, all are considered of low relevance, since they are effectively controlled by means of specific policies, structured internal procedures, and constant monitoring.

## The most relevant control mechanisms for the theme:

- **Guidelines of the Code of Ethics and Conduct**, which is aimed at all employees, including members of the Senior Management, and also at suppliers, customers, service providers, young apprentices and business partners.
- **Constant training and awareness actions** on the theme.
- **Integrity Week**, an annual mobilization dedicated to the themes of ethics, integrity and compliance, aimed at our employees.
- **Ethics Line**, a structured and reliable channel for receiving reports on violations of the Code of Ethics and Conduct and non-compliance with other rules and regulations ([www.ssa-br.com/compliance/linha-etica](http://www.ssa-br.com/compliance/linha-etica)).
- **Ethics and Compliance Committee**, responsible for analyzing reports from the Ethics Line channel and applying disciplinary measures in proven cases of corruption and other related illegalities.
- **Contractual clauses** with third parties providing for the need to observe SSA's Code of Ethics and Conduct, as well as the Anti-corruption Law, under penalty of contract termination.
- **Corporate policies:** Anti-corruption Policy; Antitrust Policy; Money Laundering Prevention Policy; Policy on Transactions with Related Parties and Management of Conflicts of Interest; Policy on Relationship and Communication with Public Agents; Policy on Giveaways and Gifts; Policy on Donations, Sponsorships and Contributions; Whistleblowing Channel Policy; and Policy on Consequences and Disciplinary Measures.

With regard to the **reinforcement of anti-corruption aspects**, this occurs, especially, through training and sharing of knowledge when new employees are hired (including making the Code of Ethics and Conduct available), in addition to recycling on the subject, annually, for all employees. There are also frequent awareness and communication actions on the subject.

Regarding the form of management with the support of targets, **in 2022 we created the management indicator Performance of the Reporting Channel**, through which the Ethics and Compliance Committee has the goal of attending 100% of the reports received from the Ethics Line channel within the period stipulated by the Reporting Channel Policy. This is the only management indicator we have to monitor the theme, since our main goal has always been to remain free of confirmed corruption cases.

Additionally, in 2022 we implemented the **Policy for Relationship and Communication with Public Agents**, with guidelines and guidance on the subject.

**In 2022 there were no confirmed cases of corruption, confirmed or under investigation, in the Company.** Therefore, no negative impacts were identified in this area.



## Channel for manifestations and denunciations: Ethics Line

| GRI 2-25, 2-26

In the company, we have the **Ethics Line**, a specific **channel to receive manifestations (denunciations, doubts and suggestions)** about ethics and integrity and about situations of non-compliance or violation of our Code of Ethics and Conduct.

The channel operates independently and offers three forms of access - telephone, website and application. Users are guaranteed anonymity (the person has the option to identify him/herself or not) and feedback. The information is totally confidential.

Anyone can access this channel, be it an employee, partner, supplier, service provider, customer, or even people from the communities. These channels are available 24 hours a day, every day of the week, with the option of English language support as well.

All reports are received and managed by an external contractor, and then reviewed by our Ethics and Compliance Committee. The Committee receives the reports from the outsourced company, evaluates them and, if necessary, recommends the application of appropriate disciplinary measures

Note: The non-retaliation of good faith whistleblowers is foreseen in the Code of Ethics and Conduct and in the Whistleblowing Channel Policy.

We have a **Denouncement Channel Policy** and a **Consequences and Disciplinary Measures Policy**, with guidelines and orientations about the channel and about disciplinary measures.



The results of the Ethics Line are presented monthly to the Legal Department and quarterly to the Statutory Audit Committee, without compromising the confidentiality of the reports.

The Ethics Line is widely disclosed, through the Code of Ethics and Conduct, in training and in constant communication actions, in Integrity Week and also on the SSA website ([www.ssa-br.com/compliance/linha-etica](http://www.ssa-br.com/compliance/linha-etica)).

## Corporate policies

| GRI 2-15, 2-23, 2-27

In our business and operations, we follow the laws and regulations in force in Brazil and we have **several corporate policies**, which guide and discipline standards of behavior and business performance, such as (in alphabetical order) Anticorruption; Antitrust; Prizes and Gifts; Reporting Channel; Procurement; Consequences and Disciplinary Measures; Cookies; Donations, Sponsorships and Contributions; Entertainment and Hospitalities; ESG; Risk Management; Environment; Money Laundering Prevention; Privacy; Quality; Information Security; Related Party Transactions and Conflict of Interest Management; Social Media Use; among others. In 2022 we implemented new policies - see below.

During the period covered by this Annual and Sustainability Report we had no significant cases of non-compliance with laws and regulations in general or significant cases of fines paid.

**Specifically with regard to the Policy on Transactions with Related Parties and Administration of Conflicts of Interest**, this establishes rules that must be observed in all of the Company's commercial transactions involving its related parties, as well as for the administration of other situations that involve possible conflicts of interest.

This policy covers and regulates: (i) the procedures and those responsible for identifying related parties and classifying transactions as a related party transaction; (ii) the criteria that must be observed for a related party transaction; (iii) the procedures to assist in the identification and resolution of individual situations that may involve conflicts of interest; and (iv) the instances of approval of a related party transaction, depending on the amount involved or the transaction to be performed within or outside the normal course of business.

Pursuant to Article 156 of the Brazilian Corporation Law, the administrators of the Company and its subsidiaries who have conflicting personal interests must inform the other members of the Board of Directors or the Executive Board of their impediment and have the nature and extent of their impediment recorded in the records of the Board of Directors' or the Executive Board's meeting. The director's

voluntary failure to do so is considered a violation of this policy, and is taken to the Compliance and Risk Management Area and to the Statutory Audit Committee for evaluation, being subject to the proposition of eventual corrective action by the Board of Directors.

In accordance with the terms of Article 247 of the Brazilian Corporate Law and CVM Deliberation NO. 642/10, the Company will disclose the transactions with related parties in its financial statements, providing sufficient details to identify the related parties and all the essential terms of these transactions. The disclosure of this information must be made, clearly and precisely, in the notes to the Company's financial statements, in accordance with the applicable accounting rules.

In 2022, **we implement new policies:**

**\* Relationship and Communication Policy with Public Agents:** The main guidelines of this policy are:

- Relations with public officials may only be conducted by previously authorized employees.
- They must be in compliance with our Code of Ethics and Conduct.
- It is expressly forbidden for any employee and/or representative of SSA to offer, promise or authorize, directly or through third parties, any undue advantage of any nature, with the intention of obtaining personal benefit or benefit for the Company.
- SSA must collaborate in the case of inspections, visits, and surveillance conducted by public authorities.
- Meetings with public agents must always be registered in the minutes of a specific form.

**\* Information Security Policy and Privacy Policy:** With the objective of ensuring that all information in our possession is protected and respected, guaranteeing the preservation of the data of all the holders of this information.

**In 2022, a total of 109 reports were registered on the Ethics Line:** 102 complaints, 4 suggestions and 3 questions. Of the total, 77% of the reports were considered low risk, 72% were categorized as conduct cases and only 14% were concluded as having merit.

| GRI 2-16

# Risk Management

| GRI 2-16, 201-2

We have a **Risk Management Policy** with the purpose of establishing principles, guidelines and responsibilities to be observed in the process of managing risks inherent to the Company's business activities in order to identify, monitor and manage the risks related to the Company or our industry. We consider risks to be crucial concerns for our activities.

The risks we monitor are structured according to the following classification:



## The main risks managed on a regular daily basis are:

- Strategic
- Macroeconomic conditions
- Commodities
- Operational
- Financial
- Foreign exchange
- Legal compliance (regulatory risk)
- Sanitary
- Socio-environmental
- Climate change

In 2022, in addition to the regularly monitored risks, we had crucial concerns derived from the War in Ukraine, avian flu, and the volatility of major input prices.

In addition to the Risk Management Policy, we have a **Market Risk Management Policy** that applies specifically to managing risks arising from:

- Exchange Rate Exposure.
- Exposure to the prices of raw materials (commodities) and differential basis.
- Interest rate and inflation index exposure.
- Liquidity and leverage risks.



Our risk management process was developed in the light of the ISO 31000:2009 Standard - Risk Management Principles and Guidelines and follows the Three Lines of Defense model, in which risk management must be carried out under the responsibility of the governance bodies, managers, and those directly responsible for the processes.

With regard to risk management, our **Board of Directors is responsible for:**

- Approve policies, guidelines, risk matrix/modeling, exposure limits and impacts, as presented by the Board of Directors.
- Provide the Executive Board, when necessary, with its perception regarding the degree of exposure to risks that the Company is exposed to (shareholder's view) and influence the prioritization of risks to be treated.
- To evaluate, when necessary, changes in the risk exposure limits that have been approved by the Board of Directors.
- To evaluate the adequacy of the operational structure and internal controls for risk management.

The main objective of our risk management is to understand, assess, and define response actions so that eventual losses can be predicted and reduced, in order to keep risks at acceptable levels. The risk analysis should assist the decision-making process at the various management levels of the Company.

## Risk treatment

This occurs by means of initiatives defined and implemented by the Executive Board, with the assistance of the Compliance and Risk Management Area, in order to adjust the Company's exposure to the approved risk limits.

We follow the **Three Lines of Defense** model, whereby risk management must be carried out under the responsibility of the governance bodies, managers, and those directly responsible for the processes, as described in the Risk Management Policy.

All leaderships adopt the guidelines of our Risk Management Policy and have the resources to prevent any type of commitment to our cash flow and cost increases.



**Risk management** contributes to the monitoring and achievement of the **Company's objectives**.



## Do the right thing

One of our commitments is to always seek to do the right thing; therefore, the follow-up and monitoring of the applicable legislation and its requirements are of utmost importance to the Company.



## Do it right

Our other commitment is to always seek to do it right, with excellence; that is why we are constantly implementing improvements and internal controls in our processes.



## Internal controls

To make risk management more effective, we have **internal control mechanisms** that allow our Management to assess whether the operations carried out are in accordance with the related policies and whether they represent exposure to risks that could compromise the achievement of our objectives.

In addition to the monitoring meetings held internally by the Risk Management Group, the Finance and Risk Management Committee and the Statutory Audit Committee, our Financial Team and the Operations Desk are responsible for monitoring **pre-established daily, weekly and monthly controls**.

The internal control processes and systems we have adopted are based primarily on identifying risk factors and their implications for the achievement of our objectives. To this end, we periodically assess the potential impact and the probability of occurrence of such risks, also considering the risk limits we are willing to incur in the search for return and value generation.

## Regulatory Inventory Project

In 2022 we advanced in the **Regulatory Inventory Project**, compiling all the laws, rules and regulations that the Company has to follow, as well as the permits and licenses to operate. There are almost nine thousand obligations, with diverse requirements.

The idea is that, in a second stage, each area will take care of the regulatory set pertinent to their activities, with guidance and support from our Legal Department.

The project was divided into modules and is expected to be concluded by the end of 2023.

## Relationship with associations and class entities

| GRI 2-28

We actively participate in debates and discussions on the poultry market, exercising our leadership mainly in relation to topics that may impact our results and in cases of decisions by regulatory bodies.

We are members of boards of directors, councils, and working groups of class entities and associations, from the organized civil society, such as:

- Federation of Industries of the State of Goiás (Fieg)
- Association for the Industrial Development of the Goiás state (Adial Goiás)
- Brazilian Association of Animal Protein (ABPA)
- Union of Meat Industry and Derivatives of the State of Goiás (Sindicarne)
- Goiana Aviculture Association (AGA)



São Salvador Alimentos

# Value Generation - pillars of our Strategic Map



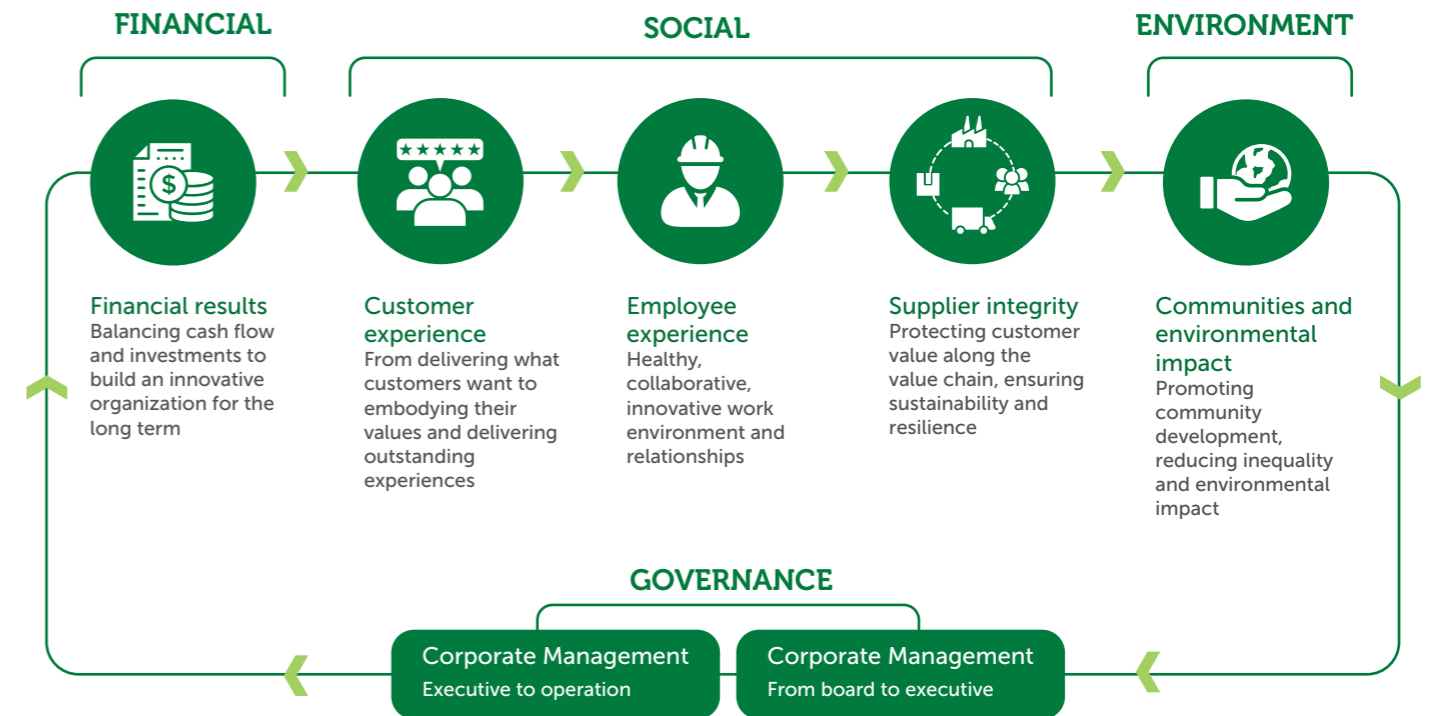
- 6.1 Our Strategic Map
- 6.2 Economic-financial performance
- 6.3 Operational efficiency
- 6.4 Commercial strategy
- 6.5 Customer and consumer care
- 6.6 Our people
- 6.7 Supply chain and suppliers
- 6.8 Communities and society
- 6.9 Environmental management

- 1 NO POVERTY
- 3 GOOD HEALTH AND WELL-BEING
- 4 QUALITY EDUCATION

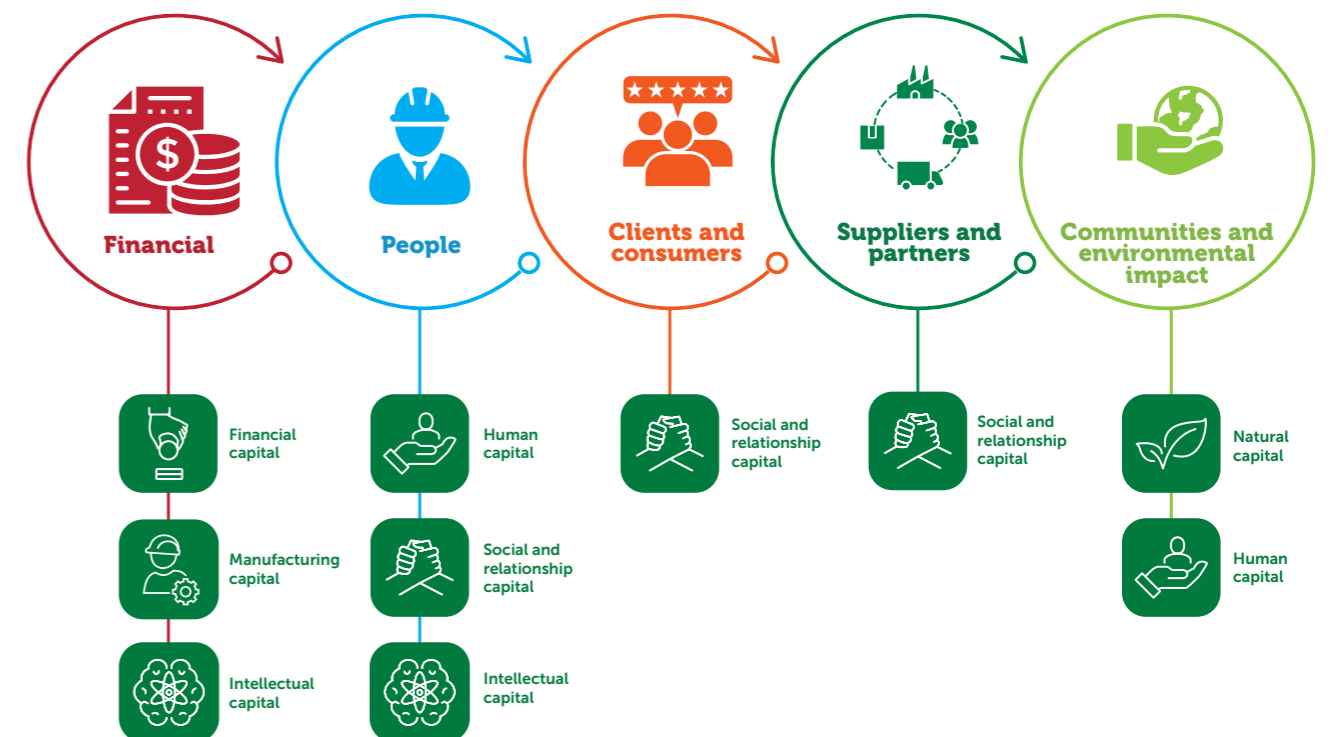
## Our Strategic Map

| GRI 2-6, 3-3 413, 413-1

Our value creation process is indicated in our **Strategic Map**, which shows how we seek to generate value in our business and in our actions, in line with environmental, social and governance (ESG) issues.



### Pillars of the Strategic Map





# Economic-financial performance

| GRI 3-3 201 (201-1/201-2)

The year 2022 was challenging. The panorama in Brazil added persistent inflation, high interest rates and increased input costs, a scenario that was also aggravated by external factors, such as the War in Ukraine and global economic instability.

In the poultry sector, prices were pressured, but the price curve did not accompany the increase in costs (inputs, raw materials, freight), which impacted the sector's operating margins. The advance of avian influenza in South America has also worried us, although no case has been registered in Brazil. And we also had the suspension of the purchase of our chicken meat by China, since January, 2022, an issue that has been resolved (we resumed exports to China in January, 2023).

Even in the face of all this context, **we maintained our initiatives, our projects, and our investment plan**, with some adjustments, and **obtained good economic and financial results, remaining on our growth path.**

In our business and operations we have a permanent and conservative evaluation of all the risks, costs and benefits involved in our decision-making, without neglecting the continuous search for organic growth, expansion and continuous improvement in our operations.

To support our performance strategy, and also considering our borrowing model - more elongated - we carried out, in 2022, the **second issue of Certificates of Agribusiness Receivables (CRAs)**, through which we raised **R\$250 million**, in two series: R\$100 million maturing in five years and at a rate of Interbank Deposit Certificate (CDI) + 1% and R\$150 million at a rate of National Wide Consumer Price Index (IPCA) + 6.89%, maturing in eight years. In addition to little change in our average debt service cost, this new funding extended the average debt term by about one year.

In terms of rating, we maintained our Standard & Poor's **AA+** rating, a rating that represents the evolution of corporate governance and the existence of good financial policies, operating margin stability and adequate cash flow.



## Main results

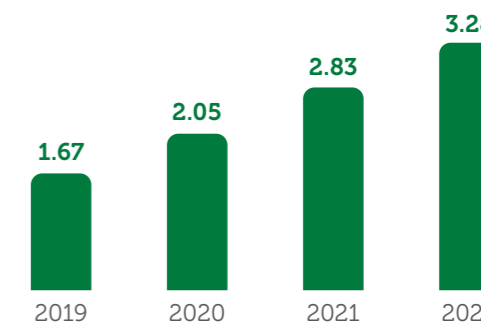
We can highlight:

- The Company's total **gross operating income (GOI)** reached about **R\$3.28 billion** in 2022, an increase of 15.9% compared to 2021, which was R\$2.8 billion, an increase largely as a consequence of the price pass-through in the domestic market.
- The **gross profit** registered **R\$742.9 million**, 0.5% above 2021, with the gross margin reducing by 3.3 p.p., to 24.5%. We had a drop in gross profit in the fourth quarter, due to cost increases, mainly in corn and soybean meal, and to the reduction in average selling prices.
- Our **adjusted EBITDA** ended 2022 at **R\$493.3 million**, down 13.4% compared to 2021. The adjusted EBITDA margin closed the year at 16.2%, versus 21.4% in 2021. **Net income** totaled **R\$284.7 million**, versus R\$294.9 million in 2021, a drop of 3.5% in the year. Net margin closed at 9.4%, versus 11.1% in 2021. The main reasons for this negative variation in the adjusted EBITDA and net profit were the increases in corn and soy meal costs, higher logistics expenses due to freight prices, reduction in exports due to the suspension of purchases of our products by China, and weakened prices in the domestic market.
- Even with this challenging scenario, our **net debt** remained at acceptable levels and closed at **R\$704.9 million**, 22.5% above 2021, with a leverage of 1.43 times the adjusted EBITDA of the last 12 months, a comfortable and safe level. We closed the year with reinforced cash of R\$236.7 million, and our debt is 16.7% in the short term and 83.1% in the long term.

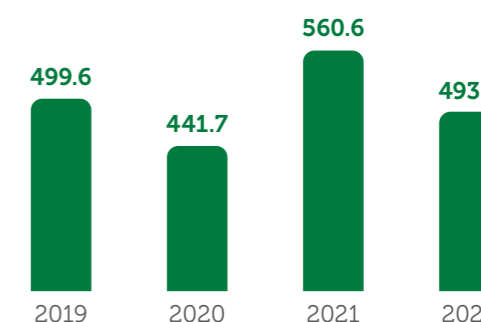
## Investor relations

In the investor relations area, we have maintained regular communication with the market, disclosing results, indicators, and other information in order to consolidate this channel of communication with investors.

