



TRANSPARENCY REPORT 2020



BRF TRANSPARENCY REPORT 2020

CONTENTS

3	A Word from our Audit & Integrity Committee
4	Message from our Leadership
5	About BRF
6	Our essence
7	Our commitments
8	Our compliance framework
8	Governance & management
11	Transformative Leadership
13	BRF INTEGRITY SYSTEM
16	Compliance Risk detection and mitigation
19	A Global Framework suited to the Level of Risk
22	Global policies and procedures
25	Training, capacity-building and Communications
28	Business partner due diligence
31	Digital controls and agile monitoring
33	Misconduct detection and remediation
38	External engagement and sharing practices

A Word from our Audit & Integrity Committee

It is with great pride that the BRF's Audit & Integrity Committee (CAI) showcases the solidity of all its Integrity processes to the Company's stakeholders.

Today we can guarantee that this is a fundamental commitment of the Company and permeates the DNA of BRF's team, unconditionally supported by the Board of Directors and its committees.

We are extremely confident that the control mechanisms, communications, ombudsman offices and checks etc. are running at full steam. This clearly reveals how much has been achieved in recent years, whilst simultaneously presenting new challenges for the future, as this is an ongoing process of building confidence and enhancing Integrity management between all links of the production chain.

CAI acknowledges the recent achievements and is extremely confident that the entire BRF team will remain committed to developing these processes and bolstering the culture of integrity at the Company. The company is strongly motivated and supported to continue on its journey of evolution.

Augusto Cruz

Coordinator of the Audit & Integrity Committee



Message from our Leadership



Integrity is one of BRF's uncompromising commitments. Alongside Safety and Quality, it forms the Trinity that sustains our Essence, the set of concepts that underpin our decisions and actions, rooted in our history, purpose and vision of the future. In a dynamic, extensive and complex chain such as ours, relationship integrity is a responsibility we share with more than 95 thousand employees, roughly 10 thousand integrated producers, 15 thousand suppliers and more than 300 thousand customers, in thousands of communities in 130 countries.

We believe that acting with Integrity is fundamental to ensuring the sustainability of our business, alignment with the UN's Sustainable Development Goals (SDGs) and compliance with legislation in the countries we do business in. To enhance our journey, BRF has been gathering experience and learnings that optimize and strengthen our relationships. In recent years we have made movements supported by our Executive Committee including governance, risk management and compliance, at all functional

levels, in addition to intensifying our ESG (*Environmental, Social and Governance*) agenda.

In line with industry best practices, the Company works to prevent the risks inherent to activities and to safeguard our reputation with stakeholders and society. BRF is the first and largest Brazilian company in the animal protein sector to obtain ISO 37001 certification (anti-bribery management systems).

This Annual Integrity Report summarizes BRF's results, indicators and progress achieved in 2020, demonstrating how we practically bolster Integrity in everything we do - and how we are open to a frank and transparent conversation about the matter. Should you have any queries, please do not hesitate to contact us through the channels informed at the end of the report.

We hope you enjoy reading our report!

Lorival Nogueira Luz Júnior
Global CEO

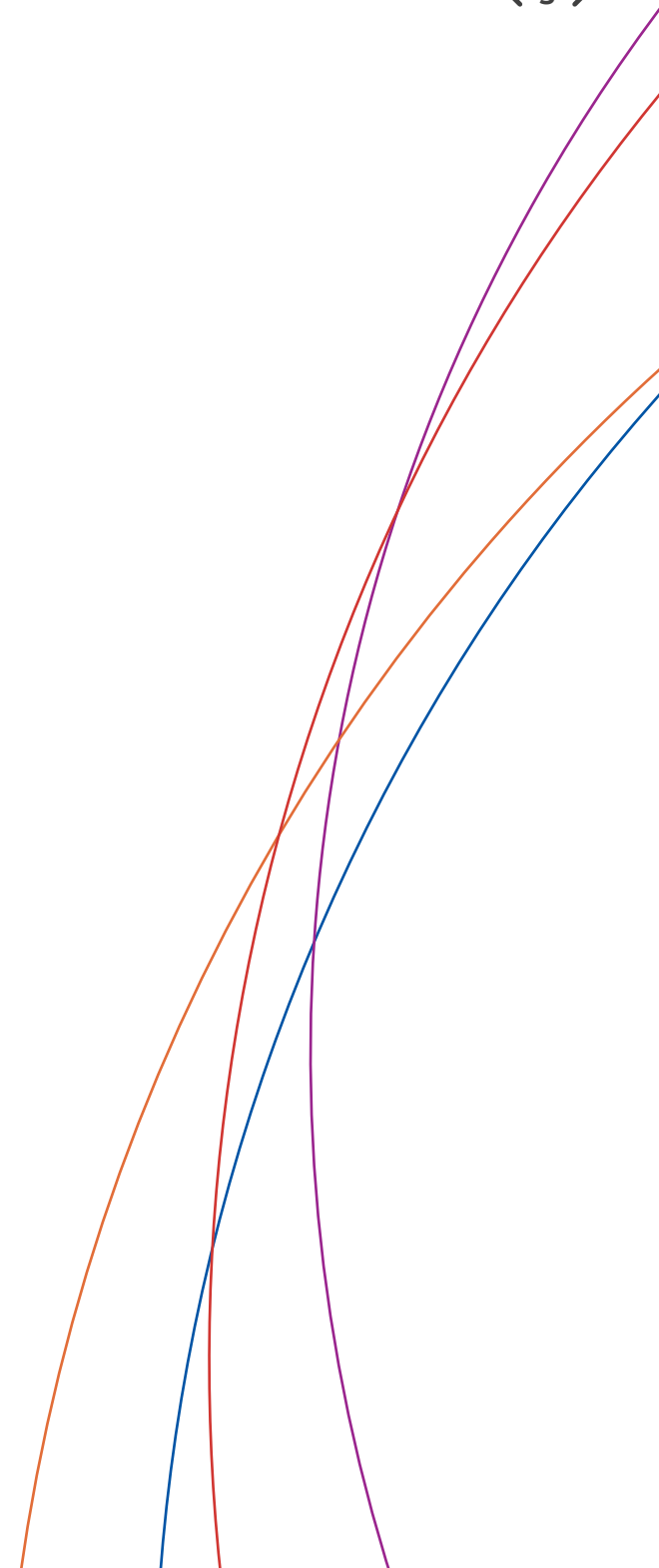
About **BRF**

BRF S.A. is a global food company originating from and based in Brazil. It has a footprint in over 130 countries and owns household brand names such as Sadia, Perdigão, Qualy and Banvit. Commemorating 86 years of history in 2020, we have a workforce of more than 90 thousand employees operating in 39 plants, 45 distribution centers and offices in various countries.

Our dynamic, extensive and complex value chain stretches from the farm to the dinner table, with partners including 9.5 thousand integrated outgrowers and more than 30 thousand global suppliers of consumables, labor and services. In addition to the Brazilian market, BRF sells its products to countries in the Middle East, Asia, Europe and the Americas, including frozen products, in natura proteins, margarines, cold cuts and lunch meats, ingredients and animal feed.

BRF is a publicly traded company with its shares traded on the Brazilian and US stock exchanges. In recent years it has directed its efforts to recovering its earnings and restoring its economic and financial equilibrium, while enhancing its corporate governance, based on its leading position in the global food industry, its Values and Essence (*see below*).

