

Statement from JBS

Firstly, it is important to clarify that JBS is not under investigation. The Company is a subsidiary of J&F Investimentos SA. J&F's shareholders have cooperated with the authorities as they investigate one of the biggest corruption scandals in Brazil. This clearly underlined their support for the fight against corruption being waged by Brazilian Courts and prosecutors. They cooperated spontaneously and before any restraining order had been issued against them. Both shareholders have stepped down from their management positions at the Companies and have no involvement in their day-to-day activities.

Secondly, a number of issues have been raised about JBS's environmental policies, concluding that the Company is not doing enough to avoid deforestation. This makes no sense. JBS has implemented rigorous operational controls and systems. Furthermore, the Company complies with strict programs that allow sustainability across its value chain. JBS therefore notes that:

JBS has a Responsible Sourcing Policy for all raw materials and does not purchase livestock from farms involved in deforestation of native forests or invasion of indigenous land or conservation areas, or any farms embargoed by the Brazilian Institute for the Environment and Renewable Resources (Ibama). Additionally, it does not purchase cattle from suppliers involved in rural violence or agrarian conflicts or who employ child or forced labor.

The Company operates one of the largest private-sector supplier monitoring systems in the world, which also covers the Amazon region. The system uses satellite images, georeferenced data on cattle supplier farms and information publicly available from government agencies. JBS's entire cattle procurement and supplier monitoring processes are independently audited every year by DNV-GL, a Norwegian audit company. Audit results have shown that in the last year, 100% of JBS cattle purchases complied with the Company's social and environmental policies and the "Public Livestock Commitment".

Importantly, although the Company has an efficient supplier monitoring process that guarantees compliance, it has also partnered with other stakeholders to provide ongoing improvement and sustainability throughout the value chain. The Company is a founding member of the Sustainable Livestock Working Group (GTPS) in Brazil, was the first food industry Company to become a member of InPACTO - a multistakeholder initiative to address forced labor in Brazil, and works with the Office of the Public Prosecutor in Brazil to regulate illegal deforestation linked with meat industry livestock farming. The Company has been working since 2014 to implement the "GTA-Verde", a new procedure encompassing every link in the supply chain that will stop cattle from areas involved in illegal deforestation from entering the marketplace. A system that automatically checks Ibama's List of areas blacklisted for illegal deforestation stops Livestock Transit Permits (GTAs) being issued for farms included on the List, effectively barring illegal industry cattle suppliers from doing business. However, this issue can only be solved using an industry-wide solution with government support to implement it.

JBS also underlines that all its products comply with all legally required standards and procedures. Product quality is a basic tenet for JBS and its more than 230 thousand Team Members. The Company has a global quality department that monitors the entire production process, which is audited internally and by international regulators, customers and trade missions. The company invested over R\$ 230 million in 2018 alone to train staff, build laboratories, improve controls and other quality assurance initiatives.