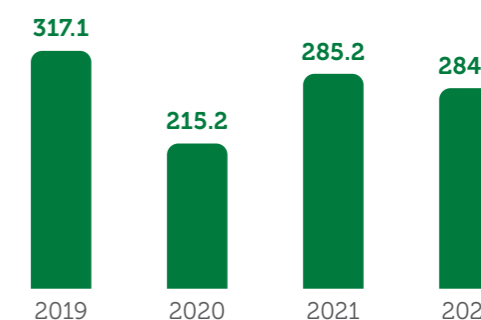
Gross revenue (R\$ billion)



Adjusted EBTIDA (R\$ million)



Net profit (R\$ million)



We want, in this way, to establish a standard of disclosure of results for investors, analysts, banks, CRA holders, and other capital market agents

## Statement of Added Value

With regards to the **Statement of Added Value (DVA)**, we highlight:

### Direct economic value generated

(In R\$)

|  | 2022      | 2021      |
|--|-----------|-----------|
| 1. Revenues                              | 3,216,212 | 2,846,506 |
| 2. Inputs acquired from third parties    | 2,253,137 | 1,909,485 |
| 3. Gross Value Added (1-2)               | 963,075   | 937,021   |
| 4. Retentions                            | 135,311   | 126,321   |
| 5. Net Value Added (3-4)                 | 827,764   | 810,700   |
| 6. Value added received in transfer      | 37,430    | 26,118    |
| 7. Total added value to distribute (5+6) | 865,194   | 836,818   |

### Economic value distributed

(In R\$)

|                                       | 2022           | 2021           |
|---------------------------------------|----------------|----------------|
| Direct salaries                       | 254,975        | 206,266        |
| Benefits                              | 15,342         | 16,147         |
| Severance Premium Reserve Fund (FGTS) | 18,994         | 15,437         |
| Personnel                             | 289,311        | 237,850        |
| Taxes                                 | 190,715        | 203,531        |
| Third-party capital remuneration      | 108,515        | 110,255        |
| Equity remuneration                   | 276,653        | 285,182        |
| <b>Total</b>                          | <b>865,194</b> | <b>836,818</b> |

### Retained economic value

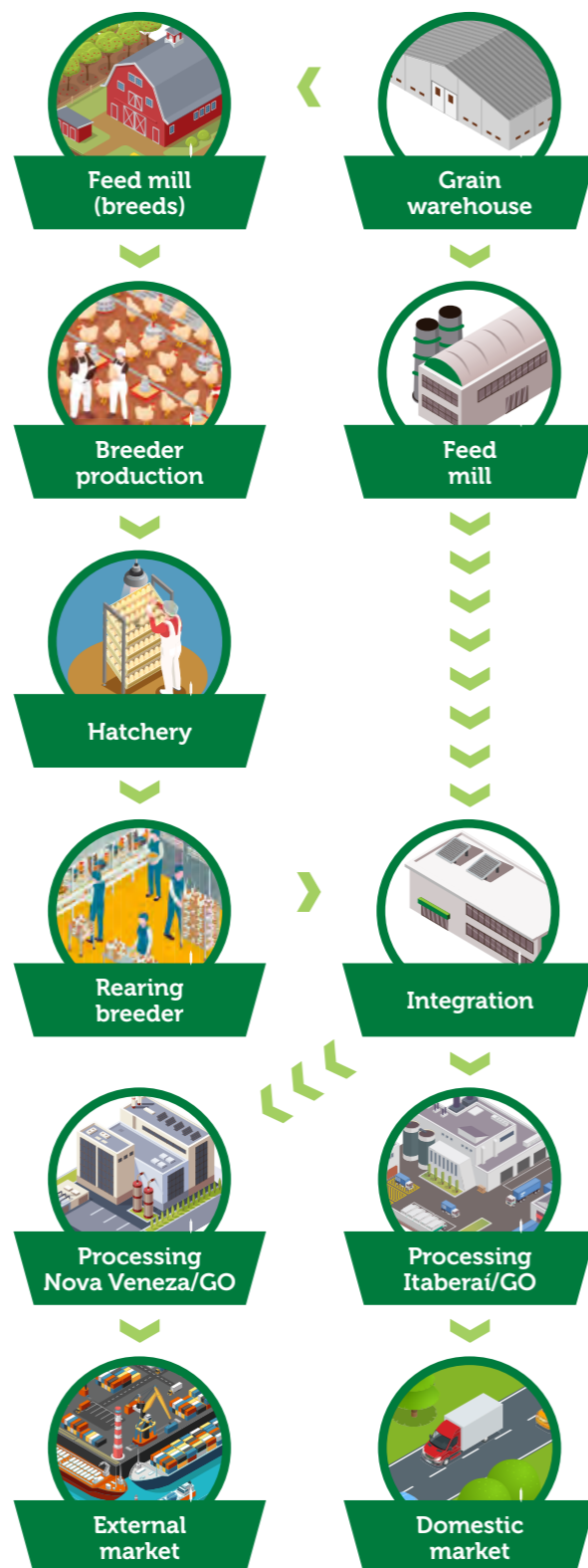
(In R\$)

|              | 2022             | 2021             |
|--------------|------------------|------------------|
| <b>Total</b> | <b>2,351,018</b> | <b>2,009,688</b> |

## Operational efficiency

| GRI 2-6, FP10, FP11

Our operational efficiency is present in all stages of the production process. The operation is **totally verticalized**, from the head office to the consumer market, with adjusted and managed costs, refined production processes, and a committed and engaged team.



Our efficiency is thus based on three pillars:

### 1 People

The definition and clarity of the roles of the people in our team, as well as issues related to engagement, collaboration, and appreciation are very important.

### 2 Processes

In order to deliver value to customers and other stakeholders, process management is fundamental to connect our strategy to the needs and expectations of stakeholders, aiming at effectiveness and efficiency.

### 3 Technology

In an increasingly competitive market and with rapid technological advances, it is necessary to always innovate, seeking solutions appropriate to the business.

We direct all our efforts to keep our animals healthy. The managements performed throughout the process follow pre-established schedules and with the necessary ambiance in each phase of rearing, with automated and fully acclimatized aviaries. Thus, we maintain strict control of temperature, humidity, environment, and light.

This care is essential to ensure that the meat is produced with quality and safety, avoiding problems or changes in the animals.

We also take every care to adopt all the necessary measures for the animals' health and well-being. More information below.

It is important to point out that we incessantly seek genetic improvement in our animal production processes, contemplating the entire production chain, with continuous investment and attention. In this case, our focus is on aspects such as technology, innovation, physical facilities, and well-prepared teams.

### Percentage and total of animals raised and/or processed, by species and breed type, per feedlot type

| GRI FP11

| Type of system                     | Breeding stock (%) | Breeding stock in egg production (%) | Broilers (%) |
|------------------------------------|--------------------|--------------------------------------|--------------|
| Aviaries dark house                | 100                | -                                    | 72.90        |
| Aviaries semidark house            | -                  | -                                    | 13.70        |
| Aviaries with negative ventilation | -                  | 82                                   | 12.20        |
| Aviaries with positive pressure    | -                  | 18                                   | 1.20         |
| <b>Total</b>                       | <b>100</b>         | <b>100</b>                           | <b>100</b>   |

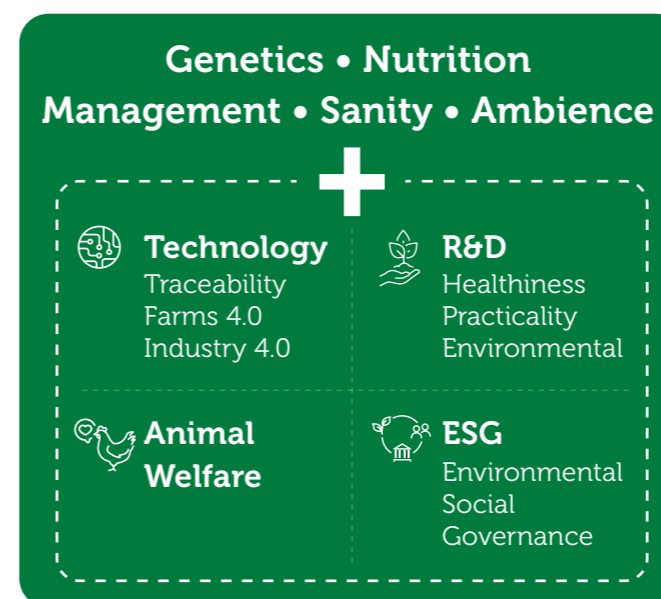
Notes:

1. Positive pressure: fans moving air inside the shed.
2. Negative pressure: exhaust fans sucking the air inside the house.
3. Semidark house: exhaust fans without cooling.
4. Dark house: exhausts and cooling.

## Animal Production

| GRI FP10, FP11

We operate in all stages of animal production. Our production, considering animal production and industrial management, takes into account the following aspects:





## Breeding and egg production

All of our breeder flocks are designed with a high standard of excellence in technology and biosecurity, similar to the poultry breeding farms of the main suppliers of genetic material in the market.

During rearing, male and female breeder flocks are reared for approximately 22 weeks in separate aviaries.

In production, with a production cycle of about 46 weeks, the female parent stock are housed with the males. Each female parent produces around 183 fertile eggs per cycle. We produce approximately 12.6 million fertile eggs per month on our farms and on farms in partnership with dedicated integration poultry farms. The volume covers 80% of the amount required for the development of our activities. The remainder is purchased from third-party suppliers, which allows us to compare our production costs with procurement prices.

In our animal production, we count on a highly qualified and dedicated technical team to monitor and check periodically the partners' internal processes, ensuring compliance with zootechnical, biosecurity and animal welfare requirements. Monthly checklists are applied and action plans are prepared in case of non-compliance with internal policies and procedures, with monthly follow-ups. In addition, zootechnical trainings are planned for our third parties, with monitoring of indicators and definition of monthly goals.

## Hatchery

Regarding the hatchery, we have facilities that allow us to incubate 11.4 million eggs per month, serving our two slaughter and industrialization units. Our hatchery has acclimatized rooms and modern control of individual air pressure and relative humidity. This incubation capacity has been expanded by 4 million eggs per month, through a partnership located in Brasilia, which has modern equipment and an integrated biosecurity system. A collaborator of ours works inside the partner's facilities in order to help in the maintenance of the actions and in the replication of our good practices. Likewise the slaughterhouses, training and checklists are periodically applied.

## Feed mills

We have broiler feed mills in our two production units, which facilitates and reduces the cost of transportation for our integrated partners. We produce up to 130 tons of feed per hour in the Itaberaí plant and 30 tons per hour in the Nova Veneza plant. The feed mills are continuously improved, with investments in technology and process improvement.

In 2022, we continued the production of breeder feed in the new feed mill, inaugurated in October 2021 in Itaberaí. The plant is fully automated and follows the premises and concepts of Industry 4.0. The production capacity is 60 tons of feed per hour.

In addition, we also work with the production of a leased unit, located in the state of Paraná, with a production capacity of 11 tons of breeder feed per hour.

## Integration Units

We continued, in 2022, the construction of new poultry houses for the Modal V Project, in line with São Salvador Alimentos (SSA) growth planning. Our main objective with this is to allow the unit in Nova Veneza to evolve in the growth of daily slaughter in the coming years. In 2022 alone, we will start 43 new poultry houses, generating an increase of more than 1.7 million new birds.

This initiative is within the scope of the partnerships we have. We work in partnership with 222 producers, who own 812 poultry farms, located within an average radius of 33 kilometers from our units. This proximity provides important gains of scale and reduced logistics costs. Our integrated partners build the poultry houses according to our technical specifications and are paid according to the productivity level and the zootechnical indexes of the flocks supplied.

The Modal Projects aim to increase the amount of poultry in the field, enabling the evolution of slaughter at the industrial units. There is also the Renovar Project, aimed at reform and modernization projects, to which producers adhere with their own resources or through third party financing, always under our guidance. In Project Renovar 2, the financing is provided by SSA to the integrated producer, so that they can renovate and modernize their farms. In 2022, we recorded a total investment of approximately R\$10.3 million, with the participation of 83 integrated producers.

## Animal health and welfare

| GRI FP10, FP12

Animal health and welfare are fundamental aspects for animal production with safety and excellence.

The breeding and processing of poultry involves risks related to animal health and disease control, which may negatively impact us if not constantly monitored and properly managed.

Similarly, outbreaks of chicken disease in Brazil could substantially affect our ability to export fresh products, which could impact our operating results. These risks are rigorously mapped and monitored on an ongoing basis.

## Biosecurity

Biosecurity is fundamental to prevent pathogens from entering the field and affecting the healthiness of the animals.

We are constantly concerned with making our employees and partners aware of the importance of biosecurity, which is almost a cultural asset of our Organization.

The health of the animals is vital to our production chain. Therefore, we frequently monitor with extreme attention and zeal all the factors that can lead to disease problems or changes in the animals.

The lack of sanitation causes diseases and financial losses and can bring terrible consequences to a confined population, besides having the power to ruin the reputation and credibility of a company, assets that are difficult to regain later.

More information can be found in the item Customers and consumers, in the chapter Value Generation - pillars of our Strategic Map.

The drugs used in poultry are compulsorily registered with the Ministry of Agriculture and Supply (MAPA) and are validated for use in this species. The molecules used, whether for anti-inflammatory or antimicrobial purposes, are prescribed by a veterinarian, obeying the concentration, the treatment period, and the grace period indicated on the package insert. We do not use hormones.

## Animal Welfare

In the productive processes, animal welfare is a concern that is present 24 hours a day in our production chain, because we know that it is an essential factor. The most important aspect of animal welfare is to care for the animals so that they do not suffer. In addition, it is a very important point for us to have a meat production with quality and safety, also meeting the increasing demands of consumers, the market, and society.

All of our actions in the production processes, including the planning and training of the people involved, are based on the five freedoms determined by the Farm Animal Welfare Council (FAWC, 1992), which define that birds should be free:

- From fear and distress.
- From pain, suffering, and disease.
- From hunger and thirst.
- From discomfort.
- To express their normal behavior.

We have adopted, in our production chain, the principle that management practices should promote the welfare of housed birds, so that they maintain the necessary ambience in each phase of rearing. To this end, we have automated and fully acclimatized houses, capable of maintaining strict control of temperature, humidity, and light.



The management carried out throughout the breeding process, from housing to transporting the birds to the slaughterhouse, follows pre-established schedules, in order to maintain the organization of the procedures, reducing possible occurrences of stress in the birds.

Some practices that we follow for the breeding and slaughter of the birds:

- Maintenance of the birds' thermal comfort zone.
- Effective pest control, avoiding the transmission of diseases and stress, especially in young birds.
- Implementation, in new poultry houses, of an inlet system, for a precise ambience inside the houses.
- Bird loading and transportation is carried out in a calm and organized manner.
- Availability of drinking and feeding troughs in sufficient quantity for the number of birds housed, avoiding stress from competition for water and food.
- In 2022, **20,943,022** broilers were slaughtered at the slaughterhouse in Nova Veneza and **106,128,295** at the slaughterhouse in Itaberá, resulting in a total of **127,071,317** broilers slaughtered.
- Unlimited supply of fresh, chlorinated drinking water.
- The concept of Unique Health is increasingly present at SSA, because we value the wellbeing and health of animals and, at the same time, produce food that is safe for the consumers of our products and respects the environment. Thus, we adopt national and international animal welfare standards and practices for the breeding and slaughter of birds. In all operations, we have adopted procedures, performance indicators, targets, supervision, and training for periodic follow-up and process improvement. In addition, we have been working, in all of our production units, to modernize the facilities and to offer technologies seeking to further increase the quality of life of the birds.
- Supply quality feed that meets the requirements of the strain and at pre-defined times.
- Care with the quality of the litter, reducing the microbiological load and preventing the formation of calluses.
- Maintain the isolation of the aviaries, avoiding contact with other species of animals.
- Rearing in aviaries that allow free movement within the facilities, meeting the stocking density suggested by the strain.



## The advancement of avian influenza in the Americas

Several countries in Central and South America have registered outbreaks of Avian Influenza in the last year. The disease, caused by subtypes of highly pathogenic viruses, such as the H5N1, spread rapidly and was detected in the last months in nearby countries such as Ecuador, Argentina, Bolivia, Chile, Colombia, Peru, Venezuela and Uruguay.

The Avian Influenza, which is also called bird flu, affects wild and domestic birds, but has also been identified in mammals.

On May 15, 2023, the first cases of avian influenza, by H5N1, were announced in Brazil, being in a migratory bird atobá-pardo and in two marine birds of the species trinta-réis-de-bando, in Vitória and in Marataízes, on the coast of Espírito Santo.

At São Salvador Alimentos, **we have redoubled all possible precautions with health and biosecurity in our production processes** and we are permanently aware of the evolution of the cases of the disease in the American continent. Additionally, **we have implemented additional measures**, with visits to the production units only authorized by the Board, as well as special care with employees and partners who travel and/or have contact with wild birds.



## Industrial Management

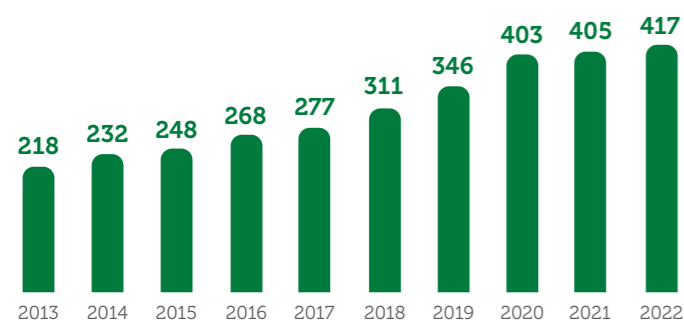
| GRI 3-3 203 (203-1/203-2)

We follow the best practices and the highest standards of operation in our production processes. We rely on modern systems, integrated controls, and a high level of automation. Our industrial processes are fully interlinked.

Our **daily slaughter** continued to grow in 2022, reaching an annual average of **417,000 birds/day**, of which 348,000 in Itaberai and 69,000 in Nova Veneza.

### Evolution of the average daily slaughter

(thousand birds/day)



We make investments every year, emphasizing not only new units or major enhancements, but also the continuous improvement of our activities, always seeking the highest operational efficiency.

The year 2022 was marked by major investments in all stages of our production chain, with more than **R\$200 million invested** in expanding our operations, diversifying the mix and in improvement projects to maximize our operational efficiency.

A large part of the implementation and/or improvement projects is concentrated in the Engineering initiatives - see item ahead.



### New plant: processed products

In 2022 we will inaugurate our processed products plant.

This plant was born within the **Industrialized Project**, which arose from the need to diversify the production mix, and allows us to expand our portfolio, with affordable, nutritious, healthy, and high added value products. The total investment was R\$180 million.

**The new plant includes production lines for sausages, breaded and sliced products.** With this, we can offer the consumer market a more diversified portfolio, including new products such as pepperoni, mortadella, and sausage, always with high quality.

**This project represents a major milestone for the Company since it meets our strategic objective of guaranteeing healthy, safe, and accessible food to the entire population.** The plant was conceived with the highest level of technology and automation in the new production lines, ensuring food safety and reliability in the production processes

**We want to be able to meet the new eating habits**, which are increasingly demanding, since people are more concerned about establishing a healthy lifestyle standard (for example, concern with sodium, which is a challenge for companies in the food sector, since the lack of salt spoils the flavor), comprising flavor, practicality, pleasure, and well-being.

To deliver products with more healthiness and higher nutritional value, we are investing in technology, in research, and in people, to have a line of breaded products in which **we eliminate the frying process**, producing a food without the addition and absorption of oil and bringing a totally innovative proposal in order to guarantee to our consumers the same properties as a traditional product, i.e. good sensation, texture, and crunchiness.

The elimination of frying is a differential in relation to similar products available in the market. In this way, it is possible to have healthier products that maintain all the sensory characteristics, without compromising the final quality.

### Adequacy to Industry 4.0

Many of our industrial management processes are in tune with the concepts of Industry 4.0, by which machines, equipment, and processes are totally interconnected. The industrial projects in force, whether of implementations or improvements, as well as the projects planned for the coming years, include the concepts of Industry 4.0, with a high level of automation and traceability of processes.

Thus, we have a major project to adapt our industrial production activities to the concepts and practices of Industry 4.0. Led by a specific team focused on industrial automation, with relevant support from the Information Technology (IT) area, the project includes the implementation of intelligent processes, which are characterized by adaptability, efficiency and resource management, as well as the integration of the entire production chain of SSA.



With this project, we seek to achieve significant gains in efficiency, through digital integration and intelligent manufacturing processes. This integration happens horizontally, involving all equipment and components of the production chain at all sites, and also vertically, encompassing all layers of control and supervision, as well as software and management tools used in the processes.

In early 2023, we acquired a 3D printer, which facilitates the development of lighter and customized parts, and has the flexibility and capacity to print complex geometries and prototypes up to mass production, when necessary. This printer works as a digital tooling shop, with several functions, and provides maintenance support, for parts focused on continuous improvement and devices, bringing gains to the process from one end to the other.

## Restructuring in R&D and Quality Assurance

In 2022, we restructured our Research & Development (R&D) Area, which now has a new configuration, with specific researchers for each area, hiring a consulting and specialized company for support and implementation of specific committees and working groups.

We also restructured our Quality Assurance Area, in order to improve processes and procedures.



## Product traceability

All our products are traceable. The information is maintained during the production processes, and the systems have constant monitoring for product tracking, which confers reliability to the production lines.

The product traceability systems work by means of bar code reading, in all weighing stages of micro-ingredients. It is a technology that provides excellence to our quality control and safety in the production stages.

With the current traceability systems, it has become possible to have greater control over our products and their respective information. We can thus know when, where, and from which locations the products were sent. With this information, we can identify the product lot, the shift in which it was produced, and even know if there were any problems during the process between the standardization sector and shipping.

## Interactions with environmental management

In the industrial management processes, we support in 2022 several initiatives that bring environmental gains, such as improvements in the effluent treatment plant (ETE) and in waste management, support for energy efficiency - with the use of photovoltaic panels -, efforts to reduce emissions, the sale and re-refining of oil and the use of chicken litter (type of organic fertilizer, composed of elements such as sawdust, grass hay, crushed corn cob and others, mixed with poultry manure), internally or even as a product to be offered to other companies as well.



**Environmental initiatives** along the entire **production chain** are **everyone's responsibility**.

## Engineering

In Engineering, we have a multidisciplinary and highly qualified team of more than 30 engineers, with professionals from the areas of **environmental, automation, civil, electrical, and mechanical engineering**. The multidisciplinary work allows all our projects and processes to be successfully implemented and carried out following all the protocols.