Another front we have shined on in recent years is fostering an organizational culture in line with the Company's commitments, especially Integrity, underpinned by the values of ethics and transparency. The Company's Integrity System therefore engages in various projects and has enjoyed major achievements such as ISO 37001 certification - BRF is the first Brazilian company in the animal protein sector to obtain anti-bribery management systems certification.



Our Essence

BELIEF

A better future for everyone depends on an increasing supply of high-quality food

PURPOSE

Better Life

Supplying increasingly high-quality, tasty and practical food products to people around the world.

We achieve this by sustainably managing a dynamic, extensive and complex value chain that helps to make life better for everyone, from farm to dinner table.

COMMITMENTS

Safety

Quality

Integrity

PRINCIPLES

People

- > Evolving through knowledge
- > Diversity creates wealth
- > Open and respectful communication

Interdependence

- > Different parts form the whole
- > Production and demand
- > Short and long-term

Results

- > Excellence always
- > Efficiency and innovation
- > Above-the-line, sustainable mindsets

PASSION

A passion for food

Our commitments

WHAT IT MEANS TO US...

After a period of extreme economic, financial and reputational challenges, BRF realized it needed to undergo a transformation and revisit its processes, internal control and management models.

This effort resulted in our “BRF commitments”, upon which the Company’s Essence was built. They depict values which are inseparable from our operations and business routines.



INTEGRITY A DAILY EXERCISE

We believe that disseminating a culture of ethics and transparency is essential to our competitiveness and long-term sustainability.

We promote diversity, fair and equitable business and a zero-tolerance stance against harassment, discrimination or misconduct in all markets where we operate.



SAFETY RESPECT FOR LIFE IN THE WORKPLACE

We have a workforce of more than 90 thousand people working on a daily basis at our slaughtering facilities, offices, plants and logistics centers in Brazil and globally. We operate safely across the end-to-end supply chain and work to ensure the physical and mental integrity and well-being of all business partners and employees.



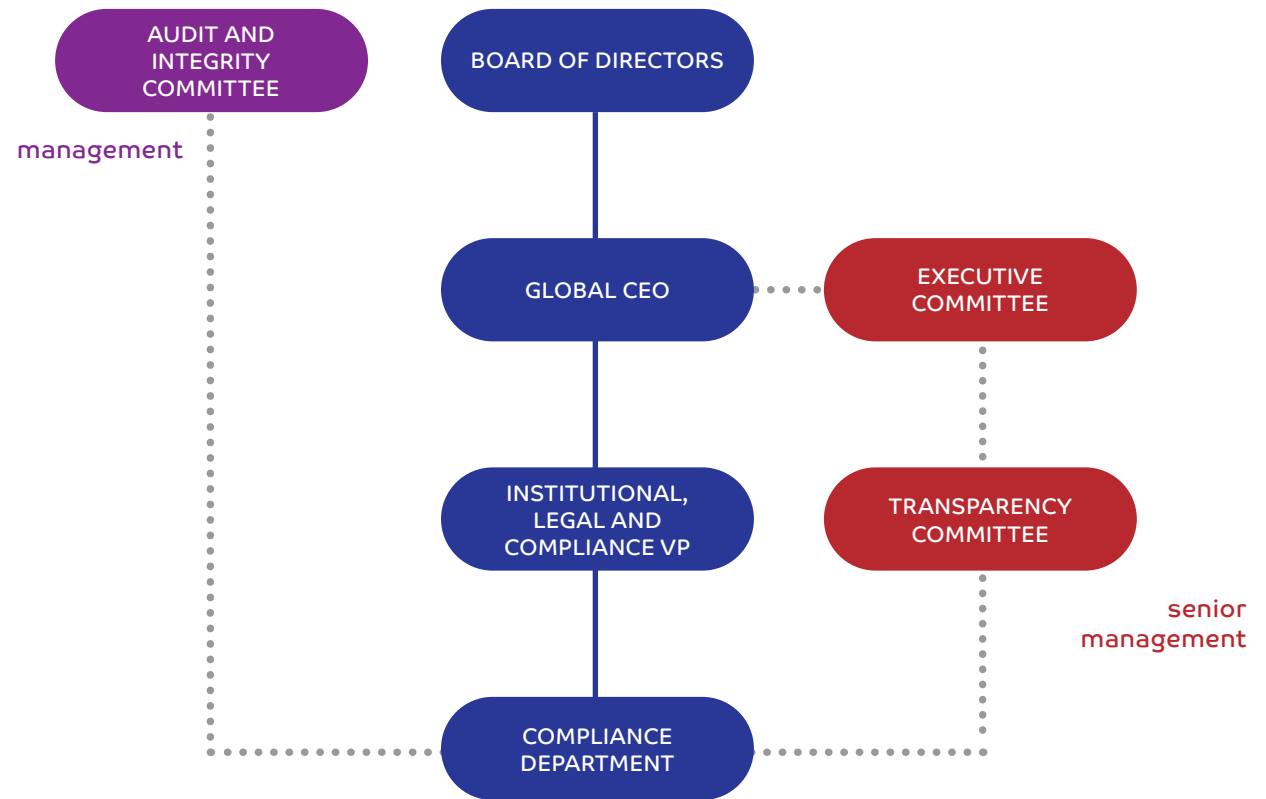
QUALITY PERMEATES EVERYTHING WE DO

We adhere to Brazilian and international standards and widely recognized certification requirements, and exercise stringent process control to ensure we offer healthy, safe and risk-free products to end consumers.



Our **compliance** framework

BRF's corporate governance practices and functions are directly mobilized for the matters of integrity, ethics and transparency. Our principal governance bodies are the General Shareholders' Meeting, the Board of Directors, the Board's Advisory Committees, the Fiscal Council and the Executive Board. We rely on our leaders as the prime examples of commitment to ethical conduct.



Governance & management

BRF's dedicated Compliance framework is extensive and has direct positions of responsibility in the areas responsible for strategic directives and implementing executive management. Associated with the Vice presidency for Legal, Compliance, Governance and M&A, the Compliance

Department is directly responsible for BRF's Integrity System – which in turn must be followed by all employees and business partners, from senior management to our plants, including all people comprising our dynamic and extensive production chain.

Working with the Risk and Internal Controls functions, the Compliance department disseminates a culture of ethics and integrity, internal controls, risk management and continuous improvement in all business dealings. To guarantee this, the entire Integrity System is periodically assessed by internal audits, with the team including specialist auditors certified in ISO 37001, and by the independent audit with a scope focused on the aforesaid ISO directives.

The periodic reporting of audit procedures, risk management and monitoring initiatives to value ethics and transparency, in addition to an in-depth analysis of material cases and incidents recorded by the Transparency Channel, is submitted to senior management by way of the Audit and Integrity Committee, which held 17 meetings in 2020 alone, and has five members - two of whom are external, awarding greater independence to our work and decisions. However, in addition to the report sent to the advisory committee, the Compliance Department has unrestricted access and also attends meetings of the Board of Directors and Fiscal Council whenever necessary.

Due to our presence in more than 130 countries and shares traded on the stock exchange, BRF is subject to multiple anti-corruption and anti-bribery laws, regulations and standards. It also maintains corporate policies and standards dedicated to Integrity, spearheaded by our Transparency Manual.



Who's who*:

Members of the Audit and Integrity Committee (04/2020 - 03/2022):

Augusto Marques da Cruz Filho

Member of the Board of Directors and Coordinator of the Audit and Integrity Committee

Ivandr  Montiel da Silva

Member of the Board of Directors

Marcelo Feriozzi Bacci

Member of the Board of Directors

Valmir Pedro Rossi

Independent external member

Jer nimo Antunes

Independent external member

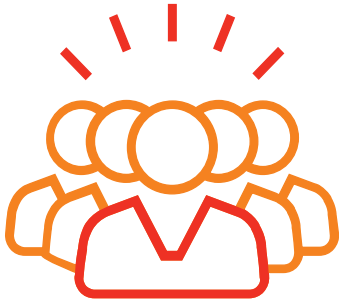
KEEPING A CLOSE EYE ON THE RISKS

Another material structure that reinforces our Integrity management is the Global Risk Department, tasked with disseminating a risk management and internal controls culture (GRC). The Company's risks submitted to periodical assessments and classifications, monitored by the Board of Directors, and a Risks and Internal Controls Master Plan - put together and approved in 2019.

The risks detected and mitigated by BRF today include compliance with national and international laws and regulations and legal and labor compliance, for example. The Company is working to preventively detect and mitigate any deviations or nonconformities and realizes that a thorough assessment in this segment will provide an opportunity to reinforce BRF's position as a company intrinsically committed to integrity and that acts proactively and transparently in light of any potential risk.



* Appointment of the Committee's members at the Extraordinary Meeting of the Board of Directors held 4/30/2020, for a term of two years.