In 2022, as part of our evolutionary process, **we improved and strengthened the governance of investments for Engineering projects**, with economic and financial feasibility studies, scenario analysis, and analysis of the feasibility indicators for each investment, which now provides us with more robustness and assertiveness in the process of selecting and prioritizing projects, optimizing the execution of investments and supporting the Company's sustainable growth. **We also revised our project management model.**

During the year, among several initiatives, we highlight:

- In the Industrialized Project, **implementation and inauguration of the processed products plant**, with implementation of the sausage, breaded and sliced products lines. The feasibility of this project was supported by the contracting of a project with the Financier of Studies and Projects (Finep).
- **Expansion of the Nova Veneza unit**, with the construction of new cold chambers, expansion of the palletization and standardization areas, implementation of a hybrid energy project to meet the unit's energy demand, besides the expansion of the production capacity of our broiler feed plants and improvements in the aeration system of the grain warehouse.
- **Inauguration of the new IQF (Individually Quick Frozen) freezing line.**

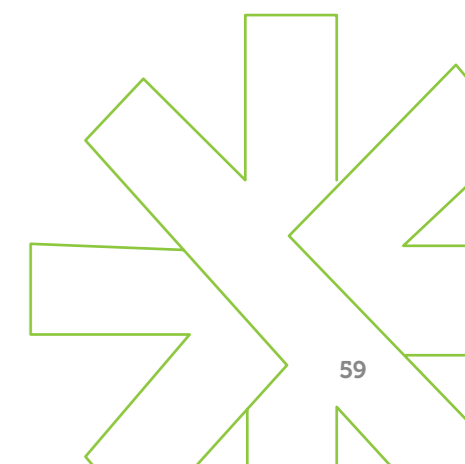
- Approval of the **Automatic Deboning Project** for the slaughter units in Itaberaí and Nova Veneza, a project that aims to maximize our operational efficiency, maintaining a continuous speed, as well as contributing to the modernization of the deboning system to a fully automated process, with high production capacity, besides ensuring greater standardization and reduction of operational errors.

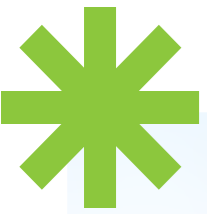
- **Improvements in the management model for the promotion and expansion of poultry farms**, scaling up the management model adopted by the Engineering Area. In 2022, we started 43 new aviaries, which will be completed during 2023, in addition to remodeling existing ones, so that they continue to be functional.

- **Expansion of the Administrative Center** that serves the employees of the broiler feed mill in Itaberaí, including the modernization of the laundry that serves the complex. All this so that our employees can have more synergy between the areas, as well as more comfort, convenience and well-being, to better perform their activities.

- Beginning of **the expansion of the Corporate Administrative Center and the construction of an exclusive administrative unit to serve the SAP Project.**

- Completion of a new area for the **Safety and Occupational Medicine Specialized Services (SESMT) and the expansion of the social building** of the Itaberaí unit, also incorporating the modernization of the laundry that serves the complex.





Social building – Itaberai.

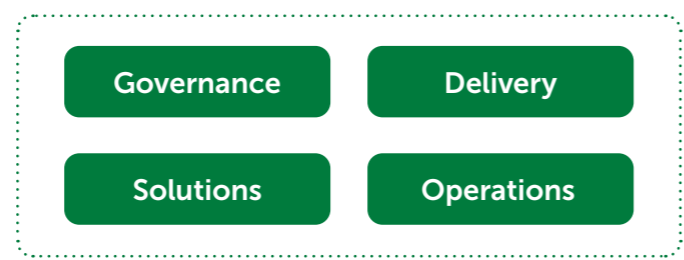
- For the **People and Management Area, the delivery of new structures for training and development of our employees**, all equipped with modern audio and video equipment and a comfortable and humanized environment, which provide employees with an incredible experience in capturing and building knowledge.
- We cannot neglect to mention, also, the focus on **energy efficiency** - we already have approximately **40% of our poultry production in the field supported by solar panels** (photovoltaic).

### Technology

The **use of technology and the constant search for innovation** are essential aspects for the continuous development of our production processes, in order to have, more and more, projects and actions that generate increased revenue, reduced costs, and improved performance, activities, and processes.

In 2022, **we continued the restructuring of our IT Area and the respective processes and operations, aiming at a configuration that is even closer to the business areas and with great emphasis on digital transformation and innovation.**

Our IT Area is now structured into **four major divisions**:



The goals are: strengthen IT governance; reorganize and centralize services; further increase quality; improve service time; use new technologies; improve IT infrastructure; achieve productivity gains; optimize costs; generate more value for the business; and emphasize continuous improvement.

In continuity with the **solar energy project at the broiler farms**, which started in 2021, we have progressed to approximately **40% of our poultry production** in the field using clean energy.

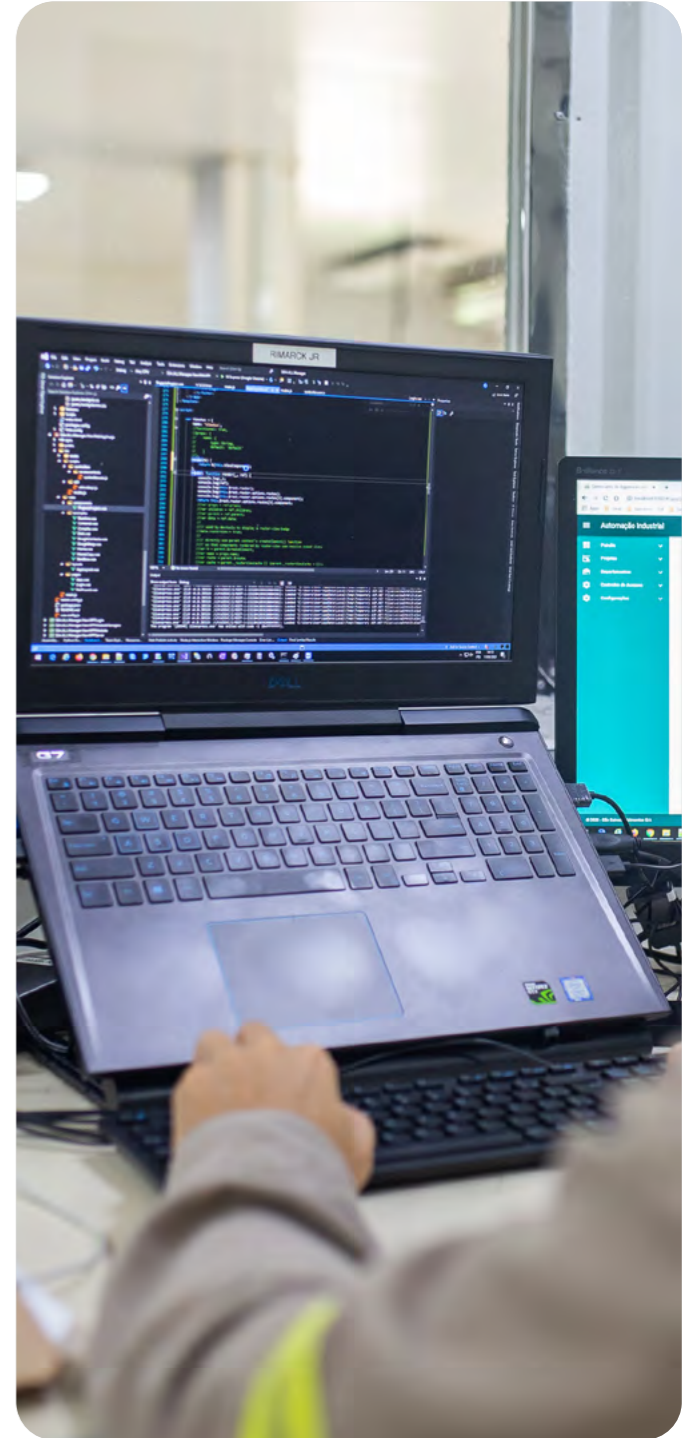
It is also important to note that in addition to supporting initiatives related to **Industry 4.0 and process automation** (see item on Industrial Management), we began to act, strategically supporting the business teams (Agribusiness, Supply Chain and Industrial), in the **Farm 4.0** model, encompassing the mapping of business needs, monitoring and information analysis, the implementation of integrated solutions and project development, in search of the best practices and solutions that integrate the management and complete monitoring of the Company's production chain, as well as improving processes to comply with the best ESG and socio-environmental responsibility practices worldwide.

We are also continuing **to improve our information security management and prevention of cyber attacks**. We have a set of cybersecurity procedures, practices and technologies to protect information. We are implementing additional programs and solutions in this regard, including using artificial intelligence, password vaults, and other new features.

### Shared Services Center

In 2022 we began implementation of our **Shared Service Center**. With this, all areas that are integrating into this new structure will have their routine service requests addressed to the Center, which will optimize flows and speed up processes.

Some areas of the company are already integrated to the Center, and gradually new areas will be incorporated to this new system.



# Commercial Strategy

| GRI 2-6

## Guidelines

We have a commercial strategy **focused on capillarity and on building customer loyalty in the domestic market**, in addition to **the flexibility to explore the most attractive geographies in the foreign market**, with appropriate prices and quality products that are safe and accessible.

In Brazil, we are a regional highlight in the Midwest, but we have a growing penetration in other regions. We have sought to capture opportunities - in terms of business and prices.

Every year we seek to adequately meet our customers' needs for products, services, and solutions, and we also respect our competitors.

There were no lawsuits filed against SSA in 2022 due to unfair competition or antitrust violations. In fact, we have never had such a case in our history.

We value ethical and transparent relationships and observe the guidelines of Law 12,529/2011 (Antitrust Law). This issue is addressed in our Code of Ethics and Conduct and also in a specific policy (**Antitrust Policy**).

In 2022, employees and third parties from our Commercial Area received training on the subject.

We do not have specific formal goals and indicators to monitor this issue, because, in this case, the goal would be no confirmed cases of unfair competition.

## Suspension of imports by China and change in the mix

Early in 2022, an unexpected event impacted our commercial strategy. On January 30, 2022, China announced the suspension of imports of products from two Brazilian companies that produce and sell chicken meat, among them São Salvador Alimentos. The decision was made by China's General Administration of Customs. It was not informed when business could be resumed. The Brazilian Ministry of Agriculture asked the Chinese government for clarification.

The possible causes for the suspension were analyzed with the competent bodies, so that we could adopt all the necessary measures to reactivate our authorization for that country as soon as possible.

In March and April, 2022, China also suspended the purchase of poultry meat, and also beef, from other Brazilian companies. And, throughout 2022, there were new suspensions of purchase, by the Chinese, of chicken meat and beef, including companies from other countries, such as Ireland, Mexico, and Thailand.

Due to this issue, in 2022 we changed our operational and commercialization mix, focusing even more on the domestic market. We developed new actions, we discovered new paths, we expanded our operations to other regions, and we made increases from the point of view of campaigns and sales strategies.

Another important point in the year was the pricing strategy, due to the change in the mix and the increased cost of inputs, distribution (especially sea freight), and the logistics structure. We evaluated all the variables involved with extreme care.

The good news is that we will start selling to China again in January 2023, and we should have positive impacts on sales and, especially, on the gross margin as early as the first quarter of 2023.

## Reinforcing the relationship with our customers

We value a productive, close relationship, and we seek increasing customer satisfaction.

We have continually invested in **improving our relationship with our customers**. Therefore, we started working with Salesforce, one of the best Customer Relationship Management (CRM) solutions, with the objectives of improving our relationship with customers and optimizing sales.

This developer offers a series of customized solutions focused on customer service and interactivity, including digital transformation processes, artificial intelligence, use of websites, applications and platforms, and marketing actions.

We are also looking to expand our presence in direct sales channels. A relevant initiative in this sense, in 2022, was the launch of our **Distribution Center for the Mercado Sabor brand**, an online and fully digital store platform. More information in the item Brands for all and diversified product portfolio, in the chapter São Salvador Alimentos.

To further strengthen the relationship, whenever possible **we seek to be present at fairs, congresses, conventions and other relevant agribusiness events that are related to our activities**. With this, we seek not only to promote interaction and close deals, but also to share and exchange knowledge and experiences

### Examples of some events we attended in 2022:



- We were present at the **International Poultry and Pork Industry Show (Siavs) 2022**, the largest event of the Brazilian poultry, egg and pork production and export chain. It was held by the Brazilian Association of Animal Protein (ABPA), from August 9 to 11, at the Anhembi Convention Center, in São Paulo. Around 21 thousand visitors from 53 countries attended the event, the highest number ever registered until this edition. The business generated exceeded R\$800 million. In the occasion, our Zé Garrote, president of the Board of Directors, gave a lecture about sanitation as the main focus in the industries.

- In September 2022, we took part in the **19<sup>th</sup> Convention and Business Fair for Supermarkets and Bakeries, the SuperAgos 2022**, in Goiânia. In addition to the commercial, business, and networking activities, the event also featured lectures, courses, and workshops, where professionals were able to improve their knowledge on several themes relevant to the sector. SuperAgos, thus, consolidates itself as the main event aimed at retailing in the Midwest region and one of the most important meetings of the supermarket sector in Brazil

- In October 2022, we were at **Sial Paris 2022**, one of the main fairs of the food sector in the world. Sial received visitors from more than 200 countries, including producers, importers, buyers, retailers, media specialists, and independent associations.

In addition, we enable, whenever possible, customer visits to our facilities and units (respecting the characteristics of each location and health and safety protocols).







## Customer and consumer care

| GRI 2-6, 2-23, 3-3 416 (416-1/416-2), 3-3 417 (417-1/417-2), FP8

### Product Quality

| GRI 3-3 416 (416-1)

**Product quality is one of our greatest commitments.** We understand that the extreme care we dedicate to quality, combined with food safety, biosecurity and controls and checks in production processes, continues to be a preponderant factor for customers and consumers to have a preference for our brands.

Our care with quality includes compliance with the parameters of our Quality Policy and our Environmental Policy.

In animal production, we work with the concept of **Unique Health**, because we value the welfare and health of animals, producing **safe food for consumers** and respecting the environment. Thus, we adopt national and international animal welfare norms and practices for the breeding and slaughter of birds.

To maintain food quality and safety, **our entire production is controlled and monitored 24 hours a day.** In addition, machines, equipment, belts, and processes are continuously linked together to ensure that all steps are carried out correctly.

In addition, we carry out a range of checks and controls on our animal production and industrial processes. See further information below.

In order to reinforce the role of each of our employees in the topic, every year during the month of November we hold an internal **Food Safety and Quality Week.** In 2022, we had the fifth edition of this event.

The goal is to strengthen the commitment of each of our employees in the different stages and in all processes of the production chain, to deliver quality and safe food to customers and, consequently, to our consumers.

The continuous awareness of our employees is reflected in the production of safe and healthy food and, in this way, contributes to the service of customers and consumers.

## Checks in production

| GRI 2-23, 3-3 416 (416-1/416-2)

We work with all necessary checks in animal production and industrial processes.

On a day-to-day basis, **we follow all the relevant regulations for our animal activities**, and have integrated controls and care, covering all the steps involved. Monitoring is constant, so that we can prevent and minimize as much as possible any possibility of disease or major alteration that affects the health, welfare, and performance of the birds.

In order to meet our goal of delivering safe and high quality food to our consumers and to avoid health and food safety impacts, we continuously check and monitor the various programs and control points related to **various aspects of our production processes**, such as sanitary procedures, prophylaxis and hygiene aspects, access systematics, and the movement of people, interactions with materials and other elements and pest control, covering, for example, items such as maintenance of facilities and equipment, lighting, changing rooms, bathrooms, sanitary barriers, ventilation, water supply, wastewater, product temperature, ambient temperature, calibration and gauging of process instruments, pest and rodent control, hygiene habits of employees and pre-operational and operational hygiene.

We also evaluate and control all food vulnerabilities (food fraud and food defense), manage the control of allergens, and take care of animal welfare.

We also check the critical control points of the process based on Hazard Analysis and Critical Control Points (HACCP), and the entire production process and products are evaluated through laboratory analysis, according to the specification of each product.

**All the procedures verified are registered**, and the non-conformities detected are treated with corrective actions and preventive actions, and these documents are filed in the Quality Assurance sector.

The verifications aim to reduce the rate of internal non-conformities and to contribute to the improvement of the production process, avoiding impacts on the client's health and safety. The Quality Assurance team covers all the procedures performed in the production of food.

For the correct fulfillment of the procedures, **all employees involved in these steps receive specific training.** The training sessions are given by quality supervisors and production managers, in training rooms, with a workload according to the proposed theme.

We also count on the **evaluation of the Federal Inspection Service (SIF) team**, responsible for the daily follow-up and verification of the processes and products.

Finally, after packed, **our products are 100% checked by a metal detection equipment**, to avoid physical contamination with ferrous material and to ensure the safety and quality of the products until they reach customers and consumers.

| GRI 416-2

In 2022, there were no cases of non-compliance with regulations and voluntary codes related to the impacts caused by products and services to health and safety during their life cycle.

## Certifications

We have several certifications that attest to the good practices in our production, as well as to the quality of our products.



**To learn more about our certifications, click here.**

## Information for customers and consumers

| GRI 3-3 417 (417-1/417-2), FP8

We consider it very important that customers and consumers have easy access to information about the food, as well as to guidelines for safe and healthy consumption of the product.

All of our products comply with the labeling legislation in Brazil and in the markets for which we are qualified.

Thus, all our products have **labels and packaging** approved by the Ministry of Agriculture, Livestock and Supply, containing, among others, all the information about:

- Ingredients.
- Nutritional table with all the nutritional information about the products (energy value, fats, cholesterol, protein, sodium, carbohydrates, fiber, vitamins and minerals).
- Date of manufacture and expiry.
- Lot.
- Temperature and storage conditions.
- Domestic preservation.
- Food preparation.
- Alerts about the presence of allergenic compounds.
- Information about products produced without the use of hormones.
- Environmental awareness for proper disposal.
- Symbol of the Clean Development Mechanism (CDM) project, of the United Nations (UN).
- Halal Seal, which applies to some exported products destined for these markets and certifies that they were produced according to Islamic standards.
- Contact for Customer Service (SAC).
- Access to our website.



**And we are already adapting to the new rules for nutritional labeling on food packaging**, approved by the National Health Surveillance Agency (Anvisa) and by the Ministry of Agriculture, Livestock and Supply, which came into force in October 2022.

All new products launched after this date will have the new labels. For existing products, the adaptation may occur until 2024.

| GRI 417-2

In 2022 we did not register any cases of non-compliance related to information and labeling of products and services offered to consumers.

| GRI 417-3

There were no communication/marketing incidents in 2022.

With regard to **customer data**, at SSA only authorized departments can have access to this information, by means of user access controls to the data, together with the information security systems and services in place and adhering to our Privacy, Cookies, and Information Security Policies.

## Our People

| GRI 2-7, 2-8, 2-20, 2-21, 2-23, 2-30, 3-3 403 (403-1/403-2/403-3/403-4/403-5/403-6/403-7/403-8/403-9/403-10), 3-3 404 (404-1)

### People management guidelines

| GRI 2-7, 2-8

We understand that economic growth and people development go together and are constantly changing, and we focus on this always guided by our principles and internal culture.

Because we believe that people are the Company's greatest asset, one of the aspects of our internal culture is to **value the human being**. Thus, **we permanently invest in the growth and quality of life of our employees**.

From the field to Board of Directors, we seek to adopt resources and procedures that ensure efficiency, the high level of governance and the sustainable expansion of the business. We encourage and support the self-development, implementing programs that enable personal and professional growth, with the concern for quality of life in the Company and focusing on retaining talent.

Prioritizing the **valuation of people**, ensuring a **productive, safe, and healthy work environment**, and **investing in the potential of employees** are key points in our people management. This is how we do it at SSA. And we do it right, well done and always together.

At São Salvador Alimentos, we have an **internal culture centered on people**. The employees work with a **sense of ownership**, assuming the responsibility to always do the right thing, do the best and go beyond. We seek to foster the continuous development of our employees and offer appropriate compensation.

To manage and coordinate our people management strategies and practices, we have a **People Management Area**, which began to be implemented in 2021. The year 2022, therefore, was one of continuity, acceleration and consolidation in relation to what we started planting in the previous year.



The People Management Area is undergoing a broad cultural and digital transformation, encompassing culture, processes and tools, with the purpose of making the area even more strategic and focused on people development.

In the year, we highlight:

- We implemented the new **Talent Portal (Gupy)**, a new online recruitment and selection tool that encompasses the entire process, from start to finish. More details ahead.
- We also acted strongly in **attracting and retaining people**, with several actions throughout the year.
- We started a **specific project to consolidate people management subsystems**, comprising career, succession, training, development, performance, goals, compensation, and benefits.
- We consolidated the **systematized management of payroll**.

With this, **the entire people management part of the company - from hiring to retirement - is systematized and technologically integrated.**

At the end of 2022, we had **7,646 employees**, of which **5,912 were direct employees and 1,734 were outsourced.**

### Number of employees

| GRI 2-7

| Number of employees                          |           | Total        |              | Full-time    |              | Part-time |           | No guaranteed work hours |            |
|--|-----------|--------------|--------------|--------------|--------------|-----------|-----------|--------------------------|------------|
| Type of contract                             | Region    | W            | M            | W            | M            | W         | M         | W                        | M          |
| Fixed-term employment contract (experience)  | Midwest   | 297          | 348          | 297          | 348          | -         | -         | -                        | 7          |
| Fixed-term employment contract (experience)  | North     | -            | 3            | -            | 1            | -         | 2         | -                        | -          |
| Fixed-term employment contract (experience)  | Southeast | -            | 2            | -            | 2            | -         | -         | -                        | 1          |
| Fixed-term employment contract (experience)  | South     | -            | 2            | -            | 2            | -         | -         | -                        | 1          |
| <b>Subtotal</b>                              |           | <b>297</b>   | <b>355</b>   | <b>297</b>   | <b>353</b>   | <b>-</b>  | <b>2</b>  | <b>-</b>                 | <b>9</b>   |
| Employment contract for an indefinite period | Midwest   | 2,022        | 3,201        | 2,016        | 3,199        | 6         | 2         | 67                       | 364        |
| Employment contract for an indefinite period | North     | -            | 17           | -            | 11           | -         | 6         | -                        | 10         |
| Employment contract for an indefinite period | Southeast | 1            | 10           | 1            | 10           | -         | -         | -                        | 4          |
| Employment contract for an indefinite period | South     | 2            | 7            | 2            | 7            | -         | -         | 1                        | 1          |
| <b>Subtotal</b>                              |           | <b>2,025</b> | <b>3,235</b> | <b>2,019</b> | <b>3,227</b> | <b>6</b>  | <b>8</b>  | <b>68</b>                | <b>379</b> |
| <b>Total</b>                                 |           | <b>2,322</b> | <b>3,590</b> | <b>2,316</b> | <b>3,580</b> | <b>6</b>  | <b>10</b> | <b>68</b>                | <b>388</b> |

### Total number of workers that are not employees

| GRI 2-8

| Description                 | General      |
|-----------------------------|--------------|
| Commercial representatives  | 229          |
| Young apprentices           | 139          |
| Expansion and maintenance   | 580          |
| Third-party poultry pickers | 204          |
| Transportation              | 582          |
| <b>Total</b>                | <b>1,734</b> |

### Strengthening of the internal culture

During the year we had a major project to strengthen our internal culture, with the restructuring of our **Cultural Architecture**, made up of elements such as beliefs and commitments, with people being a fundamental part of this whole process.