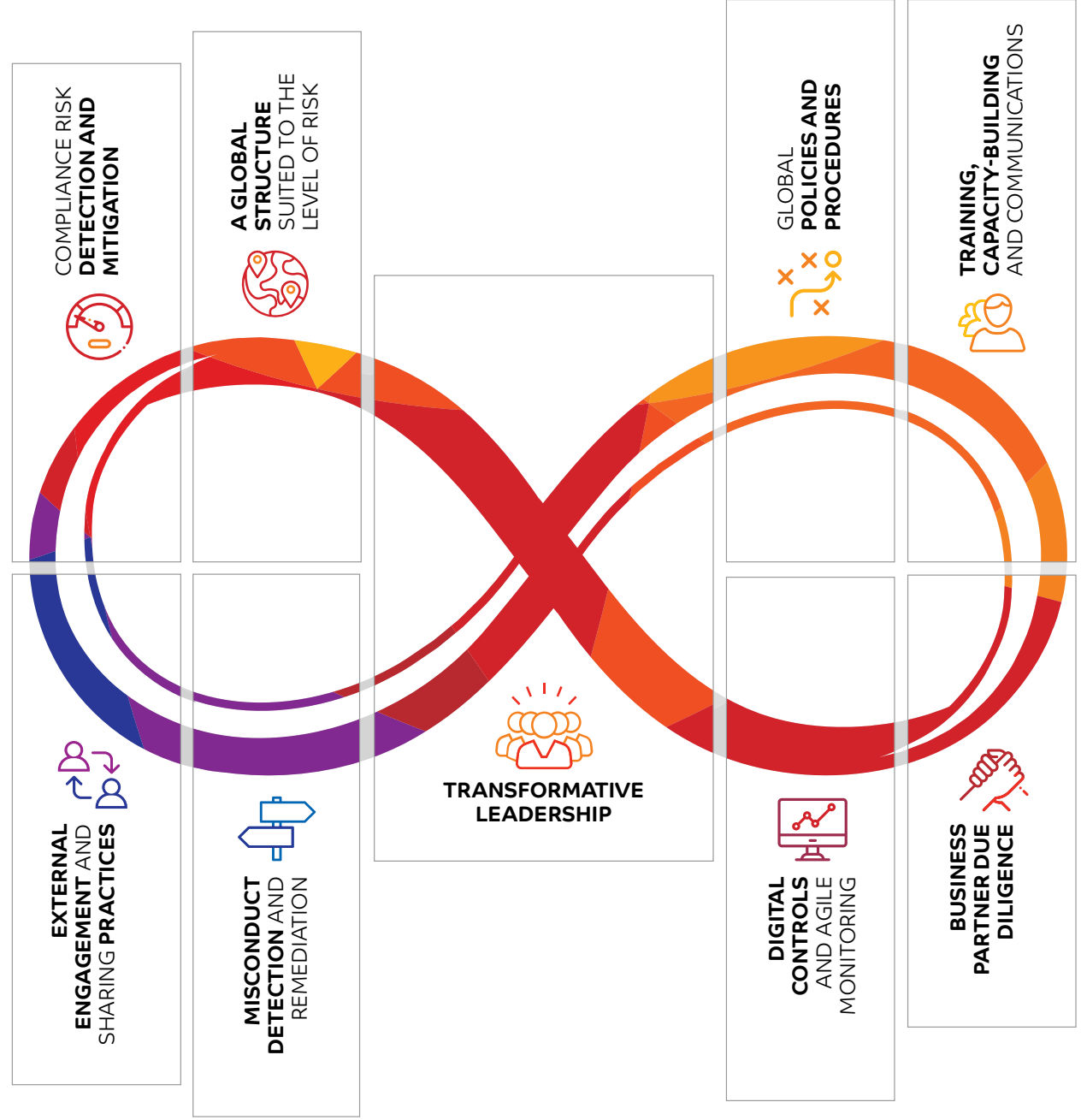
TRANSFORMATIVE LEADERSHIP

Connection between **BRF pillars** and external references

PILLAR	DESCRIPTION	REFERENCE DOCUMENTS		
		CGU	DOJ	ISO 37001
Compliance risk detection and mitigation	Mapping risk factors involves the Company's policy related to the area, and the methodology used to create the map. This process enables not only the ascertainment of factors, classified based on probability and impact, but also the subsequent identification of mitigating factors, materializing action plans created and monitored by BRF.	Item 3	Item I. A; II A	Item 4.5
A global structure suited for the level of risk	In order to embrace the markets served by the Company, its Compliance practice has a global reach, tasked with setting policies and guidelines for operations in Brazil and elsewhere. This work is reported to the vice presidency of Legal, Compliance, Governance and M&A, in addition to independent reports to the Transparency Committee and Audit and Integrity Committee.	Item 2	II Item	Items 4.1; 4.2; 4.3; 4.4; 5.1; 5.1.1; 5.1.2; 5.3; 5.3.2; 5.3.1; 5.3.3; 6; 6.1; 6.2; 7.1; 7.2; 7.2.1; 9.3; 9.3.1; 9.3.2; 9.4; 10
Global policies and procedures	To address key issues and critical business matters, BRF has more than 25 Compliance policies, all disclosed through our intranet to Company employees - a number of which are available for the general public	Item 4.2	Item I.B; III.A	Item 5.2; 7.5; 7.5.1; 7.5.2; 7.5.3; 8.7
Training, capacity-building and Communications	The Company provides ongoing training and capacity building about BRF's Integrity System and management policies to employees and business partners. More than 50 publications were made in 2020 about Integrity policies and standards through online and printed bulletins, distributed to offices, factories and distribution centers.	Item 4.3	Item I-C; II.A	Items 7.3; 7.4; 10.2
Business partner due diligence	Before entering into certain contracts, the Compliance department conducts a due diligence, a process that includes automated searches of media reports, legal proceedings and official blacklists. This helps to identify potential corruption, bribery and other fraud issues that could create exposure for BRF.	Item 4.2	Item I.E; I.F	Item 8.2; 7.2.2; 8.5; 8.6; 8.8; 9.1
Digital controls and agile monitoring that is responsive to business dynamics	BRF's operations are continually monitored for compliance with applicable laws, policies and internal guidelines through internal controls assessments, audits and transactional tests, in collaboration with other departments and the external audit. Appropriate controls are in place that are monitored by the Compliance department, are consistent in design with the level of risk of each transaction, and are implemented efficiently with minimal negative impact on transactions.	Item 5	III Item	Items 8.1; 8.3; 8.4; 9.1; 8.7; 10.2
Misconduct detection and remediation	Our 24/7 Transparency Channel is available to all employees, business partners and external stakeholders, and is used for whistleblowing. The Channel is managed by a third-party, independent firm, thereby ensuring that reports are kept anonymous and confidential. By way of its corporate compliance policies, BRF guarantees there will be no reprisals to whistleblowing made in good faith and it will protect the image of all those potentially involved.	Items 4.4, 4.5 and 4.6	Items I.B; II.C; III.B; III.C; I.D; II.C	Items 8.9; 8.10; 9.2; 10.1
External engagement and sharing best practices	In addition to its internal activities, the Compliance department works continually to collaborate with key initiatives against corruption in Brazil. We have actively participated in initiatives such as the UN Global Compact, the International Chamber of Commerce (ICC), Legal, Ethics & Compliance (LEC) and the Pact for Sports, as well as a wide range of forums organized by non-government organizations and private companies across range of sectors, where we have shared best practices in combating public and private corruption.	Item 5	Item III.A,	Item 9; 10; 10.2
Reference documents	CGU: Controller General of the Union, click here the Integrity Program (guidelines for private companies); DOJ: U.S. Department of Justice, click here the document to evaluate compliance programs; ISO 37001: click here to see guidelines for applying the standard.			

BRF Integrity System

The BRF Integrity System is preventively oriented and has been developed in accordance with Brazilian and international best practice in compliance. Based on eight pillars that form a virtuous cycle of continual improvement, embracing governance, policies, communication and training, risk analyses, internal controls and remediation and investigation measures.




Securing IISO 37001 certification was thanks to the progress made by the Company's compliance Program in recent years. One of the points that helped make BRF the first Brazilian company in the animal protein sector to be certified in anti-bribery management systems was implementing the recommendations set out in the three documents serving as a reference for the department's activities*: Standard ABNT NBR ISO 37001:2016; the publication *Integrity Program: Guidelines for Private Companies*, issued by the Controller General of the Union; and *Evaluation of Corporate Compliance Programs*, issued by the US Department of Justice (DoJ).




"Integrity is our Commitment."

Bruno Ferla
VP Legal, Compliance,
Governance and M&A



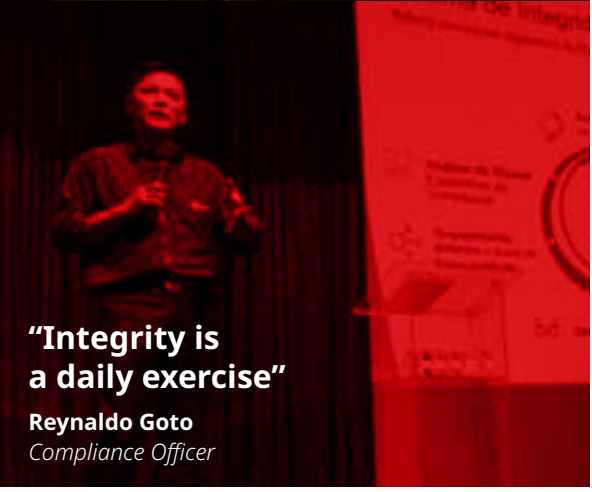
"Integrity is an uncompromising commitment of BRF."

Lorival Luz
Global CEO



"There is no relativism in honesty."

Pedro Parente
Chairman of the Board of Directors



"Integrity is a daily exercise"

Reynaldo Goto
Compliance Officer

GOALS OF THE INTEGRITY SYSTEM

Aligned with BRF's own ambitions, the three waves summarize the proposals of the Company's Integrity System for the periods outlined below:

> 2019. A focus on operating efficiency:

Establishing policies and procedures; consolidating a high-performance team; completing critical investigations; and budgetary responsibility.

> 2020. Cement foundations:

Reducing risk exposure; international structure; implementing transactional controls; assessing system maturity; and budgetary responsibility.

> 2021-2023. Growth and optimizations:

Reducing risk exposure; clearing the backlog investigations; engaging stakeholders; maturity of the international organization; and budgetary responsibility.

* Our report shows a number of these correlations by indicating items in these documents related to the matters addressed.

QUALITY ASSURANCE

BRF carries out periodical internal and external/independent assessments of the eight pillars comprising its Integrity System. Key performance indicators include the volume of people trained and informed about compliance issues; number of background checks on business partners and commercial transactions; and answers to contacts made via our Transparency Channel. This data is

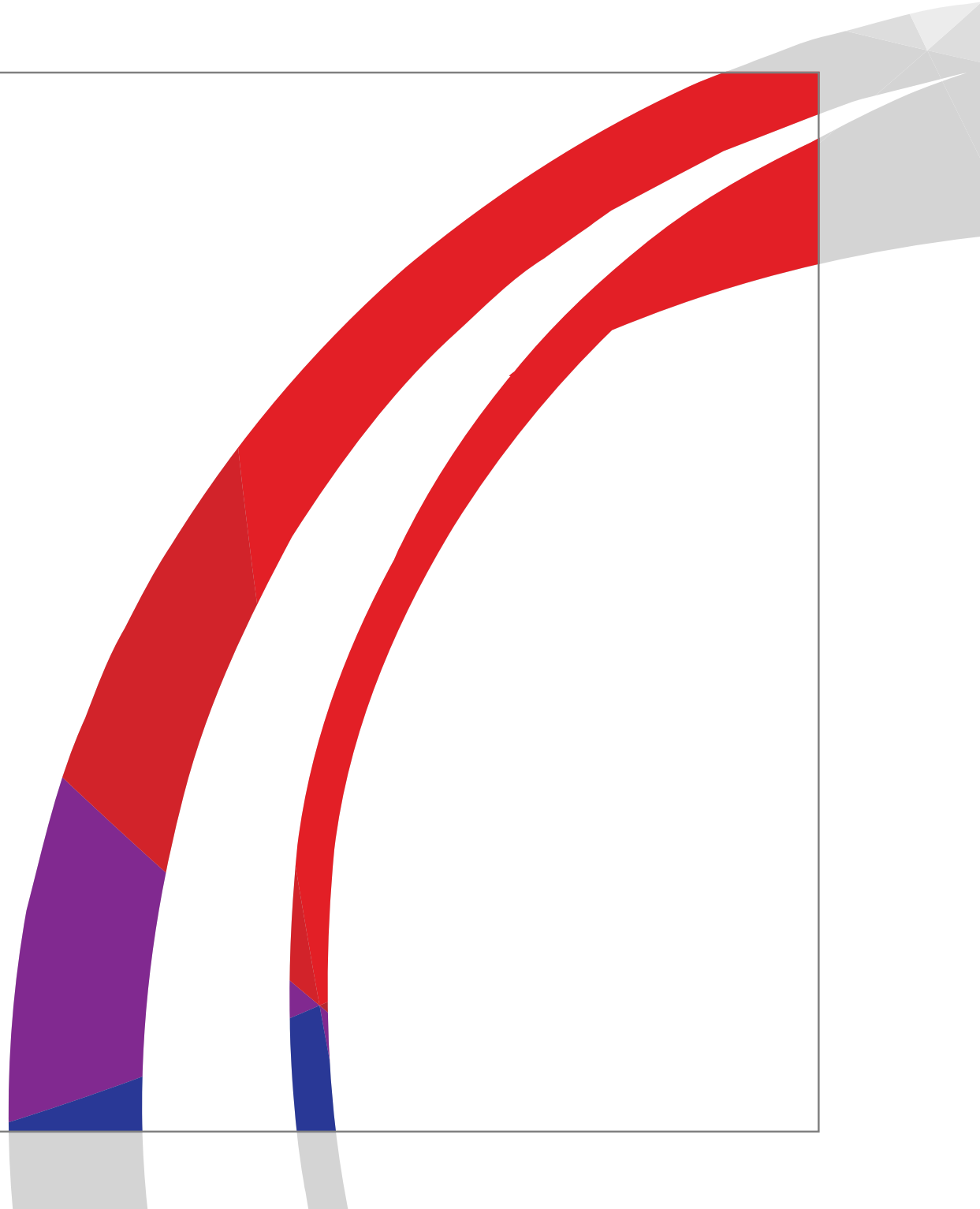
monitored weekly by the Compliance team and is forwarded to the Company's board during meetings of the Audit & Integrity Committee. Every quarter, the independent external audit is also engaged to assess the system's compliance with the Sarbanes Oxley Act (SOx).

In recent years, the Integrity System has matured
in terms of fundamentals and operational excellence, through policies, procedures and controls

CGU: 3.
DOJ (USA): I.A; II.A
ISO 37001:2016: 4.5



COMPLIANCE RISK DETECTION AND MITIGATION



It is fundamental to BRF's business that the decision-making process takes into account the challenges existing in the Company's operations. Senior management's responsibilities accordingly include detecting and mitigating risk factors.

In respect of Compliance matters, the risk mapping process should be periodical in order to detect any new risks, regardless of whether they arise from amendments to existing laws or the enactment of new regulations or changes within the company, such as entering new markets, business areas or opening branches.

Alongside this, we also review the pillars comprising BRF's Integrity System, based on the level of exposure to the detected risks. This requires an effort to maintain the solidity of the structure that underlies the Company's commitment.

Mapping risk factors involves the Company's policy related to the area, and the

methodology used to create the map. This process enables not only the ascertainment of factors, classified based on probability and impact, but also the subsequent identification of mitigating factors, materializing action plans created and monitored by BRF.

The Corporate Risk Management Policy was approved by the Board of Directors in 2019 and represents tangible progress in the task of detecting and mitigating risk factors. Strengthening the culture of Integrity within the Company has also helped nurture a more proactive stance against the risks detected by departments.

Note that the Risk Matrix is not limited to factors related to Compliance. It appears in certain issues, but the map embraces other scopes, totaling more than 60 categories and exceeding the mark of 650 risk factors. To deal with this situation the Company has various mitigating factors, in addition to ongoing assessments conducted by independent auditors (internal and external),

which are monitored by discussions and alignment with BRF's governance boards and leadership.

During the ISO 37001 certification process in 2020, the risks related to the Compliance Department were discussed and reworked in conjunction with a further 20 different Company departments, from factories and distribution centers to commercial and corporate offices, thereby guaranteeing a suitable level of attention for the matter, the broad disclosure of risks and general engagement in prevention and mitigation measures. After all, everyone should be committed to Integrity.

More than 25 policies inform Compliance, addressing issues of key importance to the Company (*see more [here](#)*)

Risk is the effect of uncertainty in objectives

Business environment

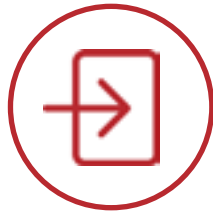
Uncertainty

climate + illness + disasters + competitors + governments + clients
community + exchange rates + media + crises + suppliers + creditors

Internal environment



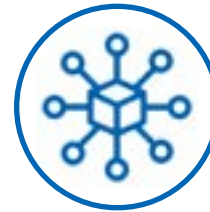
Investment
Strategy



SUPPLIES
AND RAW MATERIAL



PRODUCTION



DISTRIBUTION
AND SALE

FINANCES + LEGAL + HR + PLANNING + ENVIRONMENT + HEALTH AND SAFETY ETC.

Goals

Quality
Integrity
Safety
Innovation
Excellence
Financial return
Sustainable
management
Reputation



A GLOBAL STRUCTURE SUITED TO THE LEVEL OF RISK

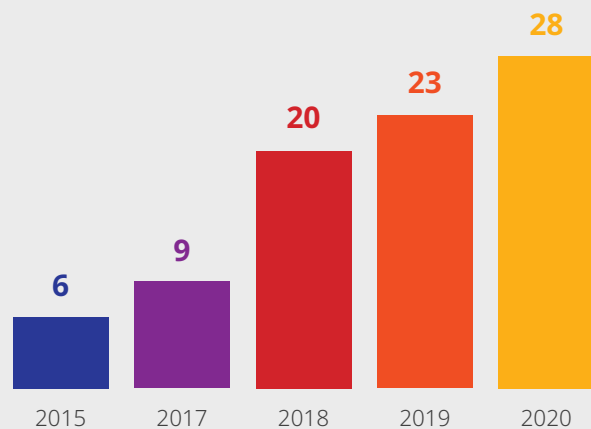
CGU: 2
DOJ (EUA): II.
ISO 37001:2016: 4.1; 4.2;
4.3; 4.4; 5.1; 5.1.1; 5.1.2;
5.3. 5.3.1; 5.3.2; 5.3.3; 6;
6.1; 6.2; 7.1; 7.2; 7.2.1;
9.3; 9.3.1; 9.3.2; 9.4; 10

In order to embrace the markets served by the Company, its *Compliance* practice has a global reach, tasked with setting policies and guidelines for operations in Brazil and elsewhere. This work is reported to the vice presidency of Legal, Compliance, Governance and *M&A*, in addition to independent reports to the Transparency Committee and Audit and Integrity Committee.

As a consequence of strengthening the Integrity commitment at the Company, Compliance had its headcount upsized in recent years, developing an extensive and robust structure for managing risks and enhancing policies and controls. The

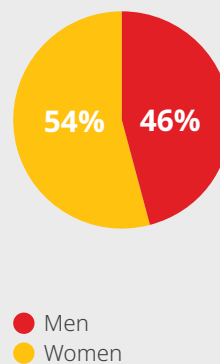
department currently has 28 staff with broad-ranging expertise, based in São Paulo, Curitiba, Itajaí, Dubai and Istanbul, as well as focal points in the different regions and countries where we operate.