At the beginning of 2023, we started to put into practice a plan for the disclosure and dissemination of the new Cultural Architecture, which was effectively launched in February 2023.

More information in the item Corporate Identity, in the chapter The São Salvador Foods.



## Recognition - SSA among the best companies to work for

We are among the ten best companies to work for in the Midwest, according to the ranking 2022 organized by the international consultancy Great Place to Work (GPTW).

And, for the third consecutive year, we have renewed the Great Place to Work Certificate, which indicates that we have good people management practices. The GPTW Certification Program is a service that allows companies of any size to conduct an online climate survey to diagnose their organizational climate. In other words, it is an instrument to analyze the level of **employee satisfaction** in relation to the work environment and that, at the end of the survey, grants a certification to the Organization that reaches the minimum sample of respondents with a score equal to or higher than 70. **Our Satisfaction Index has been evolving with each survey, which demonstrates our commitment to promoting great practices to work in.**

The final product of the Certification Program is a report with the survey results and, in the case of companies that meet the criteria, a **quality seal**, which attests the Company as an **excellent place to work**.

These achievements reflect SSA's people-centered internal culture, which values employees, broad respect in the workplace, quality, efficiency, innovation and safety, placing us among the excellent companies to work for in Brazil.

## Structure of BPs

In 2022 we progressed in the organization of our internal consulting structure, consisting of **business partners (BPs)**, who are mediators between the People Management Area and the executives from the other areas (managers, supervisors and those in charge). These BPs work face-to-face and with permanent support, with all of the Company's areas. In addition to identifying the specific needs of the areas, these business partners seek to support them for a more humanized management and for strategic decision making, adding value to the business, including more diversified analyses in the repositioning of internal professionals, emphasis on diversity and inclusion, and team development.

## New recruitment and selection process

In 2022, we had an evolution in our recruitment and selection processes.

We started counting on the **Gupy Talent Portal**, a 100% digital and artificial intelligence platform, with an intuitive interface and more humanized and transparent processes. With this, our selection processes became even more practical, accessible and assertive, to receive in the best possible way those who wish to join the São Salvador Alimentos team (external candidates) or those who aim to reach new positions in the Company.

Our new Talent Portal brings all our internal and external vacancies.

We reinforce that our recruitment and selection processes seek to attract professionals who have desired skills or who are excellent in their specialties, in line with our needs, but who are also aligned with our convictions and our internal culture.



To access, click here.

## Other people management/ Human Resources practices and processes

### Performance evaluation

Each year we complete a new cycle of performance evaluation by competencies, covering a group of employees.

We use the 180-degree evaluation methodology, in a model that involves all levels of the company, including Board of Directors, and provides people management based on qualitative and objective information, reinforcing our focus on efficiency and belief in meritocracy.

### Remuneration and benefits

| GRI 2-20, 2-21, 2-30

At SSA, **compensation** is established based on market practices and surveys, with the support of specialized consultants. We use compensation methodology (salary survey) through analysis carried out by the main consulting firms specializing in the subject. We are aligned with the practices of the market and of our industry.

Considering statistics, socioeconomic studies, and the percentage of the specific regional union, a table was defined for each organizational group (Administration and Operational), in each region (Midwest, Southeast/DF, South, North, and Northeast).

The **fixed monthly remuneration** is adjusted annually, according to the collective bargaining agreement percentages for each region. Additionally, there may also be merit or promotion adjustments linked to the performance of the employee's attributions.

For the employees of the production and Commercial sectors, an Incentive Plan (**variable remuneration**) is practiced. This Incentive Plan is linked to the business results and productivity. This program is carried out on a monthly basis for most sectors and on a quarterly basis for others. It stimulates performance improvement and retention of professionals, driving gains by the commitment to results and short-term performance.

For employees in the productive sectors (monthly Incentive Plan), the rules are linked to the sector's overall productivity plus behavioral aspects, less absenteeism reduction and disciplinary measures. For the Commercial area, the monthly award is based on business results – margin, volume and revenue.

In order to establish an attractive practice to cultivate and keep talents in our workforce, the **Plan of Positions, Careers and Remuneration for Internal Industrial Production** was implemented in October 2022, with the objective of providing clarity and a complete vision of the possibilities. With this, a **Career Path** was established, through which the collaborator can know exactly where he is and where he can go. Levels (I, II and III) were created, enabling financially sustainable growth.



## Proportion of the total annual compensation

In relation to the ratio of the total remuneration of the highest paid individual in the Organization and the average total remuneration of all employees, for the 2022 cycle the highest annual compensation was 25 times higher than the average for all employees.

For the ratio of the annual compensation adjustment, considering only the adjustment of the Collective Bargaining Agreement, there is no difference between the highest paid individual and the average of the other employees.





In regards to the **benefits** offered to the collaborators, the main ones are:

- Unimed Health Plan:** Health plan with special prices, with a wide scope of action. It offers options with uniregional, state, and national coverage.
- Cemop Dental Plan:** Specially priced dental plan, with total coverage for cleanings, restorations, simple extractions, X-rays, and other services.
- Gympass:** Partnership with gyms all over the country, with promotional prices. The subscriber can attend any gym or studio accredited to the Gympass network, having access to weight-training, ergometry, Pilates, and swimming classes, among others. It is also possible to have virtual access to several physical activities.
- Sodexo Apoio Pass:** Channel for psychological, legal, financial and social guidance, aimed at guaranteeing more well-being and emotional health to our employees. Totally free and anonymous.
- Food Voucher:** The value is defined according to the collective bargaining agreement valid for each region of the country.
- Life insurance:** The collaborator has no expenses with the life insurance (it is 100% free) and its coverage starts on the first day of work.
- Social assistance:** Social benefits to employees, focused on better working conditions and better quality of life, seeking to ensure social protection and the defense of their rights, including the promotion of diversity and inclusion. It includes actions such as: donations of basic food baskets, medical-hospital support, funeral aid, and family support.

### Union relations

| GRI 2-30

We recognize and respect the right to freely associate with unions, associations, class entities, political parties or any other entities established for lawful purposes. We express our commitment in the Code of Ethics and Conduct, which is made available to employees, partners, suppliers and integrated companies.

On a day-to-day basis, we actively participate in meetings held by labor unions to discuss issues and proposals. Our entire workforce, including outsourced employees, is free to join the unions of their categories, with which we dialog. All our employees are covered by collective labor conventions and agreements.

With regard to suppliers, we currently do not carry out a due diligence process with our suppliers, but we are advancing in this implementation. However, all contracts (existing and future) include a clause describing that contractors must observe the provisions of our Code of Ethics and Conduct.

### Commemorative and celebratory actions

Throughout the year, we conduct commemorative and celebratory actions, linked to the permanent improvement of the organizational climate, with emphasis on the integration and appreciation of employees, partners and communities, emphasizing the pride in belonging.

They involve initiatives such as:

- Celebration of commemorative dates, such as Mother's Day, Father's Day, Women's Day, Easter, among others.
- Commemoration of other important dates, such as the anniversary of SSA's units and the Company's traditional Christmas celebrations.
- Anniversaries of the locations where we are present.
- Other commemorative and celebratory actions, always focusing on integration and appreciation, with employees and partners.

## Training/development

| GRI 3-3 404 (404-1)

We direct a great deal of focus on the qualification and development of our employees, who go through several courses and training programs. Starting with leadership (we have training for leaders and pre-leaders). The idea is to form a leadership that is increasingly more humanized, that stimulates the team and helps to transmit the values, beliefs and Cultural Architecture of the Company.

In 2022, in particular, we had a lot of training sessions aimed at leaders, focusing mainly on management, culture, and organizational development, including several team-building sessions, generating synergy and reinforcing team spirit.

**We continually invest in training and qualification**, with the support of high technology, in order to bring modern learning solutions, with the purpose of offering our employees efficient teaching

methodologies and enabling development and growth, making their journey within the Company better.

This direction is fundamental to strengthen the teams and the organizational culture, in addition to allowing the professional, technical, and behavioral development of the employees.

In 2022, we invested **146,923.6 hours in training, with an annual average of 24.9 hours per employee. A total of 5,907 people** were trained. We value the dissemination of knowledge, stimulating all areas of the Company, with training and qualification in regulatory, technical, and behavioral scope, essential for the performance and professional development of employees, adding value to their lives and careers. During the year, we **invested R\$1,170,631.58** in the training and development of people.

### Training by functional category: average hours

| Functional category    | Employees    |              | Hours of training |                  | Average hours/year |             |
|------------------------|--------------|--------------|-------------------|------------------|--------------------|-------------|
|                        | 2021         | 2022         | 2021              | 2022             | 2021               | 2022        |
| Administrative         | 391          | 439          | 15,787.6          | 17,590.8         | 40.4               | 40.1        |
| Specialist             | 69           | 75           | 3,978.7           | 2,341.0          | 57.7               | 31.2        |
| Operational            | 4,820        | 4,723        | 85,060.9          | 100,943.2        | 17.6               | 21.4        |
| Supervision/Leadership | 353          | 398          | 26,365.7          | 20,404.0         | 74.7               | 51.3        |
| Technician             | 236          | 272          | 12,472.2          | 5,644.7          | 52.8               | 20.8        |
| <b>Total</b>           | <b>5,869</b> | <b>5,907</b> | <b>143,665.1</b>  | <b>146,923.6</b> | <b>24.5</b>        | <b>24.9</b> |

### Training by gender: average hours

| Functional category | Employees    |              | Hours of training |                  | Average hours/year |             |
|---------------------|--------------|--------------|-------------------|------------------|--------------------|-------------|
|                     | 2021         | 2022         | 2021              | 2022             | 2021               | 2022        |
| Men                 | 3,599        | 3,559        | 97,469.8          | 96,266.6         | 27.1               | 27.0        |
| Women               | 2,270        | 2,348        | 46,195.3          | 50,657.0         | 20.4               | 21.6        |
| <b>Total</b>        | <b>5,869</b> | <b>5,907</b> | <b>143,665.1</b>  | <b>146,923.6</b> | <b>24.5</b>        | <b>24.9</b> |



### Main training/development initiatives

Among our training and development programs and actions, we highlight:

- We have a project for **Youth and Adult Education (EJA)**, which provides, through study, the possibility for employees to climb new opportunities within the Company, as well as providing the dream of completing high school. In 2022, we started six new classes, contemplating the Itaberai and Nova Veneza units. We have been developing the EJA continuing education project since 2017, in partnership with the Industry Social Service (Sesi), aiming to improve the quality of life of our employees involved and providing the basic training necessary to develop their potential. With EJA, students/workers can complete high school in less time. The course is 18 months long and free of charge.
- For EJA graduates, as well as for the other employees, we offer easy access to **undergraduate and graduate scholarships** signed by partnerships with institutions recognized by the Ministry of Education, both in attendance and distance learning modality. In addition, we offer access to a **computerized library** with its own collection and **language scholarships**.
- **Leadership** – We have the **Academy of Leaders**, to train managers with the purpose of preparing them to act in increasingly strategic positions in our team, and the **Academy of Pre-Leaders**, which aims to prepare professionals for future opportunities to rise in the company.

- We also have about 110 young people in our **Young Apprentice program**, distributed in several areas of the Company, providing an opportunity to enter the labor market. Just like the leadership training, which enables leaders to give full support to their teams, thus providing professional development, it also adds knowledge for personal life, because we understand that knowledge is not only used within the organizational environment. Thus, we make it possible for human rights to be guaranteed. Our online trainings allow employees to reduce their commuting time, and training in a remote environment reduces physical and psychological fatigue, generating greater use of and engagement with the proposed content.

- **Basic Introductory Training (TBI) and Culture and Norms Reinforcement Program (PRCN)** – The purpose of this program is to introduce and then improve the knowledge of new hires about items such as the Company’s mission, vision, values, Code of Ethics and Conduct, organizational culture, norms and policies, as well as the organizational structure and history of the Company, besides aspects of health, well-being and safety, human rights and diversity. On their first day of work, 100% of the new hires take part in the TBI and, during the probation period, they take part in the PRCN, to ensure continuous learning and assimilation of knowledge.
- **Training related to day-to-day work routines** – To standardize activities, acquire or update technical and regulatory knowledge, increase productivity, and continuously improve quality.
- **Human rights training** – This training addresses aspects such as discrimination and stereotypes related to race, gender, social origin, ethnicity, physical appearance, religion, hiring policy and child or slavery-like labor, as well as social inclusion, respect for human beings, diversity, and valuing people. In 2022, there were 19,510 hours of training, reaching 78.4% of our staff.

### New Employee Portal

In 2022, we **committed to improving the development and training experience for our candidates and employees**, as part of a significant digital transformation of our People and Management Area. As a result, in the first quarter of 2023 we moved forward with a broad change in processes and self-services for internal employees, with the implementation of the **Employee Portal with another high-level, high-performance platform, SAP Success Factor**. With this, employees can now count on greater convenience, online services from Human Resources, agility, and transparency in our internal processes, in addition to training that allows them to create their own learning track, generating greater autonomy and allowing them to choose the times they want to train.

### Diversity and inclusion

Diversity and the consequent social inclusion are very important guidelines in our daily routine at SSA. **We respect and value a diverse and inclusive work environment.**

We welcome and ensure that **everyone has the same opportunities**, regardless of race, ethnicity, age, gender, religion, sexual orientation, etc.

**We treat everyone equally and do not tolerate prejudice and discrimination** in any relationship with our public, whether customers or suppliers, contractors, employees, or third parties. We believe that different perspectives broaden the view and promote the creation of a plural environment, richer and more professionally and culturally developed.

In 2022, in order to make the environment more inclusive, among other actions, we consolidated the implementation of the **Inclusion of PCDs (people with disabilities) Project**, started in the previous year, with the purpose of attracting these professionals and make our team even more plural. To expand diversity, we have also offered more opportunities for women, especially in sectors that were predominantly occupied by male employees.





## Health and safety

| GRI 2-23, 3-3 403 (403-1/403-2/403-3/403-4/403-5/403-6/403-7/403-8/403-9/403-10)

We are convinced that only with an engaged, capable, and **confident** team of collaborators it is possible to achieve the expected results in our activities and in our business. For this reason, we greatly value the safety, health, and well-being of our employees.

### Health and safety management

| GRI 403-1, 403-7, 403-8

We have an **Occupational Health and Safety Management System** that meets all the legal requirements of the Brazilian legislation, but not only that. **Our commitment goes far beyond complying with the norms.** The management system is idealized and monitored with the purpose of **effectively guaranteeing our employees' health, safety, and well-being conditions in their work environments.** The system covers all of our employees and the outsourced workers who carry out their activities within the Company's premises.

The system was implemented by **SESMT**, which is formed by a team with several multidisciplinary professionals, including occupational safety engineers, occupational physicians, occupational nurses, occupational safety technicians, nursing technicians, speech therapists, and physical therapists, in addition to professionals responsible for the Administrative Area. All of them work in a preventive way, seeking to eliminate potential negative impacts for the employees and, consequently, for the business.

We seek to promote the health, well-being and safety of our employees through **various actions and programs.** Among the activities developed is the **emphasis on the prevention of accidents and occupational diseases, through awareness and training of employees.** All employees are constantly sensitized by campaigns and communications on the theme, and are also qualified by specific training sessions, from their first day of work. In addition, **safety inspections are carried out daily at the workstations,** with the purpose of identifying dangers and eliminating them, thus always seeking to act in a preventive manner.

We have an **Occupational Risk Management Program (PGR)**, by which the SESMT acts in an anticipatory way, not reactive, monitoring all the risks and proposing measures that eliminate, whenever possible, these risks, or, in the second case, that minimize the agents. For the control and monitoring of the activities developed, goals and objectives were established and are followed up on a monthly basis, thus enabling the continuous evaluation of the progress and effectiveness of the measures implemented. This preventive action, with planning and actions, makes it so that the negative impacts on the Company are mitigated and, at the same time, the positive impacts are leveraged, providing health, safety and well-being to employees and reducing the risk of liabilities that could affect our performance and our projects.

Besides the PGR, we have: Medical Control Program of Occupational Health (PCMSO), Hearing Conservation Program (PCA), Ergonomic Work Analysis (AET) and Technical Report of Environmental Working Conditions (LTCAT). All programs are prepared and managed by trained and skilled professionals in their respective areas.

### Identification of risks and hazards and employee participation, prevention, communication, and training on health and safety

| GRI 403-1, 403-7, 403-8

In order to ensure the maintenance of our employees' health and safety, our SESMT team of professionals promotes a **permanent work in the identification of risks and dangers** that may threaten the workers' physical integrity, in the scope of the Occupational Risk Management Program, as mentioned.

First, the dangers and risks are identified qualitatively, always with a preventive character. After the evaluation of each one, if necessary, quantitative evaluations are carried out, to determine the exposure levels and, thus, to outline the actions inherent to the risks, always following the hierarchy established in the norms, prioritizing first the elimination of risks, when possible, through engineering actions and process changes, and then with mitigation and control actions, through collective protection measures and, as a last resort, through individual protection equipment.

The measures to control hazards and risks have their effectiveness evaluated by statistical data on the occurrence of incidents and accidents, in order to improve the measures already implemented or to develop new measures that will bring the expected result.

**Employees are an integral and extremely important part of the process of identifying hazards and risks.** As they are involved in the process, they are often the first to notice the emergence of a condition that could generate accidents. **We encourage employees to report situations that could be dangerous,** and there is no reprisal in any way. In order for them to be able to perform such analyses, they go through numerous training courses on various risks and their anticipation. The closer relationship between SESMT and the collaborators occurs by means of the **Internal Commission for Accident Prevention (Cipa)**, which is formed by representatives of the collaborators chosen by the workers themselves, in an electoral process.

All employees are oriented, since their admission and on a continuous basis, about the identification of risks and dangerous situations and about the safety procedures to avoid exposure to them.

The employees are instructed to get away from such situations, when they arise, and report them immediately to the SESMT, so that the necessary actions can be taken, thus ensuring safety in all operations.

The SESMT, in turn, investigates all incidents, with the participation of occupational safety professionals and managers, and with the accompaniment of Cipa. The investigations seek to identify the cause (or causes) and propose preventive and corrective actions to avoid reoccurrence of incidents and/or occurrence of accidents caused by the same cause.

The **sharing of occupational health and safety information** between SESMT professionals and employees is extremely important to **foster a safe work culture.** In this sense, **the actions of Cipa –** which has representatives from the employees and SSA and helps to strengthen the link with the health and safety professionals, and the **daily actions of the SESMT professionals,** to whom the employees report their perception of risks in activities – are fundamental. By means of monthly meetings of the SESMT professionals with Cipa representatives, information regarding occupational health and safety (OHS) is shared, studies of the subjects approached by the members are carried out, and actions to be implemented are proposed.

In addition to the communications carried out through Cipa, the employees **undergo several OHS trainings.** We also carry out, throughout the year, **awareness and guidance campaigns,** through which printed materials are posted at strategic points in the units, and digital communications and materials are prepared and shared on our communication channels.

We have a **training matrix,** in which it is possible to identify the training courses that make up the OHS training track that must be held for each employee. This matrix is constantly updated, with the objective of instructing the collaborators about all the necessary themes for the realization of safe work, as well as meeting the norms that apply to the activities carried out by the Company.

**Safety at work** is a daily responsibility of all employees. **Our commitment goes far beyond complying with the norms**, we seek to ensure a **working environment** with favorable conditions of **health, safety and well-being**.

Throughout the year, to ensure compliance with the matrix, admission, periodic and recycling training sessions were held, addressing various topics of health and safety at work, in addition to specific training (according to the position and type of activity of the employee).

As soon as the employee joins the Company, on his or her first day at work he or she goes through the **TBI**, in which topics related to OHS are addressed.

Throughout the year, the training sessions are held within our own facilities, during working hours. The theoretical content is taught in appropriate classrooms, and the practical activities are carried out in appropriate places for training.

Each year we also hold the **Internal Occupational Accident Week (Sipat)**, focusing on information and awareness actions. In 2022, this event also took place in a virtual format.

Among the various **prevention actions**, we routinely perform **Daily Environmental Inspections**, based on checklists previously prepared by the technical teams that guide the aspects that must be monitored daily by the professionals, in order to ensure a healthy and safe working environment for employees to develop their activities. Linked to these inspections are the **Notifications of Accident Risk**, which occur when one or more of the inspected issues is in disagreement with the health, safety and/or ergonomic parameters previously established. The professional responsible for the inspection notifies the manager of that area about the danger or risk found and suggests some possibilities for improvement.

### Occurrence of work-related accidents

| GRI 403-9

Thanks to our culture of prevention, with the various information, awareness, and training actions, to the compliance with all the regulatory standards on the subject, and to the obsessive work of identification, elimination, mitigation and control of hazards and risks, **in 2022 there were no occurrences of typical accidents with serious consequences or deaths in our operations**. Among incidents and accidents, **we closed the year with 127 typical occupational accidents**.

In 2021, 107 typical occupational accidents were registered, with 6 accidents classified as serious. There were also no fatalities.

### Services and health promotion

| GRI 403-3, 403-6, 403-10

Our SESMT team seeks to promote the employees' health, acting in a preventive way. To this end, several studies and programs are carried out, in addition to specific actions. The work aims to identify and eliminate and/or minimize disease risks, when it is not possible to neutralize them.

Among the programs directed to occupational health, the **PCMSO**, which is carried out by occupational physicians, and the **AET**, which is performed by physical therapists and ergonomists, based on an international methodology, stand out. To guarantee the quality of the services, the qualified professionals receive periodic training.

All our employees have free access to the SESMT, through which **health care services** are offered. During the service, the collaborator goes through a triage, by the nursing team, and soon afterwards is directed according to his or her needs.

We offer, to all employees, a **health plan** with special prices, increasing the coverage to non-work related health. We also **provide means of transportation** to the service points that are part of the Unified Health System (SUS – hospital, basic health units [UBS], Family Health Program [PSF], etc.), and provide the employee's return means of transportation.

The SESMT also contributes with the employees' access to medical and health services that are not work-related, by means of several actions, including the direction of where to seek assistance and orientative lectures about several themes.

We also have a **Preventive Health Program**, which has a schedule of lectures, which take place monthly, and whose main objective is to bring information, content and applied dynamics, aiming to promote the health and well-being of employees, encouraging them to change habits and behaviors.

In 2022, we also had the **Health Blitz**, which is a program for disease prevention and health promotion. The Blitz, which was held bimonthly, involved the participation of health professionals, who attended the employees and outsourced

workers, with the performance of several health tests, as well as with guidance for treatment or prevention, depending on the results of each individual.

We also conducted, in 2022, the **flu vaccination campaign** with tetravalent vaccine, which ensures protection against the four subtypes of the flu virus that circulated most in the Southern Hemisphere last year, as determined by the World Health Organization (WHO). The vaccination is funded by the Company and covers all employees. Throughout the year, the **vaccination campaign against Covid-19** was intensely publicized and supported, making employees aware of the importance of adhering to the vaccination calendar.

Finally, in 2022 we implemented the project **Papo de Mãe – Program for Attention to Pregnant Women**, through which monthly meetings are held with all pregnant women for guidance on healthy and safe pregnancy. During the meetings, explanatory chats take place, in which the nursing team is able to welcome and help pregnant women.

Considering the excellent results of the programs and initiatives implemented, the application of adequate ergonomics in the work environment (seeking to provide workstations adjusted to the ergonomic needs of the collaborator) and the actions focused on prevention, **in 2022 we achieve another year without occupational diseases**.



## Data protection

On a day-to-day basis, all health care services provided are registered in the employees' medical records. Access to the information is restricted to the professionals in the area, thus ensuring the confidentiality of the data and its use only for the follow-up of occupational health issues. The cases referring to the worker's health are conducted by specialists and, if necessary, discussed by a prepared and qualified multidisciplinary team. All attendance is individual, in an appropriate place, and carried out by a trained health professional.





## Partnership for the Pink October campaign

In partnership with the Araújo Jorge Hospital, in Goiânia (GO), we joined the Pink October campaign, which aims to warn about prevention and early diagnosis of breast cancer and cervical cancer.

Throughout the month of October 2022, we conducted an internal campaign on the subject, with videos, tips, messages of support and encouragement to women, and lectures by medical specialists in women's health.

Our goal was to encourage female employees to have their exams done in order to prevent the disease, bearing in mind that self-care and early diagnosis can save lives.



Internally, we also supported the **Blue November**, for the prevention of prostate cancer.

## Supply chain and suppliers

| GRI 2-6, 2-23, 3-3 204 (204-1), 3-3 308 (308-1/308-2), 3-3 414 (414-1/414-2)

### Purchasing/Supplies

We have a **Purchasing Policy** that establishes the general guidelines to ensure that products and services are purchased according to clear and objective criteria, which aim to guarantee transparency, competitiveness, quality, safety, legality, socio-environmental responsibility, and continuous improvement in the relationship with suppliers.

In 2022, we made acquisitions in several purchasing categories to meet the needs of our operations, including production units, warehouses, feed mills, and other units. The purchasing groups comprised: additives; medicines; micro-ingredients; cereals; packaging; flour and oils; fixed assets; firewood; mechanical, electrical and hydraulic materials; consumables; office materials; personal protective equipment (PPE); raw materials for sausages; chemical products; cleaning materials; feed; waste; and contracting services (including freight, consultancies, etc).

#### The year 2022: rising costs

In 2022, the issue of high costs was present throughout the year. We were sustained by the practices and strategies directed to the main raw materials used (corn and bran), due to the large volume. These inputs reached very high value levels during the year, and have a strong impact on the overall composition of our costs (corn and bran correspond to 68.5% of the feed). We buy these commodities in the conventional and transgenic modalities.

The broiler chain is very much driven by commodity items, micro-ingredients, premix, amino acids, vitamins and feed additives. We closely monitor and maintain evaluation criteria for everything that is used for the production of feed. All items go through careful analysis and assessment as to their quality. We are always negotiating with major partners, being among the largest suppliers worldwide, with high quality standards, which ensures us quality raw material and conditions to offer the field a feed of excellence.

In the acquisition of corn, we continue with direct purchases from the producer, since we can better accompany the producer and his ESG practices. We are graced with an excellent geographical location, which allows us to be close and more easily monitor, since the producers are on average 300 kilometers away from our plant.

#### Prioritizing local suppliers

| GRI 3-3 204 (204-1)

In our purchasing processes, in general **we prioritize local suppliers** and we have the practice of acquiring products and services produced or made available in the local market, in order to collaborate with the generation of employment, income and economic exchange for the municipality and the state. The Procurement Area and the requesting technical areas constantly seek to boost and develop local suppliers, by means of technical support and, sometimes, even financially, so that they adapt to the Company's demands and remain aligned with the best economic and socio-environmental practices.

In 2022, **R\$1,788,852,293.18** were negotiated with suppliers based in locations where we have operations. This value corresponds to 73.35% of the annual amount acquired, which demonstrates our relevance in the markets and locations where we operate.

Our practice is to **acquire products and services** produced or made available in **local markets** to help **generate jobs**, income and foreign exchange for the municipalities and the state.





## Expenses with local suppliers

| Important operational units | 2021   |  |  | 2022   |  |  |
|-----------------------------|--|--|--|--|--|--|
|                             | Total value of purchasing budget (R\$ million) | Amount of purchasing budget spent with local suppliers (R\$ million) | Purchasing budget spent with local suppliers (%) | Total value of purchasing budget (R\$ million) | Amount of purchasing budget spent with local suppliers (R\$ million) | Purchasing budget spent with local suppliers (%) |
| Slaughterhouse              | 638,355,416.26                                 | 338,069,036.00   | 52.96  | 836,906,501.13                                 | 476,082,642.40   | 54.05  |
| Feed mill factory           | 1,188,859,186.55                               | 1,064,028,498.00   | 89.5   | 1,398,529,987.37                               | 1,228,978,048.74   | 87.88  |
| Hatchery                    | 23,622,075.96                                  | 10,378,373.00  | 43.94  | 21,438,491.34                                  | 13,005,803.54  | 60.67  |
| Matrix                      | 28,543,338.28                                  | 6,152,500.00   | 21.55  | 32,197,558.83                                  | 7,543,365.77   | 23.43  |
| Nova Veneza Unit            | 36,746,125.44                                  | 25,380,327.00  | 69.07  | 104,296,647.30                                 | 63,242,432.73  | 60.64  |

Note: Local suppliers = suppliers within the state of Goiás.

## Supplier/partner management

| GRI 2-23, 3-3 308 (308-1/308-2), 3-3 414 (414-1/414-2)

We work with suppliers and partners, in Brazil and abroad, who are chosen, evaluated, and monitored by means of rigorous criteria. Factors such as commercial criteria (delivery time, quantity delivered and conformity), product specific requirements or technical criteria (quality, efficiency, safety, certifications, complexity of the service or input) **are considered**, as well as alignment with our standards and economic and socio-environmental responsibility (compliance with tax, labor and environmental legislation) through the guidance of the Code of Conduct.

In 2022, we conducted negotiations with **4,726 suppliers in Brazil and abroad**. The acquisitions of materials and/or services totaled the amount of **R\$2,428,732,857.30**, exceeding the amount spent in 2021 by 21%, when we bought 1.9 billion. Of this total volume, 44% of the absolute value came from cereal suppliers (mainly corn and bran), and 55% of the partners were rural producers, individuals or companies. The others were trading companies, resellers and cooperatives. We generated 35,361 purchase orders, divided into 21,161 orders based on spot prices and 14,200 orders based on negotiations via contracts. We operate with direct contracts for execution and long-term contracts, valid for 12 and 24 months.

The suppliers are homologated before the acquisition of the product or service by the demanding area and are accompanied by the technical managers, or laboratories, in a rigorous manner, according to the demand and the established flow.

We have evolved in the criteria and processes of previous analysis, selection, hiring, homologation, classification, relationship, monitoring, and supplier evaluation.

### Supplier evaluation

**Suppliers are evaluated considering the norms of the Purchasing Policy and the technical criteria for supplier evaluation.** For new entrants, the qualification goes through input or product quality tests by a team linked to the technical area responsible, and only after approval/approval can the purchase be made.

The negotiation process is all electronic, going through approval levels according to the pre-established purchasing policy, including quotation inputs and online contracting, in a portal integrated to the Enterprise Resource Planning (ERP) platform, which attests to the credibility and veracity of the information entered.

Suppliers are also evaluated according to quality criteria, delivery time, volume delivered and quantity of returned items. According to these criteria, suppliers are classified quarterly and need to have scores equal to or above 70%. If not, they receive an action plan to show actions that will be taken to remedy the problem. If the supplier has more than two action plans in the same year, it is disqualified from our supplier list.

### Observance of suppliers' socio-environmental criteria and impacts

| GRI 3-3 308 (308-1/308-2), 3-3 414 (414-1/414-2)

Among the factors we value in the selection, contracting and relationship with suppliers are social and environmental criteria, in line with our convictions and with the growing concerns of society and the market with ESG issues.

| GRI 308, 308-1, 308-2, 414-1, 414-2

However, we do not have formal indicators that specifically indicate new incoming suppliers based on socio-environmental criteria, although we also take into account these parameters as factors that weigh in the selection and contracting analyses. During the term of the contracts, there is no verification of socio-environmental criteria, but we do perform verifications based on our controls, as for example with fuel suppliers, and we monitor them continuously.

**We have not received, nor have had any reports or information of any kind regarding environmental impact from our supply chain during the year 2022.** Nothing was identified or raised. In 2022, we started conversations with service providers and suppliers to start developing a satellite monitoring project of our grain suppliers' areas. The idea is to map possible areas of deforestation. If we identify evidence of this, we will suspend purchases with the supplier.

**Even though we don't have specific indicators for this, we try to select suppliers that work with the best level of technology and that meet environmental requirements.** Some points identified in our chain are :

Possibility of groundwater contamination: fuel suppliers. We request and follow up the necessary documentation from the supplier and the transporter, thus managing the compliance with legal and environmental requirements.

Toxic waste generators: rural and integrated producers. We seek to identify producers that work with the correct disposal of solid waste (mainly pesticide and agrochemical packaging) and that have people and technologies for a better use of this material. In the case of integrated producers, we work in partnership so that all of them attend to the correct disposal of the waste generated in the process of rearing the birds.

By 2022 we will have reached a percentage of **25% of all our purchases from suppliers that have certifications in the most diverse areas**, including socio-environmental certifications. We reached R\$609 million in purchases with suppliers that present some type of certification.

Our cardboard box suppliers, besides the use of recycled inputs, have Forest Stewardship Council (FSC®) forest management certifications, ensuring sustainability and proof of origin of their raw materials.

One of our concerns with the supply chain is the issue of illegal deforestation. Therefore, we have sought to evolve a due diligence process with our partners and suppliers. It is worth noting that our **commodity suppliers**, who are required to maintain legal reserves according to Brazilian legislation, **are located in the Midwest region, in the Cerrado biome, thus not covering the Amazon biome.**



| GRI 414-2

Regarding **social aspects**, we are permanently attentive to the correct treatment of labor issues in our partners and suppliers. As we are still advancing in the due diligence processes, it is not yet possible, for the time being, to map the partners and suppliers that may present significant risks of occurrence of cases of forced or slavery-like labor, as well as child labor or young people exposed to hazardous work, but we are very attentive to this. It is important to point out that suppliers and partners receive (and are asked to follow) our Code of Ethics and Conduct, which addresses this issue. In 2022, there were no occurrences or identification of forced or slavery-like labor or child labor among our suppliers and service providers.

Furthermore, our suppliers are required to present documents that prove they meet the labor demands of their employees and tax demands, such as: proof of registration of employees and proof of payment of labor charges and taxes related to the activities negotiated with São Salvador Alimentos.

### Logistics strategy

**Every year we try to adapt our logistics strategy to our operational needs.** We know that, with this, it is possible to add greater value to the products and optimize the storage, transportation and distribution processes, reducing costs and increasing competitiveness.

This strategy becomes even more important as we gradually increase our slaughter capacity, which raises the need for storage and other logistical adjustments.



### Storage

For grain storage, **we have three warehouses integrated to the production process.** This allows agility in the processes and decisions, and speed in the transportation of inputs. Besides this, our storage and shipping systems are automated, which facilitates daily management.

The current capacity of our own storage centers is **110 thousand tons**, which is enough to supply up to four months of feed production. This allows us to mitigate possible impacts resulting from seasonal problems and price volatility. Obviously, we are permanently evaluating the need to increase our storage capacity.

Always thinking in the expansion of production, we have a partnership for storage in third-party warehouses, which is being expanded every year.

In this direction, in 2022 we **implemented the silo bag concept, that is, storage in silos, for grains.** At the end of the day, we reached almost 60 thousand grains in silo bags.

### Transportation

As for transportation, **our fleet is 100% outsourced and has been readjusted** every year so that we can work with a smaller number of vehicles, but with more axles, which provides an average cost reduction and also reduces the emission of greenhouse gases (GHG). We also started to use more electric trucks.

Our routing is totally automated. All the routes are defined based on the crossing of the indicators involved in the activity, which results in the indication of the most appropriate route, providing optimization of resources and time.

Evolving this methodology, we implemented a **control tower**, so that we can work more closely with the transporters and have more agility in our contacts with customers.

And, in order to avoid setbacks due to price increases in fuel and other inputs used by the road modal (tires, lubricants, parts, labor), we have a **contingency plan** to supply eventual possibilities of supply disruptions.

## Communities and Society

| GRI 2-23, 3-3 203 (203-1/203-2), FP4, 3-3 413 (413-1/413-2)

### Social responsibility guidelines

| GRI FP4

In 2022 we continued the movement to redirect our actions with the communities, with the purpose of creating and/or redesigning guidelines, standards and policies, in order to have a more assertive and efficient representation in our social responsibility actions. We have a social commitment to the communities in the locations where we have operations.

We have a Department of Corporate Social Responsibility, which has the purpose of ensuring and materializing our social performance, in order to strengthen the relationship with the communities and society. To regulate this relationship, we have a **Corporate Social Responsibility Policy**, which also addresses the two main programs that guide this action: Private Social Investment and the Volunteer Program.

We align our direction with the UN's Sustainable Development Goals (SDGs), prioritizing four main axes:



Furthermore, we know that companies that demonstrate commitment to socio-environmental causes become more attractive to investors and closer to customers, who feel better when consuming products and services from organizations that do good for society.

We have a social commitment to the communities near our operational units. In Itaberaí and in Nova Veneza, **approximately 90% of the employees are local residents**. The priority in hiring local employees moves a chain that benefits the entire region, through the payment of taxes, the positive impacts on the economy (consumption in commerce, services, etc.) and our preference for purchasing and working with local suppliers and partners.

The **positive impact** can be perceived, for example, in Itaberaí. According to the Census of the Brazilian Institute of Geography and Statistics (IBGE), the population of the municipality has been growing significantly in recent years. In 2017, the estimated population was 40,872 inhabitants, while the estimated forecast for 2022 is 47,000 inhabitants. This is very much related to the growing demand for jobs and opportunities, which directly influences the quality of life of employees and, consequently, the movement of the municipality's economy.



In 2022, we invested **more than R\$921,000 in partnerships with the community, impacting about 63,300 people.**

| GRI 201-1

## Private Social Investment

| GRI FP4

Our Private Social Investment Program aims to define the procedures to be observed for the application of financial resources that benefit both the Company and the communities and society.

Among the projects conducted in 2022, we can mention:

- We support initiatives organized by the **Central Única das Favelas (Cufa)**, such as the **Taça das Favelas**, which is the largest field soccer tournament between favelas in the world, in which tens of thousands of young people participate. The competition starts in the internal sieves in the communities, leading up to the grand finals – male and female.

During the tournament, Cufa also offers workshops and lectures, in addition to providing the winners with scholarships for technical/professional courses and even for higher education. We sponsor this initiative through our brands SuperFrango and Boua.

On December 21, 2022, **Cufa's Christmas** took place. In our partnership, we donated, through the mechanism of Private Social Investment, 300 trays of chicken thighs to families in the region of the Santa Rita neighborhood, in Itaberaí. The intention, with this initiative, was to support so that all the benefited families could make their Christmas dinner, despite their financial difficulties.



- On October 29, 2022, with the **De Mãos Dadas institution**, we delivered 350 chickens to low-income families in the Alto da Boa Vista neighborhood, in Aparecida de Goiânia (GO).
- Throughout the year, we carried out **direct actions in schools**, involving more than 3,000 students, promoting **awareness of the rational use of environmental resources and presenting our actions to the communities**.
- We also invested in the **Recycling Friend Project**, which supports the Itaberaí Pestalozzi Association, offering support in selective collection actions in the municipality, such as the structure for collection logistics and the reversal of income from the sale of recyclables to support the association.

By 2022, **we will allocate 40% of our Private Social Investment resources to actions to fight hunger and 28% to health care and well-being.**

### Volunteering

We maintain a **Volunteer Program**, which aims to promote mobilization on the part of our employees, generating opportunities for them to be volunteers and to have a positive impact on the lives of other people. The main projects of this program are the Solidary Soup and the Winter Clothing Campaign. The Solidary Soup is held annually, to offer soup to needy families in Itaberaí. And in the Winter Clothing Campaign, which also takes place every year, SSA's employees and partners work together to collect resources to buy clothes and boost contributions.



In 2022, these actions were resumed, because, due to the pandemic, they had not been carried out in 2020 and 2021.

## Commitment to human rights

| GRI 2-23

At SSA, **we are committed to respecting and not violating human rights**. Our Code of Ethics and Conduct clearly states this commitment, and this issue is also addressed in our compliance standards and in our Corporate Social Responsibility Policy.

We seek to contribute to the guarantee of human rights in terms of care for employees, communities and the environment, with investments in projects that minimize situations of vulnerability and social risks.

We also work with stakeholders (employees, customers, partners, suppliers, communities, consumers), carrying out studies and developing projects or actions that make it possible to guarantee human rights, thus making situations that characterize human rights violations unfeasible. This is fundamental for the Company's reputation and for our relationship with communities and society in general.

Thus, we ensure that our decision-making is in line with the precepts of ISO 26000, taking special precautions when faced with situations that violate or put at risk human rights.

Internally, we value a safe work environment and and also respectful and productive relationships. We do not tolerate discrimination of any kind and repudiate any form of harassment in the workplace.

We address human rights issues with all employees, from the moment they are hired and in day-to-day meetings, training sessions, lectures and events.

We zealously follow the Brazilian labor legislation, not practicing and fighting the use of slavery-like and/or child labor (we are aware of this in relation to our suppliers). Minors are hired within the parameters of the learning laws, in our Young Apprentice Program.

We can highlight some other control mechanisms:

- Applicability of the guidelines of the **Code of Ethics and Conduct** by all employees, members of the Senior Management, suppliers, customers, service providers, young apprentices and business partners.
- **Constant training and awareness**-raising on the topic (Integrity Week and specific training on the subject).
- **Ethics Line**, a channel for manifestations and accusations to receive reports, among other points, about non-compliance with the Code of Ethics and Conduct.
- **Ethics and Compliance Committee**, responsible for analyzing and applying disciplinary measures in proven cases of human rights violations and other topics related to ethics and integrity. They hold meetings on a weekly basis.
- **Contractual clauses** with third parties providing for the need to observe our Code of Ethics and Conduct, as well as the Anti-corruption Law and compliance with labor legislation, under penalty of contract termination.
- **Requirement** that suppliers and service providers prove compliance with labor legislation.

**In 2022, we had no confirmed or under investigation cases regarding human rights violations.** Nor was there any report registered in the Ethics Line about this.

We have no specific indicator for this topic, with a target for monitoring. This is because, as it is a case of no tolerance, no case of human rights violation involving the Company is expected to occur.



[Learn more by clicking here.](#)

## Environmental management

| GRI 2-23, 3-3 301 (301-1/301-2/301-3), 3-3 302 (302-1/302-3/302-4), 3-3 303 (303-1/303-2/303-3/303-4/303-5), 3-3 305 (305-1/305-2/305-3/305-4/305-5/305-6/305-7), 3-3 306 (306-1/306-2/306-3/306-4/306-5)

### Environmental management guidelines

| GRI 2-23

In 2022, we **restructured our Environmental Area**, hiring new professionals, with the necessary technical skills and knowledge, to reinforce the exercise of our activities in a sustainable way, with total control and mitigation of the impacts that involve our operations.

It is essential to emphasize that respect for the environment is part of our values and our essence, and that natural resources are essential to our activities. We have an **Environmental Management System**, which we are constantly seeking to improve.

In this context, we have an **Environmental Policy**, which aims to establish environmental guidelines with a focus on the continuous improvement of our processes and the minimization of environmental impacts. Because we operate in a totally vertical chain, we have the possibility to have a greater control over environmental aspects. This policy applies to everyone who impacts our business and is impacted by it: employees, board members, customers, suppliers, production partners, vendors, and service providers.

We always seek to **link our results and our operations to sustainable development**, optimizing the use of resources, using new technologies for greater reutilization and/or reuse, and compensating for our impacts in the best way possible.

These controls and guidelines involve the improvement of waste management, water consumption management, daily control of effluent quality, management of energy consumption, use of alternative energies, management of atmospheric emissions, and preservation of biodiversity.

At the same time, we are permanently attentive to the compliance with the legal requirements related to our business, actively working on the legal **compliance with the pertinent legislations**, for all units, and on the **environmental licensing** of our entire chain, including integrated poultry farms, with the objective of establishing an environmental management model in all activities that are directly or indirectly linked to SSA.





In 2022, we maintained the conscious consumption project in all our units, which consists of avoiding losses and waste of water and implementing innovative measures for its reuse.



The total volume discarded in 2022 was 3,112.25 ml, approximately 82% of the water consumption that was captured and treated in the Effluent Treatment Station.



## Water resources management

| GRI 3-3 303 (303-1/303-2/303-3/303-4/303-5)

The **appropriate and conscious use of water resources** is a fundamental factor for the greater efficiency of our operations.

GRI 303-1, 303-2

On a daily basis, we carry out permanent actions in our management of water resources, on two major fronts:

- Management and monitoring of **water withdraw, use and disposal**, aiming **to achieve continuous improvements in our production processes and, at the same time, contribute to ensuring the preservation of the resource in a sustainable way**.
- Emphasis on reducing water consumption in the units**, with actions to raise employee awareness and the development of process improvements.

We **manage the use of water in all stages of our processes**, with follow-ups that range from the collection and destination of the water to the discharge of the effluent, including the monitoring of groundwater and rain gauges for the measurement of rainwater and its contribution to the flow of the spring, aiming to contribute to the preservation, in a sustainable way, of this resource.

In addition, **we control water consumption on a full-time basis**, by defining usage targets per sector and with supervision. With this, it is possible to detect possible critical points. In parallel, we encourage employee awareness and the development of actions to reduce water consumption in the units.