Training employees in Compliance

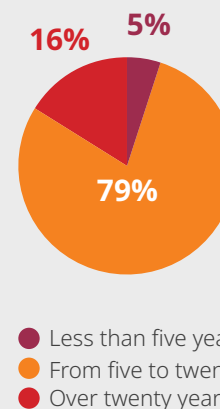


Team diversity in 2020

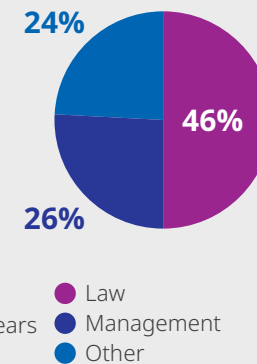
Gender



Experience



Qualification area



ENGAGEMENT AND CULTURE

When the subject involves ethics and integrity, mobilizing a considerable contingent of people is essential to bringing meaningful transformation. Given the size of the Company's population, employee engagement, working on several fronts, from the farm to the point of sale, this subject is therefore fundamental to bolstering BRF's culture.

This movement is propelled by the Integrity Ambassadors program, which arrived at the end of 2020 with more than 220 facilitators, spread amongst the eight Vice Presidencies, in Brazil and overseas.

The network of Ambassadors has a presence in all plants around the world, embracing logistics, commercial, industrial, agricultural and corporate practices, substantial growth on the 50 employees serving in 2018, when the program was structured.

Ambassadors voluntarily disseminate standards and procedures, in addition to providing advice and encouraging the use of BRF's Transparency Channel. Tasked with helping to implement and improve our

Integrity System and disseminate a culture of ethics and best practice, the network is active across the company. The project also entails promoting the Integrity Commitment amongst colleagues of other nationalities or disabled people within the Company.

To participate in the program, employees undergo specific training on matters of Integrity and every month attend multidisciplinary meetings to discuss critical topics, present queries, good practices and improvements to BRF's Integrity System.

CORE ACTIVITIES

- > To disseminate the culture of ethics and transparency, identifying the risks related to the matter and in conjunction with Compliance seeking solutions and improvements
- > Communicating, organizing and administering training about the Transparency Manual and Integrity System Policies
- > Answering simple queries about matters related to Integrity standards and policies
- > Keeping up to date about Integrity policies and procedures
- > Promptly reporting any alleged violations

IN 2020:

230
ambassadors
appointed/trained

Nationalities in Brazil
Brazilian, Haitian,
Venezuelan and
Togolese

Inclusion
of the hearing
impaired

100%
of BRF Brasil
Logistics
Commercial
Industrial
Agriculture
Corporate

Presence in the 8
Vice-Presidencies
(Brasil and
International)

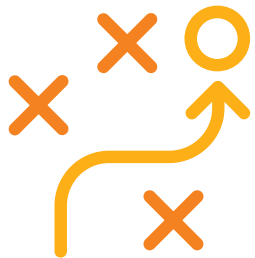
45%
Women

Operational
68%

BRF units with Ambassadors
Brazil + China + Turkey + Oman + Qatar
+ Arab Emirates + Kuwait + Singapore +
Japan + Europe + South Africa

55% Men

Managers
32%



GLOBAL POLICIES AND PROCEDURES

CGU: 4.2
DOJ (USA): I.B; III.A
ISO 37001:2016: 5.2; 7.5;
7.5.1; 7.5.2; 7.5.3; 8.7

To address key issues and critical business matters, BRF has more than 25 Compliance policies, all disclosed through our intranet to Company employees - a number of which are available for the general public (learn more [here](#)).

Keeping this archive up-to-date requires frequent monitoring. Every two years the documents are therefore revisited, although revisions and updates can be made before this time if points of improvement are identified.

It is essential for the Company that this structure embrace not just BRF employees, but also business partners. The Supplier's Portal has a section dedicated to ethics and integrity, in addition to a training video about our Code of Conduct for BRF's Business Partners on the Company's site.

KEY DOCUMENTS

- > **Anti-bribery and Anti-corruption Policy;**
- > **Conflicts of Interest Policy;**
- > **Donations and Sponsorship Policy;**
- > **Gifts and Hospitality Policy;**
- > **Policy for Preventing Money Laundering and the Financing of Terrorism;**
- > **M&A Projects Policy;**
- > **Antitrust Policy;**
- > **Policy for Welcoming Delegations and Missions;**
- > **Reporting and Transparency Hotline Policy;**
- > **Related-party Transactions Policy;**
- > **Institutional Relations Policy;**
- > **Public Procurements and Contracts Policy;**
- > **Background Analysis Policy for Business Partners;**
- > **Code of Conduct for Business Partners;**
- > **Policy regarding Electoral Conduct.**



The leading document for BRF employees and leaders is the Transparency Manual, which underwent a revision in 2020 and addresses various topics of relevance which are an everyday part of life in the workplace, such as human rights, fighting corruption and bribery, anti-trust regulations and general ethical conduct standards. The Manual applies to all levels of management and plants and is permanently disseminated to employees. The review was conducted in 2020 to strengthen guidelines and improve the linguistic content of the document, adapting the content to the Company's situation. The manual is available in 10 languages in order to cover the countries BRF operates in.

2020 AT A GLANCE

Five policies revised or updated

Five new compliance policies published

Updating the Transparency Manual and translation into 10 languages



TRAINING, AND COMMUNICATIONS

CGU: 4.3
DOJ (USA): I.C; II.A
ISO 37001:2016: 7.3; 7.4; 10.2

More than 50 publications regarding integrity policies and standards were published in 2020

The Company provides ongoing training and capacity building about BRF's Integrity System and management policies to employees and business partners. More than 50 publications were made in 2020 about Integrity policies and standards through online and printed bulletins, distributed to offices, factories and distribution centers.

The unwavering focus and challenge are to reach our more than 90 thousand employees, in addition to expanding the presence of these policies in the routines of indirect employees (third parties), business partners and integrated outgrowers.

In respect of the BRF Commitments, 2020 was also a year full of learning and meaningful progress, with 100% of employees being trained in Transparency Manual topics and more than 10 thousand employees trained in Integrity policies, in addition to bolstering programs and initiatives related to internal engagement and forming lines of defense for risk management.

In line with the Integrity System and its pillars, the training front's indicators and actions summarize the performance of the Compliance team in the main management areas: production and dissemination of standards and policies; internal engagement and capacity building regarding the matter; checks and audits; and communication, registration and investigation of complaints and reports.

The training and communication fronts work side-by-side at the Company. The range of tools to reach BRF target publics is diverse, in order to reach everyone, be they in offices or not. In respect of the online training platform, the BRF Academy plays a central role, with nine training programs, seven of which are mandatory. For non-office employees, the Compliance team acts with the support of other departments to engage and communicate with them securely.