We maintain an **ETE**, where the quality of the effluents is measured daily, based on criteria such as pH, chlorine quantity, dosage of chemical products and turbidity. To measure the treated volumes, on-line flow meters are used in the Itaberaí and Nova Veneza slaughterhouses, being possible to generate and visualize results directly in the supervisory systems installed in the ETE operation rooms. Additionally, every hour the Parshall flume is measured. Monthly analyses are also done to measure the physical-chemical parameters entering the station and the discharge into the river.

## Water catchment and destination of effluents

| GRI 303-3, 303-4, 303-5

We emphasize:

### Itaberaí slaughterhouse

The **water catchment is superficial**, directly from the bed of the Rio das Pedras. At the capture site we have two cisterns, which capture directly from the river bed, without the need for damming or any impact on rain biota. The effluent reaches the treatment station and is stored in two reservoirs, which, besides guaranteeing the operation of the station even in case of any mechanical pumping problems, serves to stabilize the quality of the pumped water, reducing problems to operate the stations. The production capacity of the water treatment stations is 0.625 megaliters per hour (ML/h), divided into six compact, closed, pressurized WTP-type treatment stations.

After the station, the water is pumped into two reservoirs, with a capacity of 3 ML, where it is then directed to a 0.15 ML distributor reservoir, which is on top of the plant. The use of water occurs in the most diverse processes until it reaches the ETE. At the ETE, it goes through specific treatments until it returns to the Rio das Pedras, about two kilometers upstream from our capture. The difference between what we discard and what we consume is 87%, and our impact with the removal of water from the Rio das Pedras is less than 3% of the river's capacity during critical droughts and less than 1% during normal rainy seasons. The capture and disposal of the slaughterhouse occur downstream of the city of Itaberaí.

## Slaughterhouse Nova Veneza

The **water is collected underground**, directly from the water table present in the Company's own land, without the use of external water. We have 19 authorized artesian wells, with production capacity of 2.4 ML/day. The captured water is directed to two reservoirs, with a capacity of 19 ML. For use in the industry, the water is pumped from the reservoirs to a 0.56 ML distributor reservoir, which serves the slaughterhouse processes. We also chose to install a second reservoir, of 0.56 ML, to receive the cold water that is used in the chiller and cooling processes. After being used in the processes, the water is sent to the ETE, in the same way as in the slaughterhouse in Itaberaí, where we go through specific treatments. However, the return of the effluent is totally different, because the effluent is transformed into biofertilizer, being destined to the fertirrigation of tifton grass, enabling a circular economy with the transformation of the grass into cattle feed. This procedure is new – until 2022 we did not use the grass for this purpose.

### Feed mill, hatchery, warehouses, storeroom and gas station

Most of the **water is abstracted from wells**, especially in the hatchery, the site's largest consumer. At the hatchery, the water captured by wells is destined to a 0.15 ML reservoir, which also serves as a distributor for the internal processes. After going through the internal processes, the effluent is destined to an equalization tank and later to a mini treatment station, which is capable of performing physical-chemical treatment.

### Nurseries for breeding and fertile egg production

The **water withdraw is totally underground**, with the use of 4 wells that supply 9 reservoirs in the nursery for breeding and 20 wells that supply 21 reservoirs in the hatchery of fertile egg production. The generation of effluents occurs only at the time of cleaning of the poultry houses, to pits/sumps.

The **management of the catchment** occurs as follows:

- Itaberaí slaughterhouse: To control the capture of the Rio das Pedras, we perform two monitorings – the monthly volume monitoring, which we compare with our average consumption, and the rainfall monitoring, allowing more accurate information of rainfall volumes.
- Nova Veneza slaughterhouse: To control the collection of wells, we perform operations and monitoring via a supervisory system, controlling the operating time of the wells.
- Hatchery: Since there is only one artesian well, the management of the flow occurs according to the reservoir consumption.
- Feed mill, warehouses, storeroom and gas station: Due to the low consumption in these locations, we do not have specific controls for sectorial consumption and effluent generation.
- Nursery for breeding: The management of the captation happens by the production of the wells, per nucleus/shed.
- Nursery farms for production: The captation management is done directly in the sheds, with daily readings and feeding into a specific system.

As for the **affected water bodies, the Rio das Pedras that** supplies the places where the slaughterhouse of Itaberaí and the complex of feed mill, hatchery, warehouses, storeroom and gas station are located. The Rio das Pedras is an affluent of the Uru River and is part of the Araguaia/Tocantins watershed. The river is the main source of supply for the population of the city of Itaberaí, with the capture of the feed mill, hatchery, warehouses, storeroom and gas station upstream from the capture of the Sanitation Company of Goiás (Saneago) and the slaughterhouse downstream.

## Water withdraw and consumption in 2022, in ML

| GRI 303-3, 303-5

| Description                   | Slaughterhouse of Itaberaí         | Hatchery | Production nursery | Breeding nursery | Feed complex/storeroom/warehouse/gas station | Slaughterhouse of Nova Veneza |
|-------------------------------|------------------------------------|----------|--------------------|------------------|--|-------------------------------|
| Water withdraw                | Surface water                      | 3,068    | -                  | -                | -  | 3                             |
|                               | Groundwater                        | -        | 61                 | 63               | 71   | 11                            |
|                               | Seawater                           | -        | -                  | -                | -  | -                             |
|                               | Produced water                     | -        | -                  | -                | -  | -                             |
| Water consumption             | Third-party water                  | -        | -                  | -                | -  | -                             |
|                               | Total water consumption            | 3,068    | 61                 | 63               | 71   | 13                            |
| <b>Total consumption 2022</b> | <b>Surface water + groundwater</b> |          |                    | <b>3,811</b>     |  |                               |

### Effluent disposal

With regard to the **discharge of effluents into bodies of water**, in general we observe the parameters of the National Council for the Environment (Conama) Resolution No. 430, although there are still some specific adaptations to be made in our operations. The monitoring of the effluents occurs by means of collection and analysis in an accredited laboratory. We also perform internal analyses.

In the case of slaughterhouses, because the effluents' parameters are very high, it is necessary to use physical-chemical and biological treatment before discharging them. The minimum standards for the slaughterhouses were defined according to Conama's Resolution No. 430.

In the nurseries, the volume of effluents is very low, because they are generated only at the time of cleaning the sheds. Thus, the choice was for biological treatment only, with infiltration into the soil (septic tank/sump), due to the low organic load of these effluents.

In the hatchery, warehouses, gas station, storeroom and feed mill, as the effluents are organic, we opted for a preliminary system (static sieve) and biological system (ponds), allowing the effluents to meet the levels required by Conama Resolution No. 430.



## Total water discharge, in all units/areas

| GRI 303-4

| Unit                          | Water withdrawal (ML) |                | Withdrawal location       | Effluent discharge form   | % of effluent discharge | Annual effluent discharge (ML) |                |
|-------------------------------|-----------------------|----------------|---------------------------|---|-------------------------|--------------------------------|----------------|
|                               | 2021                  | 2022           |                           |   |                         | 2021                           | 2022           |
| Production nursery            | 79.4                  | 62.7           | Underground water         | Soil seepage – Septic tank/sink   | 27.9                    | 17.0                           | 17.0           |
| Breeding nursery              | 65.0                  | 70.6           | Underground water         | Soil seepage – Septic tank/sink   | 10.0                    | 6.5                            | 7.0            |
| Hatchery                      | 48.0                  | 61.2           | Underground/surface water | Water – returns to river when overflowing from ponds (has not yet occurred); soil – garden irrigation | -                       | -                              | -              |
| Slaughterhouse in Itaberai    | 3,078.0               | 3,067.8        | Surface water             | Water – Returns to river  | 86.2                    | 2,640.0                        | 2,644.0        |
| Slaughterhouse in Nova Veneza | 418.0                 | 535.5          | Underground water         | Soil – Fertirrigation   | 81.1                    | 375.0                          | 434.0          |
| Feed Complex                  | -                     | 10.9           | Underground/surface water | Soil seepage – Septic tank/sink   | 80.0                    | 9.0                            | 9.0            |
| Gardening                     | -                     | 2.5            | Underground/surface water | Soil seepage – Septic tank/sink   | -                       | -                              | -              |
| <b>Total</b>                  | <b>3,688.4</b>        | <b>3,811.1</b> | Underground/surface water | <b>Several forms</b>  | <b>81.7</b>             | <b>3,047.5</b>                 | <b>3,111.0</b> |

## Total water discharge, in all units/areas, by destination type

| GRI 303-4

| Disposal category                                 | Release volume (ML) |
|---|---------------------|
| Fresh water – surface                             | 2,644.71            |
| Fresh water – underground seepage                 | 33.22               |
| Other types of water                              | -                   |
| Reuse for other purposes (gardening, fertigation) | 434.32              |

Note: We do not discharge into water-stressed areas.

## Energy efficiency

| GRI 3-3 302 (302-1/302-3/302-4)

In our daily activities, we ensure the responsible and careful use of energy in our processes and operations.

We have structured an **Energy Management Program** and have carried out studies and invested in **energy efficiency projects**, contemplating all our industrial units. This includes lighting projects, maintenance of adequate power factor levels, revitalization of motors (whenever feasible), among other processes. Our main energy resources are monitored in real time, with the increment of Industry 4.0 elements, which also comprises production processes with state-of-the-art automation.

Thus, our main goal is to obtain an energy matrix that is increasingly more diversified, clean and from renewable sources.



## Solar energy (photovoltaic)

We encourage the diversification and the efficiency of the energy matrix in the whole production process, with projects, for example, of **photovoltaic energy generation (solar energy)** in all units where this is technically and economically feasible.

We have **implemented a second photovoltaic plant**, increasing by almost 200% the self-generation capacity compared to the data produced with the first one, going from an average of 24.88 MWh to an average of 69.57 MWh.

Regarding our **poultry farms**, in 2022 we reached 4.2 MWp of installed power with photovoltaic projects, with an estimated average generation of 504 MWh/month. The initiative is part of the **Solar Photovoltaic Energy Integration Project**, headed by our Engineering Area, which at the same time shares with all our integrated partners the recommendations to better meet the needs of the poultry farmer, seeking the best cost-benefit for each type of poultry house and according to the scenarios that present themselves.

Energy is one of the main inputs used in the operation of poultry farms, and the adoption of clean and affordable sources that contribute to reducing emissions into the atmosphere is one of the main points of our Energy Management Program.





## Day-to-day energy use

In the day-to-day, we seek conscious and responsible use of energy, with several initiatives in this direction.

To monitor and support management, we implemented an internal energy intensity indicator, allowing us to collect monthly consumption data.

We have full service maintenance contracts with the main manufacturers and equipment suppliers and, as a result, we achieve **significant reductions in process stoppages**, which diminishes premature wear and tear of machinery and equipment, avoids energy peaks due to transient regimes (in rush current), reduces voltage oscillations and avoids idle employees during the production process.

As a result, we have increased machine and employee performance, which makes it possible to constantly meet production goals without exceeding schedules. Among other results, **this implies equipment with longer useful life and reduced consumption and demand for electricity.**

With the largest investment in the adaptations related to Industry 4.0, our equipment and production machinery, electrical power systems, motors, backup power generators, lighting, and process automation are monitored daily, generating **analytical reports of performance and energy efficiency.**

In the Nova Veneza unit, for example, we have electric power and water management systems and we are able to monitor, in real time, what is being consumed instantly. In addition, we monitor all electrical parameters and water and energy consumption via supervisory, and we detect and receive critical point alarms. We also have, in the same unit, transient-free reactive power compensators, an Israeli technology for instantaneous reactive power correction and harmonic treatment in the network. This equipment operates with a very different technology from the conventional one. The Elspec controller monitors the data and acts in the system in real time, ensuring more efficiency in the results, to treat the power factor and harmonics. It is a **state-of-the-art technology for reducing energy costs**, improving performance, and increasing the useful life of motors and electro-electronic equipment.

As **electric motors** consume approximately 70% of the electrical energy used in industries, we take special care with this. We work with electric motors with efficiency above 95% in the totality of the process. They are motors of level IR3 or higher in the whole production line.

We also have a **special attention to the luminosity of the work environments.** We strictly follow the ABNT NBR ISO/CIE 8995-1 Standard. We work with the latest technology LED lighting in all units. With this, we achieve energy consumption reduction and ensure greater visual comfort for our employees.

## Energy consumption

| GRI 3-3 302 (302-1/302-3/302-4)

Our main energy consumption in our units is **biomass** based on eucalyptus chips, with more than 70% of total consumption. Even with the increase in productivity, we had a stabilization in energy consumption, especially in the two main items – **biomass, with a growth of 1.43%, and electricity, with 2.32%.**

Besides normal oscillations in consumption from one year to the next, due to problems in the electricity supply or weather events, we had a 46% reduction in diesel consumption at the Nova Veneza slaughterhouse, which resulted in an overall reduction of 10% in the Organization. The rest of the reduction refers to normal oscillations from one year to the next.

We have a rigid control on energy consumption. The **consumption of wood chips** is monitored by a trained team, which constantly monitors the

wood loads received, as well as the daily release of the wood chip consumption, through the steam production releases.

The **consumption of fossil fuels (liquefied petroleum gas [LPG] and diesel)** is controlled monthly, through entries in our ERP system. Due to the low consumption and because it does not occur continuously, we opted for monthly control and posting.

The **consumption of electricity** is monitored in several ways, with the Nova Veneza unit's control system as a success case, which performs full time monitoring with instantaneous controls via the supervisory, detecting and receiving alarms of critical points. The production and consumption of photovoltaic energy are monitored in real time, also remotely.

### Total fuel consumption within the Organization from non-renewable sources, in joules or multiples thereof, including types of fuel used:

| GRI 302-1

| Total energy consumed (GJ) – Non-renewable sources | 2020             | 2021             | 2022             |
|--|------------------|------------------|------------------|
| Pure diesel oil (discounting biofuel blends)       | 13,702.00        | 11,153.75        | 9,590.89         |
| LPG  | 4,467.25         | 5,143.81         | 4,639.42         |
| <b>Total</b>                                       | <b>18,169.25</b> | <b>16,297.56</b> | <b>14,230.31</b> |

### Total fuel consumption within the Organization from renewable sources, in joules or multiples thereof, including types of fuel used:

| GRI 302-1

| Total energy consumed (GJ) – Renewable sources          | 2020                | 2021                | 2022               | Difference (%) | Representativeness (%) |
|---|---------------------|---------------------|--------------------|----------------|------------------------|
| Hydroelectric/wind (direct purchase in the free market) | 381,185.89          | 401,191.10          | 410,501.53         | 2.32           | 26.58                  |
| Biomass (eucalyptus reforestation)                      | 1,090,888.96        | 1,114,898.44        | 1,130,846.72       | 1.43           | 73.21                  |
| Biodiesel B100  | 1,522.44            | 1,239.30            | 1,197.52           | -3.37          | 0.08                   |
| Photovoltaic  | -                   | 359.20              | 439.49             | 22.35          | 0.03                   |
| <b>Total</b>  | <b>1,473,597.30</b> | <b>1,519,709.04</b> | <b>1,542,891.7</b> | <b>1.64</b>    | <b>100.00</b>          |

We seek **clean and intelligent solutions for our production**, regarding the use of energy, **evolving every day** in the implementation and **energy self-sufficiency.**



## Total energy consumed, in joules or multiples

| GRI 302-1

| Total energy consumed (GJ)–<br>Type of consumption | 2020         | 2021         | 2022         |
|--|--------------|--------------|--------------|
| Electricity consumption                            | 396,410.29   | 413,584.06   | 421,633.21   |
| Consumption with heating                           | 4,560.37     | 5,250.97     | 4,639.42     |
| Cooling consumption                                | -            | -            | -            |
| Consumption with steam                             | 1,090,888.96 | 1,114,898.44 | 1,118,940.14 |

## Total energy consumption within the Organization, according to source, in joules or multiples

| GRI 302-1

| Total energy consumed (GJ) –<br>Consumption within the Organization | 2020                | 2021                | 2022                |
|---|---------------------|---------------------|---------------------|
| Non-renewable sources   | 18,169.25           | 16,297.56           | 14,230.31           |
| Renewable sources   | 1,473,597.30        | 1,517,328.84        | 1,542,891.70        |
| <b>Total energy consumed</b>  | <b>1,491,859.62</b> | <b>1,533,733.46</b> | <b>1,557,121.97</b> |

## Energy Intensity

Considering the consumption inside the Organization, we had:

| GRI 302-3

| GJ/ton produced                                    | 2020         | 2021         | 2022         | Difference (%) |
|--|--------------|--------------|--------------|----------------|
| Energy consumption (GJ)                            | 1,492,512.00 | 1,533,695.00 | 1,557,121.97 | 1.5            |
| Products produced (ton produced)                   | 226,276.48   | 240,267.42   | 255,253.11   | 6.2            |
| <b>Energy Intensity Rate<br/>(GJ/ton produced)</b> | <b>6.596</b> | <b>6.383</b> | <b>6.100</b> | <b>-4.4</b>    |

With the increase in slaughter volume in the Nova Veneza unit, we had an increase in efficiency, especially in steam and electricity consumption, with a stabilization in energy consumption and an increase in productivity of 6%.

Internal environmental indicators were created, including energy intensity. These indicators are monitored monthly and presented to the Board so that, if deviations occur, they can be corrected or appropriate actions can be taken.

| GRI 302-4

As we are in continuous growth and expansion, with a gradual increase in the volume of poultry slaughtered, this influences the productive progress in the whole chain. But, if we observe the **Energy Intensity Rate** per ton produced, we obtained a **consumption reduction of 4.4%**, due to the final production increase of 6.2%.

Regarding **consumption reduction**, we are committed to energy management with full time monitoring of wood chip and electricity consumption, in addition to optimizing and mitigating the need for consumption of fossil fuel sources.

In 2022, we **installed and started operating a second photovoltaic plant**, this one installed at the Nova Veneza unit, to supply the energy consumption with well water capture, reducing the need to purchase it.

We also **achieved a significant reduction in diesel consumption** at the Nova Veneza unit, with the purchase of energy on the free market, going from a monthly average of 6 thousand liters at peak times to 3 thousand liters.

On a daily basis, we also maintain **energy efficiency studies in all plants**. We are convinced that a **good management of electric energy involves reducing waste**.



## Materials used

| GRI 3-3 301 (301-1/301-2)

Regardless of the continued use of the so-called traditional materials in our operations, we have sought, whenever possible, to develop opportunities to increase the participation of inputs or products that come from renewable sources, or that at least have the lowest possible impact on the environment.

In 2022, we used the following materials:

| GRI 301-1

| Renewable materials (per kg)                | 2020               | 2021               | 2022               |
|---|--------------------|--------------------|--------------------|
| Boxes (cardboard)                           | 7,070,372          | 7,257,919          | 7,233,380          |
| Labels (paper)                              | 68,475             | 67,376             | 73,406             |
| Corn/soybean meal/meat meal/<br>soybean oil | 634,714,455        | 647,874,177        | 722,648,155        |
| Firewood/eucalyptus wood chips              | 33,147,429         | 57,539,835         | 49,039,539         |
| <b>Total</b>                                | <b>675,000,731</b> | <b>712,739,307</b> | <b>778,994,480</b> |

| GRI 301-1

| Non-renewable materials (per kg) | 2020             | 2021             | 2022             |
|----------------------------------|------------------|------------------|------------------|
| Styrofoam trays                  | 185,884          | 175,072          | 222,836          |
| Rolls/film                       | 874,320          | 975,840          | 1,294,076        |
| Plastic bags                     | 697,355          | 657,013          | 680,948          |
| <b>Total</b>                     | <b>1,757,559</b> | <b>1,807,925</b> | <b>2,197,860</b> |

## Used materials from recycling

| GRI 301-2

In the purchase and use of raw materials for the slaughterhouse (bags, plain and printed films, cardboard boxes, trays and labels), part of the composition of these materials is from recyclable origin. In 2022, considering a total weight of 9,504,647 of these materials, 2,531,683 were of recyclable origin. It means **26.64% of purchases of the primary and secondary packaging group come from recyclable materials.**

| Used materials coming from recycling                   | 2020         | 2021         | 2022         |
|--|--------------|--------------|--------------|
| Total recycled material used (per kg)                  | 2,474,630    | 2,540,271    | 2,531,683    |
| Total plastic packaging, cardboard and labels (per kg) | 8,896,397    | 9,133,222    | 9,504,647    |
| <b>Percentage of recycled material used (%)</b>        | <b>27.82</b> | <b>27.81</b> | <b>26.64</b> |

## Waste Management

| GRI 3-3 301 (301-3), 3-3 306 (306-1/306-2/306-3/306-4/306-5)

We have a **Waste Management Program** that foresees the continuous reuse, whenever possible, of materials and equipment, in line with the concepts of **circular economy**, as well as the reduction of inefficient consumption of natural resources and the recycling and/or recovery of by-products from our production process and other materials. This provides us with optimization in manufacturing processes, with less dependence on virgin raw materials, prioritizing more durable, recyclable and renewable inputs.

In the case of **solid waste**, they are collected and separated, in the units, by means of a **selective collection process** in each activity or sector. From there, they are destined to the **Waste Centers**, which receive the residues from the units, carry out the sorting and separate them according to their physical and chemical characteristics. It is worth pointing out that the principles of the 3Rs (reduce, reuse, and recycle) are always respected, focusing mainly on the reuse of materials. These Waste Centers are also responsible for storing hazardous waste, as well as for its correct disposal.

Thus, we **focus solid waste management on the mitigation and circularity of waste**. To this end, we have developed monitoring indicators that allow us to have a strategic mapping of 100% of our waste. In 2022, we increased our management scope, also including the waste generated from gardening and civil construction in the monitoring.



In 2022 we reached a **95% circularity index for our waste**, that is, waste that has been reused internally or sent to chains that have reused it in some way, through recycling or use as raw materials.

In terms of volume of waste generation, **our largest generation corresponds to the slaughterhouse by-products**. The residues from the slaughterhouses go through animal recycling internally, being transformed into meal and viscera oil. A good part of this waste is destined for our feed mill, increasing the nutritional value of the birds and reducing costs with the purchase of inputs. Of the remainder, which is not used internally, a significant part is destined for the pet food chain.

Another important point to be highlighted is the **organic composting project**, which since 2017 transforms our organic waste into organic compost, which is used to fertilize crops in the region.

With regard to the **reduction of packaging consumption**, we observed in our mapping a large volume of discarded packaging originating from primary packaging, in addition to the generation of dirty chips by stapling products. We have focused efforts on replacing the current technology with a packaging sealing system, avoiding the generation of waste and providing more food safety to consumers.

Finally, we have the **scrap metal**. Scrap management is carried out through the Waste Centers, which assess the possibility of reuse in other sectors. When there is no more possibility of reuse, these materials are sold to companies for recycling. It is important to reinforce that we work with the concept of selective collection, by which we encourage our employees to separate the waste by type, which are later sent to the Waste Centers.

## Waste generation and classification flow and management of the resulting impacts

| GRI 306-1, 306-2

About the **management flows of generation and classification of residues**, we highlight:

- **Live poultry** are managed by our Animal Protein team and have as final stage the slaughterhouses.
- The **residues generated** in the production of feed, eggs, bred breeds and egg incubation are managed in internal processes.
- And the **residues generated** in the broiler units are managed by the partners themselves, with our guidance and assistance.
- The **residues generated are classified** by the selective collection process and forwarded to the Waste Centers.
- **All the activities and processes that generate waste**, including packaging, directly linked to the company are managed by a multidisciplinary team that is also trained and qualified in waste management.
- Purchases **of primary and secondary packaging** are managed by the Supplies team, which meets the demand generated by the Production teams and the Commercial team. These packages serve intermediate customers (supermarkets, emporiums, etc.) and end customers (consumers).

In 2022, the revenue from **waste and scrap sales** was **50% higher** than the previous year, reaching an amount of almost **R\$155 million**.

○ **The waste generated during the activities and internal processes for the production of finished products is managed internally** and sent to various partners and/or reused internally, and is **classified according to its physical characteristics**:

- **Discards** – Waste generated that does not have forms of reuse, recycling or other more viable treatments, being classified as hazardous or non-hazardous.

- **Organic** – Waste that, due to its physical and chemical characteristics, is destined to treatment with organic composting, within the concepts of circular economy, mainly with the use of compost as organic fertilizer, in partners, in the production of grains. **We destine 100% of our organic residues from production processes to composting.**

- **Animal recycling** – Waste generated from slaughterhouse by-products that undergo physical treatment and, in the case of fatty oils, physical-chemical treatment in the ETE. Later, they are destined to the nutritional composition of birds (internal) and other animals, in the case of meal and oil, and for the manufacture of biofuels, in the case of viscera oil and fatty oils.

- **Scrap** – Waste intended for internal reuse or for sale to partners, with the intention of recycling or reuse.

○ All **finished products** (product and packaging) leave the Company destined for customers. Due to the logistical difficulty in recovering the residues generated in the processing by the final consumer, the residues generated by the latter do not return to the Company for treatment. Thus, this final destination of the residues generated is the responsibility of the consumer.

As for **impact management**, we can point out:

- The waste generated originating from **slaughterhouse by-products** has always had great attention from our managers involved, in view of the significant environmental impact that can happen if there is no treatment or correct destination for this waste. We have opted, since the 2000's, to perform the treatment (animal recycling) internally, as mentioned before, which results in internal reuse (by the circular economy concepts) and financial return with the sale of what is not reused internally. This results in positive social and environmental impacts.

- Regarding the **organic residues**, we have developed a commercial partner that receives 100% of the generated residues, allowing the regionalized treatment of the residues, by means of organic composting. This partner performs the treatment and resells the compost to farms in the region, which use it in crops, mainly soybeans and corn, thus inserting this waste in the premises of the circular economy.

- The **discard residues**, which cannot be reused, recycled or treated in any other way, are destined to landfill, mainly common waste, being sent to an accredited and licensed landfill.

- The **scrap waste** goes through an evaluation before being destined to qualified partners. The scrap metal is used to the maximum, and only the residues that are not viable to be used are sold. Packaging waste is sold whenever it cannot be reused, as is the case with containers, buckets, and jerry cans. The partners that acquire these products use them for a variety of purposes, either reusing or recycling.



## Recycling Friend in the city of Itaberaí

We started, with Itaberaí's Pestalozzi Association, a socio-environmental project, aiming to increase the recycling rate of materials in the municipality and at the same time generate values that can be reverted to the association's social projects.

With this, a pilot project called **Friendly Recycling** was developed. This project receives support from schools and companies in the city that, by means of internal environmental education actions, manage to collect and dispose of materials, within the scope of the project.

### Total waste generated

| GRI 306-3

#### Total volume of solid waste generation (in tons)

| Type of waste       | 2021             | 2022             | Difference (%) | Representativeness (%) |
|---------------------|------------------|------------------|----------------|------------------------|
| Hazardous waste     | 129.47           | 157.92           | 22.0           | 0.18                   |
| Non-hazardous waste | 79,764.74        | 86,484.74        | 8.4            | 99.82                  |
| <b>Total</b>        | <b>79,894.21</b> | <b>86,642.66</b> | <b>8.4</b>     | <b>100.00</b>          |

#### Total volume of solid waste generation (in tons)

| Type of waste                                   | 2021             | 2022             | Difference (%) | Representativeness (%) |
|---|------------------|------------------|----------------|------------------------|
| Hazardous waste – Incineration                  | 129.47           | 142.39           | 10             | 0.2                    |
| Hazardous waste – Decontamination               | 0.33             | 0.36             | 9              | 0.0004                 |
| Hazardous waste – Re-refining                   | 12.58            | 15.17            | 21             | 0.018                  |
| Non-hazardous waste – Poultry feed (internal)   | 37,993.97        | 41,481.11        | 9              | 47.9                   |
| Non-hazardous waste – Composting                | 23,090.47        | 23,060.15        | -0.1           | 26.6                   |
| Non-hazardous waste – Pet food                  | 13,842.57        | 15,658.88        | 13             | 18.1                   |
| Non-hazardous waste – Biofuels                  | 2,819.25         | 2,605.37         | -8             | 3.0                    |
| Non-hazardous waste – Reuse or recycling        | 1,229.01         | 1,349.21         | 10             | 1.6                    |
| Non-hazardous waste – Landfill                  | 600.87           | 1,855.90         | 209            | 2.1                    |
| Non-hazardous waste – Energy generation (steam) | 189.6            | 474.12           | 150            | 0.5                    |
| <b>Total</b>                                    | <b>79,894.21</b> | <b>86,642.66</b> | <b>8</b>       | <b>100.0</b>           |

### Waste not destined for final disposal

| GRI 306-4

Of the total volume (86,642.66 tons) of solid waste generated in 2022, **84,359.88 tons (about 97%) had some form of reuse (internal or external).**

#### Total volume of solid waste generation (in tons)

| Type of waste              | 2022             | Representativeness (%) |
|----------------------------|------------------|------------------------|
| Type of waste              | 15.56            | 0.02                   |
| Hazardous waste            | 84,344.32        | 99.98                  |
| <b>Non-hazardous waste</b> | <b>84,359.88</b> | <b>100.00</b>          |



### Waste for final disposal

| GRI 306-5

In 2022, 1,998.29 tons of waste were destined for disposal outside the Company, of which:

- 142.39 tons incinerated.
- 1,855.90 tons landfilled.
- 1,919 lamps decontaminated.

#### Hazardous waste for disposal

| Treatment                                  | 2021   | 2022   | Disposal destination |
|--|--------|--------|----------------------|
| Incineration – With energy recovery (t)    | 0.00   | 0.00   | Off-site             |
| Incineration – Without energy recovery (t) | 129.47 | 142.39 | Off-site             |
| Landfill (t)                               | 0.00   | 0.00   | Off-site             |
| Others – Re-refining (t)                   | 12.58  | 15.17  | Off-site             |
| Others – Decontamination of lamps (unit)   | 1,714  | 1,919  | Off-site             |

#### Non-hazardous waste for disposal

| Treatment                              | 2021   | 2022     | Disposal destination |
|--|--------|----------|----------------------|
| Incineration – With energy recovery    | -      | -        | Off-site             |
| Incineration – Without energy recovery | -      | -        | Off-site             |
| Landfill                               | 600.87 | 1,855.90 | Off-site             |
| Others                                 | -      | -        | Off-site             |

Note: There was an increase of more than 200% in the volume of waste going to landfills, due to the inclusion, in 2022, of data from civil construction and gardening waste.

### Waste and packaging recovered internally

| GRI 301-3

| Products and packages recovered internally                    | 2021             | 2022             |
|---|------------------|------------------|
|   | Volume (t)       | Volume (t)       |
| Organic waste for power generation with burning in the boiler | 189.6            | 474.12           |
| Waste from animal recycling for internal feed mill            | 37,993.97        | 39,053.14        |
| <b>Total</b>  | <b>38,183.57</b> | <b>39,527.26</b> |

### Waste and scrap for sale

In 2022, the revenue from sales of waste and scrap was 50% higher than the previous year, reaching an amount of almost **R\$155 million**.

| Products and packaging intended for sale | 2021            |                       | 2022             |                       | Difference (%) |
|--|-----------------|-----------------------|------------------|-----------------------|----------------|
|  | Volume (t)      | Value (R\$)           | Volume (t)       | Value (R\$)           |                |
| Organic waste                            | 22,945.7        | 685,505.25            | 23,060.15        | 740,118.71            | 8              |
| Animal recycling waste for pets          | 14,147.1        | 86,438,516.95         | 18,086.85        | 135,413,634.70        | 57             |
| Waste from animal recycling for biofuels | 2,825.8         | 13,437,938.25         | 2,605.37         | 15,855,207.00         | 18             |
| Scrap metal                              | 1,241.7         | 2,534,898.20          | 1,364.74         | 2,790,568.76          | 9              |
| <b>Total</b>                             | <b>41,160.3</b> | <b>103,096,858.65</b> | <b>45,116.74</b> | <b>154,799,529.17</b> | <b>50</b>      |

The large volume of **recovered waste** and waste and scrap sold demonstrates the **high degree of reuse of our waste**, considering that the rest of the **waste generated is used in our internal processes**, that is, practically nothing is lost.



## Being aware of climate change – Emissions

| GRI 3-3 305 (305-1/305-2/305-3/305-4/305-5/305-6/306-7)

We are permanently attentive to issues involving climate change and the possible impacts it may have on our daily lives, on economic activity in general, and on our operations. **In 2022, we in-depth studies of this subject studies on the subject.**

To align ourselves with the best business practices, we **integrated the GHG Protocol Program**, with the objective of identifying, measuring and managing, based on action plans, our GHG emissions. In the inventory preparation, we use methods made available by the Intergovernmental Panel on Climate Change (IPCC) and by the Brazilian GHG Protocol Program itself.

We have **emission monitoring indicators that are controlled on a monthly basis** and reported to the Board of Directors. Whenever there is any deviation in the results, action plans are drawn up and/or decisions are made.

For example: the control of emissions in boilers and grain dryers occurs in loco, by operators, by means of modern metrology and proper equipment. Annual monitoring of environmental parameters such as particulate matter (PM) and nitrogen oxide (NOx) is also carried out.

Another important point **is that there is a reduction of atmospheric emissions in the ETE - Primary System**, which among other functions was also built to enable the reduction of atmospheric emissions, with a potential reduction of up to 55 thousand t/CO<sub>2</sub> per year. We also have a project for the implementation of the activated sludge system, which will enable a 25% reduction in total emissions through its implementation.



## Gold Seal

For the first time in our trajectory we received the **Gold Seal in 2022, from the GHG Protocol Program**, for the 2021 Emissions Inventory, and we will try to keep it in 2023 (in relation to the 2022 information), which reinforces our commitment to the reduction of greenhouse gases (GHG).

We sought the Gold Seal in order to achieve greater reliability for the data reported by our emissions inventory, through accreditation by an external entity. With this seal, we can prove the veracity of the data and develop new metrics, indicators, and mitigation actions.

The seal means that, in our activities, we identify, measure and manage, by means of action plans, the GHG emissions. It is the highest recognition granted to organizations that present, in a complete and audited manner, the balance of their emissions duly verified, proving their efforts to reduce environmental impacts.

In the day-to-day management of emissions, we carry out the quantification of our **Scope 1** (direct emissions of the Company), **Scope 2** (emissions from energy use) and **Scope 3** (external emissions to the Company) emissions and we develop an **Atmospheric Emissions Inventory**.

This seal initiative is the beginning of a larger planning, in order to define our goals and strategies to become a CO<sub>2</sub> free company.

The Gold Seal reaffirms our commitment to sustainability and allows the recognition and identification of new opportunities to reduce GHG emissions, in line with global best practices.

## Despoluir Project

We can also highlight, in 2022, the continuity of our partnership with the **Environmental Transport Project Despoluir**, an initiative of the National Confederation of Transport (CNT), the Social Service for Transport (Sest), and the National Service for Learning in Transport (Senat), which started the verification of CO<sub>2</sub> emissions related to our vehicle fleet.

According to the project, 10% of our fleet will be covered in 2021 and **52% in 2022**. To meet the target of 100% of our own and partners' fleet, we will increase the monitoring dates in the units, with three dates for the slaughterhouses and two dates for the other units.

The main objective is to reinforce, with the participating partners, the importance of the awareness of the need for preventive and predictive maintenance in the fleets. The measurement of the smoke levels is a relevant indicator of the correct functioning of the vehicles. With this initiative, we seek to reduce fuel consumption and improve fleet maintenance.



## Total emissions

### Direct emissions (Scope 1)

In the 2022 inventory, the total direct emissions (Scope 1) of GHG, in metric tons of CO<sub>2</sub> equivalent, was **30,114.977 tCO<sub>2</sub>e**.

It is important to remember that the inventory always refers to the previous year, that is, the 2022 inventory includes data from 2021.

### Direct emissions (Scope 1)

| GRI 305-1

| GHG              | Tons of gas |           | Tons of CO <sub>2</sub> equivalent |                   |
|------------------|-------------|-----------|------------------------------------|-------------------|
|                  | 2021        | 2022      | 2021                               | 2022              |
| CO <sub>2</sub>  | 2,359.976   | 2,115.921 | 2,359.976                          | 2,115.921         |
| CH <sub>4</sub>  | 579.958     | 933.356   | 14,498.950                         | 26,133.968        |
| N <sub>2</sub> O | 9.118       | 7.009     | 2,717.164                          | 1,857.385         |
| HFC              | 0.028       | 0.056     | 58.237                             | 7.703             |
| <b>Total</b>     |             |           | <b>19,634.327</b>                  | <b>30,114.977</b> |

Source of emission factors and global warming potential (GWP) indices used for reporting:

| Treatment        | 2021  |
|------------------|-------|
| CO <sub>2</sub>  | 1     |
| CH <sub>4</sub>  | 21    |
| N <sub>2</sub> O | 310   |
| HFC              | 2,100 |

We created, in 2022, an environmental indicator called **Balance of Atmospheric Emissions**, as a constant monitoring parameter, which allows the Board of Directors to make decisions regarding new investments, considering that taxes related to this topic may be created in the near future. In addition, with this indicator it will be possible to facilitate the choice of technologies, directing the projects to a cleaner future level. Also through this monitoring, we can develop projects to mitigate the largest generators, as in the case of the ETes.

### Indirect emissions (Scope 2)

| GRI 305-2

The total of indirect emissions (Scope 2) was **14,038.680 tCO<sub>2</sub>e**, based on the acquisition of electricity from the National Interconnected System (SIN). In the previous inventory, the total was 6,518.346 tCO<sub>2</sub>e.

The representative increase in the generation of CO<sub>2</sub> was due exclusively to the greater use of thermoelectric plants by the national system, in view of a stabilized energy consumption between the years (organic increase, in 2020-2021, of 5% in energy consumption and 115% in the volume of emissions). In 2021 (remembering that the Emissions Inventory always contemplates data from the previous year, i.e., the 2022 Inventory contemplates data from 2021), the historical drought that afflicted the country caused the SIN to use large volumes of energy generated in thermoelectric plants, which justifies the significant increase when compared to 2020.

Observations:

We use large volumes of steam and cooling. However, since it is self-produced, these emissions enter as Scope 1.

We have our own electric power generating systems, but the fuel consumption, in this case, enters as Scope 1.

### Other indirect emissions (Scope 3)

| GRI 305-3

In the 2022 Inventory, the total of other indirect emissions (Scope 3) of GHG, in metric tons of CO<sub>2</sub> equivalent, was **5,138.602 tCO<sub>2</sub>e**. In the previous inventory, the total was 13,023.023 tCO<sub>2</sub>e.

| Disaggregated Scope 3 emissions, by category | Emissions (tCO <sub>2</sub> e) |           | Biogenic CO <sub>2</sub> emissions (tCO <sub>2</sub> e) |         | Removals of biogenic CO <sub>2</sub> (tCO <sub>2</sub> e) |      |
|--|--------------------------------|-----------|---|---------|---|------|
|  | 2020                           | 2021      | 2020  | 2021    | 2020  | 2021 |
| Transport and distribution (upstream)        | 13,023.02                      | 5,138.602 | 1,578.094   | 593.584 | -   | -    |
| Total  | 13,023.02                      | 5,138.602 | 1,578.094   | 593.584 | -   | -    |

The reporting of this scope was limited to the fuel consumption of the transport trucks. Therefore, only CO<sub>2</sub> emissions were reported. For this cycle, the fuel consumption was reported by fueling control at our own gas station.

Because it is biodiesel consumption, we had, in this cycle, a biogenic emission of 593.584 tCO<sub>2</sub>e.

The significant change from one cycle to the other refers to the fact that an auditing company certified by the National Institute of Metrology, Quality and Technology (Inmetro) was hired, which led to an improvement in data compilation. Therefore, we had a difference in the collection and presentation of information.

### GHG emissions intensity

| GRI 305-4

The GHG Emissions Intensity Index, for the Organization, was **0.184 tCO<sub>2</sub>e/ton produced**. In the previous Inventory, the index was 0.116 tCO<sub>2</sub>e/ton produced.

The specific metric chosen was the volume of emissions divided by the finished produced tons of poultry meat.

Direct emissions (Scope 1) and indirect emissions (Scope 2) were included in the calculation, considering the need for greater maturity of our Scope 3 data.

The increase in the intensity of GHG emissions was due mainly to the increase in emissions from the energy matrix and the improvement in inventory reporting, with the monitoring of effluent data being done per unit. In the previous cycle, the data were unified; with separate reporting, data reliability was increased.

### Reduction of GHG emissions

| GRI 305-5

The implementation of **Clean Development Mechanism (CDM)**, by means of a physical-chemical system, provided a **GHG** reduction estimated in **55,583 tons** of CO<sub>2</sub> annually. The physical-chemical system removes organic matter, which was previously destined directly to anaerobic lagoons, preventing the generation of **methane gas (CH<sub>4</sub>)** and **carbon dioxide (CO<sub>2</sub>)**. This organic material is transformed into fuel, replacing the wood chips in the boiler. The basis for the calculation is the reduced Biological Oxygen Demand (BOD) value, when comparing the input and output of the physical-chemical system. Monthly analyses are performed in an external laboratory with Inmetro certification.

The **base year for the calculation was 2012**, when the anaerobic lagoons were replaced by the physical-chemical system Dissolved Air Flotation (DAF).

### Emissions of substances that destroy the ozone layer

| GRI 305-6

**We do not use gases of the chlorofluorocarbon (CFC) type**. The gas we use as a substitute is HCFC22 (R-22), which has at least five times less GHG emission potential. In the base inventory, **1,256.839 tCO<sub>2</sub>e** were emitted. In the previous inventory, the emission was 1,304.65 tCO<sub>2</sub>e of this gas.

Additionally, the most commonly used gas for our refrigeration systems is ammonia (NH<sub>3</sub>), which has infinitely lower GHG emission potential.

## Emissions of NOx, SOx and other significant atmospheric emissions

| GRI 305-7

We have **particulate material and NOx** emissions in our activities, but they are not representative and are monitored by a qualified external company. Emissions were analyzed in the boiler at the Itaberaí unit and in the boiler at the Nova Veneza unit. In this inventory, the chimney discharges from the Icavi dryer in the general warehouse of the Itaberaí unit were not measured, due to its low use in the drying of grains.

These emissions were well below the maximum value of emissions allowed by law for this equipment, according to Conama's Resolution No. 382/2006. They represented 39.12% of the maximum allowed value.



## Biodiversity

In our units we are always thinking about how to preserve nature and natural resources and how to avoid and/or mitigate environmental impacts.

To manage our initiatives in biodiversity, we count on the **Biodiversity Management Program**, which aims to encourage the preservation or conservation of native forest areas and to boost the expansion of the diversity of species, habitats and ecosystems, as well as the integrity of the ecological functions, by means of actions, monitoring and encouraging the adoption of sustainable projects.

In the Itaberaí unit, for example, we have an area, close to our operations, of 100 hectares. Over 30 years, we have worked to recover this area, first with a focus on protecting the river banks and animals, and later on restoring its habitat. Within this area, we have 75 hectares protected, in recovery or preserved, which will not be destined to construction and/or expansion of our unit.

In the attention to biodiversity, we invest in processes that minimize the consumption of natural resources and we count on initiatives such as:

- **Preservation or conservation of native forests.**
- **Recovery of springs and ciliary forests.**
- **Support for the recovery of the Rio das Pedras.**
- **Forest development** – pfor planting eucalyptus.
- **Plantar (Planting) Project** – for planting native seedlings in the surroundings of the Rio das Pedras.
- **Sustainable Agriculture Project.**

This shows our concern with the environment and the care taken to avoid soil, water, and air contamination, based also on risk management processes.

All of our units, structures and operations are located in the municipalities of Itaberaí (largest concentration), São Francisco and Nova Veneza, in the state of Goiás, areas with a high biodiversity index.

## Predominant Biome: Cerrado

In the areas close to our operations, **the predominant biome is the Cerrado**. In this region, in terms of vegetation cover, grasses, sparse trees, and isolated shrubs or bushes or in small groups predominate. It is important to point out, therefore, that **we do not have any type of operation in the Amazon region**.

**The breeding unit of the Matrizeiro Project is close to the Serra Dourada State Park**, which is a preservation area, with several attractions and points of natural scenic beauty such as waterfalls, rocky outcroppings and diversity of vegetation and fauna, constituting a true ecological heritage for the state of Goiás.

In turn, the **matrix production unit is close to the Serra de Jaraguá Ecological Park**, where two archeological sites of great relevance for studies in the area can be found, sites that have been registered by the National Artistic and Historical Heritage Institute (Iphan), in addition to a strip of Cerrado still preserved, with walls and canyons suitable for the practice of extreme sports.

We invested in the project for the **Recovery of the Permanent Preservation Areas of the Rio das Pedras**, a spring of fundamental importance for the municipality of Itaberaí and for the continuity of our production processes. This project, in its first stage, provides for the recovery of a polygon of 57 hectares of native forest.

The main objectives of the project for the **Recovery of the Permanent Preservation Areas** of the Rio das Pedras are:

- Reforest the native vegetation of the Rio das Pedras watershed, around springs, rivers, streams and other sensitive areas.
- Regularize the properties that need to comply with the Forestry Code, to avoid fines and charges.

## No to deforestation

We remind you that one of our goals in the coming years is to achieve a supply chain totally free of deforestation. To this end, we are conducting the implementation of a due diligence process with our suppliers and partners.