AN OVERVIEW OF THE YEAR

In 2020, 100% of employees and 100% of senior leadership received training on the BRF Transparency Manual and other Integrity System policies. Given the diversity of the Company's public, especially in terms of access to tools in an atypical year, this included alternative training methods for more than 200 classroom training sessions involving more than 10,000 employees

IN 2020:

100% of employees trained in the Transparency Manual

100% of senior leadership trained

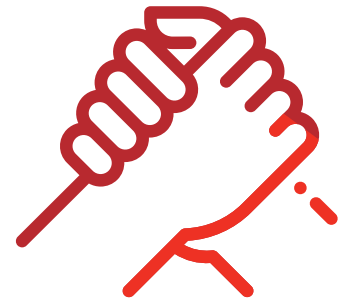
22 thousand total hours of training at the BRF Academy

100% of Employees trained in Anti-corruption and anti-bribery matters

Communications in 2020 – activities

Key topics	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
EXTERNAL INTERACTIONS (guests bring integrity issues to events organized for employees and senior management)	External bench- marking ●	External bench- marking ●	External bench- marking ●	External bench- marking ●	External bench- marking ●	External bench- marking ●	External bench- marking ●	Integrity Webinar ●	External bench- marking ●	Integrity Webinar ●	Integrity Webinar ●	Internatio- nal Anti- -Corruption Day ●
INTERNAL COMMUNICATIONS (integrity topics for office employees)	WEEKLY TOPICS E-MAILS, WHATSAPP, SOCIAL MEDIA, BRF APPLICATION											
REGIONAL COMMUNICATIONS (alternative formats for non- office employees and integrated outgrowers)	Newspaper BRF Rural ●●	Integrity Time ●	Integrity Time ●	Newspaper BRF Rural ●●	Integrity Time ●	Newspaper BRF Rural ●●	Integrity Time ●	Integrity Time ●	Newspaper BRF Rural ●●	Integrity Time ●	Integrity Time ●	Newspaper BRF Rural ●●
MANDATORY TOPICS (in all compliance communications to employees)	Transparency Manual / Channel ●		Transparency Manual / Channel ●		Transparency Manual / Channel ●		Transparency Manual / Channel ●		Transparency Manual / Channel ●		Transparency Manual / Channel ●	
EXTERNAL ENGAGEMENT (sharing good compliance practices by BRF at lectures, congresses, webinars, benchmarking etc.)	ICC Brasil • FGV-Ethics • Instituto Não Aceito Corrupção • Instituto Ethos • Observatório Social do Brasil UN's Global Compact Network Brazil • Ministry of Agriculture, Fisheries and Planning - MAPA											

CGU: 4.2
DOJ (USA): I.E; I.F
ISO 37001:2016: 8.2; 7.2.2;
8.5; 8.6; 8.8; 9.1



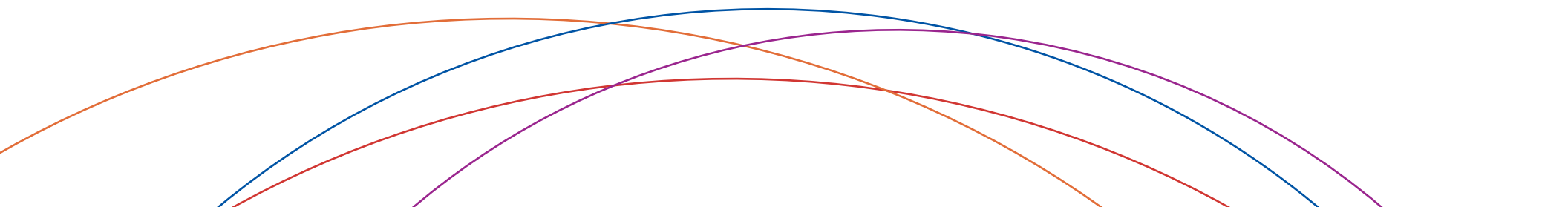
BUSINESS PARTNER DUE DILIGENCE

Before entering into certain contracts, mapped out by the practice in charge of the Integrity Program, the Compliance department conducts a due diligence on the commercial partner, a process that includes automated searches of media reports, legal and administrative proceedings, and official blacklists, in addition to whether the individual or legal entity has a history of involvement in harmful acts against the public administration.

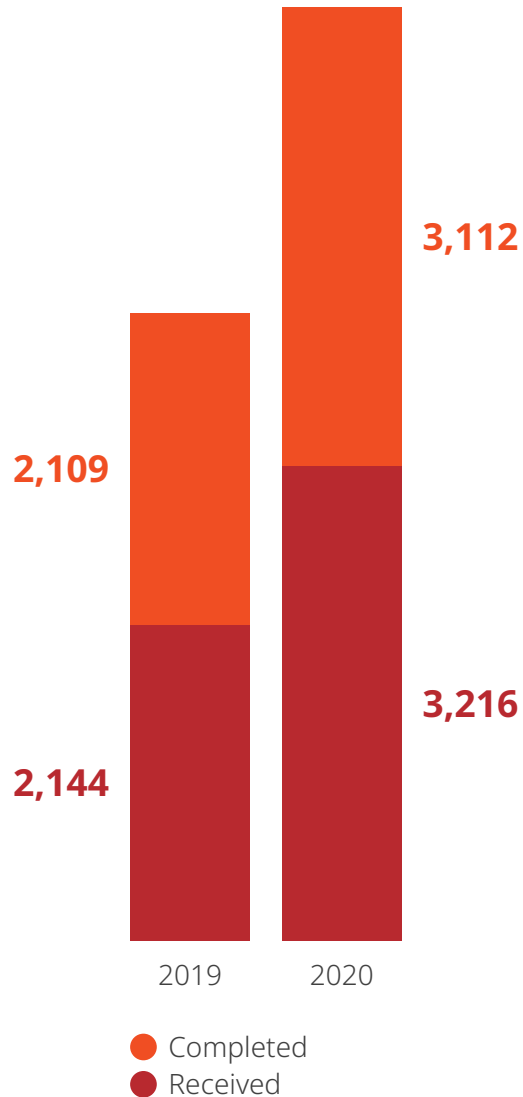
For legal entities, we also recommend checking whether they have an Integrity Program which diminishes the risk of irregularities and that complies with our ethical principles. This helps to identify potential corruption and fraud issues that could create exposure for BRF.

For potential mergers and acquisitions (M&A), due diligence is also conducted to identify potential risks for corruption and fraud. As these procedures have continued to mature, in 2020 we worked to reduce the time taken to respond to client departments, while increasing the scope of our due diligence.

The due diligence
on business partners
takes place before
contracts are signed



Due diligence demands



As a part of the onboarding process for potential suppliers, BRF conducts due diligence on commercial suppliers posing a high reputational risk to the business. Searches are also made of legal proceedings and official blacklists, in respect of environmental nonconformities, breaches of human rights and lists of suspended companies.

Another recurrent practice is corruption and fraud due diligence on target companies and business units in mergers and acquisitions (M&A), as part of specific policies regarding the matter.

Similarly, the Company periodically checks the information available in public sources relating to employees in certain positions and departments considered critical and/or highly exposed to bribery risks.

IN 2020:

More than 12 thousand due diligences conducted on third parties (new + contracts in progress)

3,216 business transactions subject to checks

3,112 due diligences on global operations

CGU: 5
DOJ (USA): III
ISO 37001:2016: 8.1; 8.3;
8.4; 9.1; 8.7; 10.2



DIGITAL CONTROLS AND AGILE MONITORING

We will focus on digital solutions for risk analyses and transactional controls in 2021

BRF's operations are continually monitored for compliance with applicable laws, policies and internal guidelines through internal controls assessments, audits and transactional tests, in collaboration with other departments and the external audit. Appropriate controls are in place that are monitored by the *Compliance* department, are consistent in design with the level of risk of each transaction, and are implemented efficiently with minimal negative impact on transactions.

In 2020, BRF invested in multiple actions to enhance its Integrity System and has already prepared a list of improvements for 2021. The actions stipulated include rolling out digital solutions for risk analysis and transactional controls.

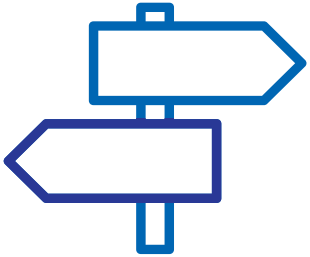
Monitoring the Company's business and transactional processes is a part of risk management and prevention practices and internal controls, under direct responsibility of the Compliance Department. In 2019, BRF had 14 active transactional controls. Over the course of 2020 the Company managed

to increase this number to 34 active controls relating to both policies and other documents, and sensitive matters identified by the departments.

During the year we developed and provided to all employees electronic tools for reporting conflicts of interest, politically exposed people and the receipt or offering of gifts and hospitality.

An ongoing digital monitoring process also takes place, in order to guarantee the performance of compliance policies and to avoid information leaks. BRF is seeking to make this process automated and proactive, enhancing prevention tools.





MISCONDUCT DETECTION AND REMEDIATION

CGU: 4.4; 4.5; 4.6

DOJ (USA): I.B; II.C; III.B; III.C; I.D

ISO 37001:2016: 8.9; 8.10;
9.2; 10.1

Our 24/7 Transparency Channel is available to all employees, business partners and external stakeholders, and is used for whistleblowing and/or reporting any suspicions and/or concerns. The Channel is managed by a third-party, independent firm, thereby ensuring that reports are kept anonymous and confidential. By way of its corporate *compliance* policies, BRF guarantees there will be no reprisals to whistleblowing made in good faith and it will protect the image of all those potentially involved.

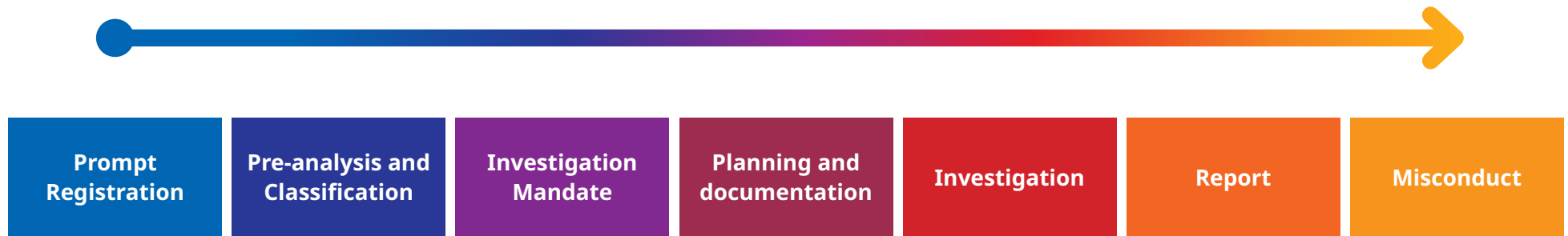
Once registered, the report is forwarded to BRF's internal investigations team, dedicated to investigating the facts and providing support necessary to departments to apply any disciplinary measures and corrective actions.

Through a new partnership to manage the Channel in 2020, the Company expanded the receipt of reports and improved the process's quality, with services in Portuguese, English, Spanish, Arabic and Turkish, resulting in a significant increase in the number of reports registered and handled.



Reports can be sent at any time through multiple communication channels, including the site ([click here](#)), electronic form and by telephone operating in Brazil, Chile, Austria, Turkey, Oman, Qatar, Arab Emirates, Saudi Arabia, Kuwait, Japan, China and Singapore.

INVESTIGATION FLOW



Data privacy and protecting the whistleblower's image

In addition to reports registered directly in the Transparency Channel, the direct interaction between the Compliance Department and the Internal control and Internal audit teams guarantees synergy in handling issues detected in specific processes conducted by these departments, amongst others. This interdependent flow of communications enhances the quality of results and application of robust and efficient corrective actions.

REPORTING CHANNEL

REPORTS REGISTERED

2019

1,720

2020

2,725

Behavioral topics

2019

1,070

2020

1,673

Harassment

2019

128

2020

357

Fraud involving Suppliers

2019

119

2020

96

Theft, robbery or deviation

2019

66

2020

59

Description

2019

34

2020

46

Fraud involving customers

2019

70

2020

81

Other

2019

233

2020

413

Our internal policies and the Transparency Manual inform the conduct of BRF's senior leadership on the Transparency Committee

Consisting of members of Company's senior management, the Transparency Committee is responsible for overseeing BRF's Integrity System, for providing advice on serious Compliance risks and resolving the application of remediation measures and/or disciplinary sanctions in response to alleged violations of internal policy and the Transparency Manual

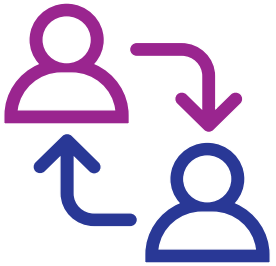
All reports received by the Transparency Channel are carefully analyzed and duly handled. After receiving the report, the investigating department carries out a preliminary analysis and initiates an investigation if it finds there are sufficient grounds to do so. The case can be referred to independent consultants, at the sole discretion of the investigating department.

If a report is found to be substantiated, a multidisciplinary committee is formed, supported by the departments involved in the analysis and a joint decision about any applicable disciplinary measures.

REPORTING CHANNEL	2019	2020
Cases under investigation	526	1,196
Cases Closed	1,526	2,073
Substantiated	573	589
Unsubstantiated	953	1,484
Penalties	172	252
Warning	86	121
Resignation	82	116
Suspension	4	15

After the investigation of a report has been completed, the findings may be communicated to the whistleblowers if they are identifiable or have a channel of communication with the Company. However, due to the confidential nature of any investigation, the findings will otherwise remain confidential and will not be disclosed.

CGU: 5
DOJ (USA): III.A
ISO 37001:2016: 9; 10; 10.2



EXTERNAL ENGAGEMENT AND SHARING PRACTICES

“

BRF's compliance practice is exercised daily to the highest standards of excellence. The company is clearly tireless in its pursuit of excellence in this matter.”

Alexandre Bulhões,
Sports Pact



“

In the opinion of FGVethics, BRF has always supported all initiatives of the study center, even those not directly related to the food or agribusiness sector. This demonstrates the company's wish to improve the country as a whole, as all sectors need to become more integrated so we can jointly pursue a new business environment.

Prof. Ligia Maura Costa, FGVethics



“

BRF's participation in events and initiatives shows its concern about making the country better.”

Ana Aranha, Global Compact



“

Our experience with BRF is a company that attempts to unite the private sector to move forward in discussing and enhancing policies and mechanisms.”

Gabriella Dorlhiac, ICC



“

BRF's concern about having a robust and effective program can be seen in the initiatives and support provided by the Company, which presents a daily change in its image before the market.”

Juliana Nascimento,
Compliance Women Committee



In addition to its internal activities, the *Compliance* department works continually to collaborate with key initiatives against corruption in Brazil. We have actively participated in initiatives such as the UN Global Compact, the International Chamber of Commerce (ICC), Legal, Ethics & Compliance

(LEC) and the Pact for Sports, as well as a wide range of forums organized by non-government organizations and private companies across range of sectors, where we have shared best practices in combating public and private corruption.



ACKNOWLEDGMENTS

A BRF S.A. PUBLICATION

www.brf-global.com

Coordination

Compliance Department

Wording and design

rpt.sustentabilidade (www.gruporeport.com.br)

English Version

Latam

Transparency Channel

0800 450 0000

Brazil: integridade.brf.com

Overseas: compliance.brf.com

e-mail

compliance@brf.com