## Some highlights in 2022

- We carried out **forest restoration**, with 1,537 seedlings, in a 3 hectare area on the **Rio das Pedras Farm**, which is located on the outskirts of the city of Itaberaí and which we acquired in 2021, for the installation of a water catchment area and subsequent expansion of the hatchery's production capacity. The farm has 32 hectares.
- For the **Riverhead Recovery Project**, 15,600 seedlings were purchased, which will be used throughout 2023. During 2023, we will accompany the expansion of the project, by measuring and monitoring the locations where the seedlings will be planted.
- Also with regard to the recovery of springs, the Itaberaí City Hall presented a **specific project to recover the springs of the Rio das Pedras that supplies the slaughterhouse and the units of the animal protein complex**. The intention is to guarantee that no future hydric stresses occur, allowing the growth of the future water consumption of the city of Itaberaí.

## Environmental education

It is also worth mentioning that in 2022 we had the participation of more than 900 students from schools in the region, in addition to volunteers, in environmental education actions and the planting of 2,000 seedlings, including participation in the Virada Ambiental project, an initiative of the Federal University of Goiás (UFG) in partnership with the Itaberaí City Hall.



# Outlook



Even with the volatile scenario in Brazil and worldwide, with production costs still impacting operating margins, high interest rates, and inflation still not under control, **we remain firm in our growth journey**. We believe that the heating up of domestic and foreign sales will continue in the coming years, and we are prepared to seize the opportunities.

And, when we talk about growth, it is not only the organic growth and the expansion of industrial activities. We are also attentive to inorganic growth opportunities, such as acquisitions or partnerships.

We also permanently monitor other important issues, such as the evolution of the war in Ukraine and the advance of avian influenza in Brazil's neighboring countries.

We started the year 2023 with a conservative projection, but even so we plan to invest around **R\$209 million, of which R\$190 million in growth and expansion projects**, focused on efficiency, quality, health, and sustainability. **Among the planned investments, we highlight:**

- Expansion of the Nova Veneza Unit.
- Conclusion of the Hybrid Energy Project of Nova Veneza.
- Completion of the Industrialized Project (sausages, breaded and sliced products), with full production in the new plant.
- Conclusion of the Production Capacity Expansion Project of the Broiler Feed Factory in Itaberaí.
- Implementation of the Automatic Deboning Project at the Itaberaí unit.
- Expansion of the Corporate Administrative Center at the Itaberaí unit.

Still in **2023, we will continue investing in the increase of integrated and poultry farms and we will start our project of implementing the SAP S/4Hana system**, aiming to strengthen our processes, making them more robust and ready for the next growth challenges.

With the innovations promoted in our processes and facilities, the strengthening of our Cultural Architecture and the new management and governance model, we have created the necessary basis to continue expanding our operations and evolving our processes, and offer everything that the market demands from a company with a level of excellence. Each year, we establish strong foundations to ensure the constant evolution and perpetuity of our operations.





# GRI Summary



## GRI Summary

|  |   |
|--|---|
| <b>Statement of use</b>                  | São Salvador Alimentos S.A. has reported in accordance with the GRI Standards for the period of 01/01/2022 to 31/12/2022. |
| <b>GRI 1 used</b>                        | GRI 1: Foundation 2021  |
| <b>Applicable GRI Sector Standard(s)</b> | Food  |

| GRI Standard/<br>other source         | Content  | Page/<br>response                             | SDG ref.<br>NO. |
|---------------------------------------|--|---|-----------------|
|                                       | 2-1 Organizational details   | 19, 24 and 127                                |                 |
|                                       | 2-2 Entities included in the organization's sustainability reporting             | 4 and 5                                       |                 |
|                                       | 2-3 Reporting period, frequency and contact point                                | 4 and 5                                       |                 |
|                                       | 2-4 Restatements of information  | Not applicable.                               |                 |
|                                       | 2-5 External assurance   | 4 and 5                                       |                 |
|                                       | 2-6 Activities, value chain and other business relationships                     | 19, 24, 25, 26, 30, 32, 47, 50, 62, 64 and 81 |                 |
| GRI 2:<br>General disclosures<br>2021 | 2-7 Employees  | 67 and 68                                     | 8 and 10        |
|                                       | 2-8 Workers who are not employees  | 67 and 69                                     | 8               |
|                                       | 2-9 Governance structure and composition   | 35  | 5 and 16        |
|                                       | 2-10 Nomination and selection of the highest governance body                     | 35 and 36                                     | 5 e 16          |
|                                       | 2-11 Chair of the highest governance body  | 35  | 16              |
|                                       | 2-12 Role of the highest governance body in overseeing the management of impacts | 35 and 36                                     | 16              |
|                                       | 2-13 Delegation of responsibility for managing impacts                           | 35 and 36                                     |                 |



| GRI Standard/<br>other source            | Content  | Page/<br>response                                | SDG ref.<br>NO. |
|--|--|--|-----------------|
| GRI 2:<br>General<br>disclosures<br>2021 | 2-14 Role of the highest governance body in sustainability reporting | 4 and 5  |                 |
|  | 2-15 Conflicts of interest   | 35 and 41  | 16              |
|  | 2-16 Communication of critical concerns                              | 35, 40 and 42                                    |                 |
|  | 2-17 Collective knowledge of the highest governance body             | 35 and 36  |                 |
|  | 2-18 Evaluation of the performance of the highest governance body    | 35 and 37  |                 |
|  | 2-19 Remuneration policies   | 35 and 37  |                 |
|  | 2-20 Process to determine remuneration                               | 35, 37,<br>67 and 70                             |                 |
|  | 2-21 Annual total compensation ratio                                 | 67 and 71  |                 |
|  | 2-22 Statement on sustainable development strategy                   | 10 and 13  |                 |
|  | 2-23 Policy commitments  | 35, 37, 41, 65, 67, 76, 81,<br>82, 86, 88 and 89 | 16              |
|  | 2-24 Embedding policy commitments                                    | 33   | 16              |
|  | 2-25 Processes to remediate negative impacts                         | 40   | 16              |
|  | 2-26 Mechanisms for seeking advice and raising concerns              | 35 and 40  | 16              |
|  | 2-27 Compliance with laws and regulations                            | 35 and 41  |                 |
|  | 2-28 Membership associations   | 35 and 45  |                 |
|  | 2-29 Approach to stakeholder engagement                              | 7 and 9  |                 |
|  | 2-30 Collective bargaining agreements                                | 67, 70 and 72                                    | 8               |

| GRI Standard/<br>other source                          | Content  | Page/<br>response                   | SDG ref.<br>NO.   |
|--|--|-------------------------------------|-------------------|
| <b>Material topics</b>                                 |  |                                     |                   |
| GRI 3:<br>Material<br>topics 2021                      | 3-1 Process to determine material topics   | 7                                   |                   |
|  | 3-2 List of material topics  | 7                                   |                   |
| <b>Economic performance</b>                            |  |                                     |                   |
| GRI 3: Material<br>topics 2021                         | 3-3 Management of material topics  | 48                                  | -                 |
| GRI 201:<br>Economic<br>performance<br>2016            | 201-1 Direct economic value generated and distributed                                | 48 and 86                           | 8 and 9           |
|  | 201-2 Financial implications and other risks and opportunities due to climate change | 42 and 48                           | 13                |
| <b>Indirect economic impacts</b>                       |  |                                     |                   |
| GRI 3: Material<br>topics 2021                         | 3-3 Management of material topics  | 28, 29,<br>56 and 86                |                   |
| GRI 203:<br>Indirect<br>economic<br>impacts 2016       | 203-1 Infrastructure investments and services supported                              | 28, 29,<br>56 and 86                | 5, 9 and 11       |
|  | 203-2 Significant indirect economic impacts  | 28, 29,<br>56 and 86                | 1, 3 and 8        |
| <b>Procurement practices</b>                           |  |                                     |                   |
| GRI 3: Material<br>topics 2021                         | 3-3 Management of material topics  | 81                                  |                   |
| GRI 204:<br>Procurement<br>practices<br>2016           | 204-1 Proportion of spending on local suppliers                                      | 81                                  | 8                 |
| <b>Materials</b>                                       |  |                                     |                   |
| GRI 3: Material<br>topics 2021                         | 3-3 Management of material topics  | 89, 99<br>and 100                   | 8 and 12          |
|  | 301-1 Materials used by weight or volume   | 89 and 99                           | 8 and 12          |
|  | GRI 301:<br>Materials<br>2016  | 301-2 Recycled input materials used | 89, 99<br>and 100 |
| 301-3 Reclaimed products and their packaging materials |  | 89, 100<br>and 105                  | 8 and 12          |



| GRI Standard/<br>other source     | Content   | Page/<br>response | SDG ref.<br>NO.      |
|-----------------------------------|---|-------------------|----------------------|
| <b>Energy</b>                     |   |                   |                      |
| GRI 3: Material topics 2021       | 3-3 Management of material topics   | 89, 95 and 97     | 7, 8, 12 and 13      |
|                                   | 302-1 Energy consumption within the organization                                      | 89, 95, 97 and 98 | 7, 8, 12 and 13      |
| GRI 302: Energy 2016              | 302-3 Energy intensity  | 89, 95, 97 and 98 | 7, 8, 12 and 13      |
|                                   | 302-4: Reduction of energy consumption  | 89, 95, 97 and 98 | 7, 8, 12 and 13      |
| <b>Water and effluents</b>        |   |                   |                      |
| GRI 3: Material topics 2021       | 3-3 Management of material topics   | 89 and 90         | 6 and 12             |
|                                   | 303-1 Interactions with water as a shared resource                                    | 89 and 90         | 6 and 12             |
| GRI 303: Water and effluents 2018 | 303-2 Management of water discharge-related impacts                                   | 89 and 90         | 6                    |
|                                   | 303-3 Water withdrawal  | 89 to 91, 93      | 6                    |
|                                   | 303-4 Water discharge   | 89 to 91, 94      | 6                    |
|                                   | 303-5 Water consumption   | 89 to 91, 93      | 6                    |
| <b>Emissions</b>                  |   |                   |                      |
| GRI 3: Material topics 2021       | 3-3 Management of material topics   | 89 and 106        | 3, 12, 13, 14 and 15 |
|                                   | 305-1 Direct (Scope 1) GHG emissions  | 89, 106 and 108   | 3, 12, 13, 14 and 15 |
|                                   | 305-2 Energy indirect (Scope 2) GHG emissions   | 89, 106 and 108   | 3, 12, 13, 14 and 15 |
| GRI 305: Emissions 2016           | 305-3 Other indirect (Scope 3) GHG emissions  | 89, 106 and 109   | 3, 12, 13, 14 and 15 |
|                                   | 305-4 GHG emissions intensity   | 89, 106 and 109   | 13, 14 and 15        |
|                                   | 305-5 Reduction of GHG emissions  | 89, 106 and 109   | 13, 14 and 15        |
|                                   | 305-6 Emissions of ozone-depleting substances (ODS)                                   | 89, 106 and 109   | 3 and 12             |
|                                   | 305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions | 89 and 110        | 3, 12, 14 and 15     |

| GRI Standard/<br>other source                | Content   | Page/<br>response | SDG ref.<br>NO. |
|--|---|-------------------|-----------------|
| <b>Waste</b>                                 |   |                   |                 |
| GRI 3: Material topics 2021                  | 3-3 Management of material topics   | 89 and 100        | 3, 6, 11 and 12 |
|  | 306-1 Waste generation and significant waste-related impacts  | 89, 100 and 101   | 3, 6, 11 and 12 |
|  | 306-2 Management of significant waste-related impacts   | 89, 100 and 101   | 3, 6, 11 and 12 |
| GRI 306: Waste 2020                          | 306-3 Waste generated   | 89, 100 and 103   | 3, 11 and 12    |
|  | 306-4 Waste diverted from disposal  | 89, 100 and 104   | 3, 11 and 12    |
|  | 306-5 Waste directed to disposal  | 89, 100 and 104   | 3, 11 and 12    |
| <b>Occupational health and safety</b>        |   |                   |                 |
| GRI 3: Material topics 2021                  | 3-3 Management of material topics   | 67, 76 and 78     | 3, 8 and 16     |
|  | 403-1 Occupational health and safety management system  | 67, 76 and 77     | 8               |
|  | 403-2 Hazard identification, risk assessment, and incident investigation  | 67 and 76         | 8               |
|  | 403-3 Occupational health services  | 67, 76 and 78     | 8               |
|  | 403-4 Worker participation, consultation, and communication on occupational health and safety                       | 67 and 76         | 8 and 16        |
| GRI 403: Occupational health and safety 2018 | 403-5 Worker training on occupational health and safety   | 67 and 76         | 8               |
|  | 403-6 Promotion of worker health  | 67, 76 and 78     | 3               |
|  | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 67, 76 and 77     | 8               |
|  | 403-8 Workers covered by an occupational health and safety management system  | 67, 76 and 77     | 8               |
|  | 403-9 Work-related injuries   | 67, 76 and 78     | 3, 8 and 16     |
|  | 403-10: Work-related ill health   | 67, 76 and 78     | 3, 8 and 16     |



| GRI Standard/<br>other source            | Content   | Page/<br>response | SDG ref.<br>NO. |
|--|---|-------------------|-----------------|
| <b>Training and education</b>            |   |                   |                 |
| GRI 3: Material topics 2021              | 3-3 Management of material topics   | 67 and 73         | 4, 5, 8 and 10  |
| GRI 404: Training and education 2016     | 404-1 Average hours of training per year per employee   | 73                | 4, 5, 8 and 10  |
| <b>Local communities</b>                 |   |                   |                 |
| GRI 3: Material topics 2021              | 3-3 Management of material topics   | 24, 32, 47 and 86 | 1 and 2         |
| GRI 413: Local communities 2016          | 413-1 Operations with local community engagement, impact assessments, and development programs      | 24, 32, 47 and 86 | -               |
|  | 413-2 Operations with significant actual and potential negative impacts on local communities        | 86                | 1 and 2         |
| <b>Supplier social assessment</b>        |   |                   |                 |
| GRI 3: Material Topics 2021              | 3-3 Management of material topics   | 81 to 83          | 5, 8 and 16     |
| GRI 414: Supplier social assessment 2016 | 414-1 New suppliers that were screened using social criteria  | 81 to 83          | 5, 8 and 16     |
| <b>Customer health and safety</b>        |   |                   |                 |
| GRI 3: Material topics 2021              | 3-3 Management of material topics   | 64 and 65         | 16              |
| GRI 416: Customer health and safety 2016 | 416-1 Assessment of the health and safety impacts of product and service categories                 | 100%              |                 |
|  | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | 64 and 65         | 16              |
| <b>Marketing and labeling</b>            |   |                   |                 |
| GRI 3: Material topics 2021              | 3-3 Management of material topics   | 64 and 66         | 12 and 16       |
|  | 417-1 Requirements for product and service information and labeling                                 | 64 and 66         | 12              |
| GRI 417: Marketing and labeling 2016     | 417-2 Incidents of non-compliance concerning product and service information and labeling           | 64 and 66         | 16              |
|  | 417-3 Incidents of non-compliance concerning marketing communications                               | 66                | 16              |

| GRI Standard/<br>other source                            | Content   | Page/<br>response | SDG ref.<br>NO. |
|--|---|-------------------|-----------------|
| <b>Food sector – aspect: healthy and affordable food</b> |   |                   |                 |
|  | FP4 Nature, scope and effectiveness of any programs and practices (in-kind contributions, voluntary initiatives, knowledge transfer, partnerships and product development) that promote access to healthy lifestyles, chronic disease prevention, access to healthy, nutritious food and at an affordable price and improving the well-being of underprivileged communities | 86 and 87         | 3, 12           |
| <b>Food sector – Aspect: Customer Health and Safety</b>  |   |                   |                 |
|  | FP5 - Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management systems  | 34                |                 |
|  | FP6 Percentage of total sales volume of consumer products, by product category, that are lowered in saturated fat, trans fat, sodium and added sugars   | 0%                |                 |
|  | FP7 Percentage of total sales volume of consumer products, by product category, that contain increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals or functional food additives   | 0%                |                 |

| GRI Standard/<br>other source                             | Content   | Page/<br>response | SDG ref.<br>NO. |
|---|---|-------------------|-----------------|
| <b>Food sector – aspect: product and service labeling</b> |   |                   |                 |
|   | FP8 Policies and practices on communication to consumers about ingredients and nutritional information beyond legal requirements  | 64 and 66         |                 |
| <b>Food sector – aspect: animal welfare</b>               |   |                   |                 |
|   | FP10 Policies and practices, by species and breed type, related to physical alterations and the use of anesthetic   | 50, 51 and 53     | 12              |
|   | FP11 Percentage and total of animals raised and/or processed, by species and breed type, per housing type   | 50 and 51         | 12              |
|   | FP12 Policies and practices on antibiotic, antiinflammatory, hormone and/or growth promotion treatments, by species and breed type  | 53                | 12              |
|   | FP13 Total number of incidents of non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling and slaughter practices for live terrestrial and aquatic animals | There wasn't.     | 12              |



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## Independent auditors' limited assurance report on non-financial information included in the Annual and Sustainability Report

(A free translation of the original report in Portuguese, containing the Assurance Report).

To the Board of Directors and Shareholders  
**São Salvador Alimentos S.A.**  
 Itaberaí - GO

### Introduction

We have been engaged by São Salvador Alimentos S.A. ("São Salvador Alimentos" or "Company") to present our limited assurance report on the non-financial information included in the "2022 Annual and Sustainability Report" of the Company, for the year ended December 31, 2022.

Our limited assurance does not extend to prior period information or to any other information disclosed in conjunction with the 2022 Annual and Sustainability Report, including any embedded images, audio files or videos.

### Responsibilities of the Company's management

The management of the Company is responsible for:

- select and establish appropriate criteria for the elaboration of the information contained in the 2022 Annual and Sustainability Report;
- prepare the information in accordance with the criteria and guidelines of the Global Reporting Initiative (GRI - Standards);
- design, implement, and maintain internal control over information relevant to the preparation of 2022 Annual and Sustainability Report that is free from material misstatement, whether due to fraud or error.

### Responsibility of the independent auditors

Our responsibility is to express a conclusion on the non-financial information included in the 2022 Annual and Sustainability Report, based on the limited assurance engagement conducted in accordance with Technical Communication CTO 07/2022 issued by the CFC, and based on NBC TO 3000 - Assurance Engagements other than Audits and Reviews, also issued by the CFC, which is equivalent to international standard ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information, issued by the International Auditing and Assurance Standards Board (IAASB). These standards require compliance by the auditor with ethical requirements, independence, and other responsibilities relating to it, including the application of the Brazilian Quality Control Standard (NBC PA 01)



and, therefore, the maintenance of a comprehensive quality control system, including documented policies and procedures on compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Additionally, the standards require that the work be planned and performed with the objective of obtaining limited assurance that the non-financial information in the 2022 Annual and Sustainability Report, taken as a whole, is free from material misstatement.

A limited assurance engagement conducted in accordance with NBC TO 3000 (ISAE 3000) mainly consists of inquiries to the Company's management and other São Salvador's professionals who are involved in the preparation of information, as well as the application of analytical procedures to obtain evidence that enables us to conclude, in a limited assurance manner, on the information taken as a whole. A limited assurance engagement also requires the performance of additional procedures when the independent auditor becomes aware of matters that lead him to believe that the information disclosed in the 2022 Annual and Sustainability Report, taken as a whole, may present material misstatements.

The procedures selected were based on our understanding of the aspects relating to the compilation, materiality and presentation of the information contained in the 2022 Annual and Sustainability Report, other circumstances of the engagement and our consideration of areas and the processes associated with the material information disclosed in the 2022 Annual and Sustainability Report where material misstatements could exist. The procedures comprised, among others:

- a. planning the work, considering the materiality of the aspects for the Company's activities, the relevance of the information disclosed, the volume of quantitative and qualitative information and the operating and internal control systems that served as a basis for the preparation of the information contained in the 2022 Annual and Sustainability Report.
- b. the understanding of the calculation methodology and the procedures for the compilation of the indicators through inquiries with the managers responsible for the preparation of the information;
- c. the application of analytical procedures on the quantitative information and inquiries on the qualitative information and its correlation with the indicators disclosed in the information contained in the 2022 Annual and Sustainability Report; and
- d. for the cases in which the non-financial data correlate with indicators of a financial nature, the confrontation of these indicators with the accounting statements and/or accounting records.
- e. analysis of the processes for preparing the Report and its structure and content, based on the Content and Quality Principles of the Sustainability Reporting Standards of the Global Reporting Initiative – GRI;
- f. evaluation of the sampled non-financial indicators from GRI-Standards;
- g. understanding the calculation methodology and the procedures for the compilation of the indicators through interviews with the managers responsible for the preparation of the information.

The limited assurance work also comprised adherence to the guidelines and criteria of the GRI - Standards elaboration framework applicable in the preparation of the information included in the 2022 Annual and Sustainability Report.



We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

#### **Scope and limitations**

The procedures performed in limited assurance work vary in nature and timing, and are smaller in extent than in reasonable assurance work. Consequently, the level of assurance obtained in limited assurance work is substantially lower than that which would be obtained if reasonable assurance work had been performed. If we had performed reasonable assurance work, we could have identified other issues and possible distortions that may exist in the information contained in the 2022 Annual and Sustainability Report. Therefore, we do not express an opinion on this information.

Non-financial data are subject to more inherent limitations than financial data, given the nature and diversity of the methods used to determine, calculate or estimate these data. Qualitative interpretations of materiality, relevance, and accuracy of the data are subject to individual assumptions and judgments. Additionally, we did not perform any work on data reported for prior periods, nor in relation to future projections and targets.

The preparation and presentation of sustainability indicators followed the GRI - Standards criteria and, therefore, are not intended to ensure compliance with social, economic, environmental or engineering laws and regulations. These standards do, however, provide for the presentation and disclosure of any non-compliance with such regulations when significant sanctions or fines are incurred. Our assurance report must be read and understood in this context, inherent to the selected criteria (GRI - Standards).

#### **Conclusion**

Based on the procedures performed, described in this report and the evidence obtained, nothing has come to our attention that causes us to believe that the non-financial information included in the 2022 Annual and Sustainability Report for the year ended December 31, 2022 of São Salvador, have not been prepared, in all material respects, in accordance with the Sustainability Reporting Standards of the Global Reporting Initiative – GRI.

São Paulo, May 19<sup>th</sup>, 2023

KPMG Assurance Services Ltda.  
CRC 2SP-023228/O-4

Original report in portuguese signed by

Sebastian Yoshizato Soares  
Accountant CRC 1SP257710/O-4

# Corporate Information



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## Editorial

### General coordination:

São Salvador Alimentos (Ana Cláudia Jaime)

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### Consulting on GRI indicators, writing, design, and review:

TheMediaGroup

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### Photos:

São Salvador Alimentos (Collection)  
Shutterstock