



# Transparency and Integrity Report

2022



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# Introduction

## About this report

A successful future is built upon focus, dedication and learning. In 2022, BRF publicly reaffirmed its commitment to integrity by entering the Plea Bargain, which put an end to the investigation and cooperation that began in 2018 after the Carne Fraca and Trapaça Operations.

By signing the Plea Bargain BRF is ending disputes about matters that had already been resolved in the past. The Company has also assumed the obligation to enhance its Integrity System, in order to optimize its Integrity and Transparency work underway.

It is therefore with great satisfaction that we present the 3rd edition of BRF's Transparency and Integrity Report, a publication on the efforts not only of Compliance but also of the nearly 100,000 employees who together contributed to strengthening the Integrity System in 2022, solidifying the foundations for positively challenging actions envisioned on the horizon of the next two years.





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# Message from Leadership

## Letter from the Audit and Integrity Committee (CAI)

The Audit and Integrity Committee is proud to highlight the solidity of BRF's Integrity System to the Company's stakeholders and the robustness of all its processes. In 2022, the Committee effectively exercised oversight over the implementation, continuous improvement and effectiveness of the system, as defined in its Rules of Procedure. Integrity is one of the Company's core pillars and is part of BRF's commitments, which has the unconditional support of the Board of Directors and its committees.

In hindsight, we are very proud of the achievements and progress we have made so far. We can affirm that we have complete confidence that our control mechanisms, communications, ombudsman channels and assessments are fully operational.

Our Audit and Integrity Committee acknowledges the achievements of the year and has confidence in BRF's comprehensive commitment to strengthen our culture of integrity.

We continue to seek new challenges, investing in and continuously improving the Integrity System at all levels of the production chain.

CAI acknowledges the year's achievements and is extremely confident that the entire BRF team will continue to develop these processes and bolster the culture of integrity at the Company. We believe in BRF's motivation and intention to continue its journey of growth and progress in integrity.

**Augusto Cruz**  
*Coordinator of the Audit and Integrity Committee*





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# Message from Leadership

## Message from the Global CEO

BRF is tasked with supplying increasingly tasty and practical food to 127 countries on four continents. To do this we draw on our uncompromising commitments: Safety, Quality and Integrity. We are confident that the daily decisions made by Senior Leadership and around 100,000 employees, underpinned by these three commitments, earn us the trust of millions of consumers who choose our brands.

We transparently manage our long and complex supply chain. We continuously invest in and nurture a culture of ethics and integrity within the Company and in the relationships we have within and outside of it, so that the topic of Integrity pervades our employees, business partners and society as a whole.

We look at our production chain from an integrity perspective, recognizing our journey and maturity underpinned by the Company's public commitments.

In 2022, we took a huge step on the trail blazed since 2018 by cooperating with Brazilian authorities, the Office of the Comptroller General (CGU), and the Federal Attorney General's Office (AGU), which led to the signing of a Plea Bargain.

We celebrate the progress that resulted in the maturity of our Compliance structure and consequently the positive outcomes of its activities in other BRF practices. We close another year of satisfactory results and will continue to renew our Integrity commitment to our stakeholders for the next cycle.

**Miguel Gularte**  
Global CEO





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BRF is one of the largest food companies in the world, driven by its mission of offering high-quality, tasty, and convenient products to consumers in 127 countries, and contributing to a better life.





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With leading and preferred brands in its markets, such as Sadia, Perdigão and Qualy in Brazil and Banvit in Turkey, we are present in the homes of millions of consumers worldwide. We have a dedicated team of more than 90,000 employees who live and breathe our mission and deliver on our commitments to safety, quality and integrity in our plants, farms, distribution centers and offices in various regions of the planet.

We serve thousands of customers worldwide and have been growing our business for more than 90 years of dedication to producing quality food. Our supply chain ranges from the breeding and slaughter of animals, through our more than 9,500 partner producers, to the industrial production, logistics and delivery of our finished products to points of sale.

Our business strategy focuses on domestic markets in Brazil, Halal, and international, especially in the Middle East and Asia. With administrative headquarters in Brazil, we maintain 38 manufacturing facilities in the country and seven other facilities in other countries, in addition to more than 50 distribution centers. Our supply chain comprises some 30,000 partners (parent and subsidiary companies), responsible for the inputs, technology and services on which our business success depends.

With a dynamic, extensive and complex value chain, we are continually in the pursuit of technologies and processes that ensure compliance with our three commitments: Integrity, Quality and Safety.

We always work with the aim of cultivating a culture of integrity based on responsibility shared by everyone involved in the business. We have therefore intensified the ongoing ethics and integrity training for our employees and business partners and developed other initiatives to share knowledge, such as Integrity Week (learn more on [page 23](#)). We have also stepped up our business partner due diligence, which now includes socio-environmental and human rights issues in risk analyses, also optimizing our digital system with valuable partnerships.



**Good practice recognized in the OECD Global Report**  
In the Global Report published by the Organization for Economic Co-operation and Development (OECD) in 2022, Flor do RH, BRF's virtual assistant that uses artificial intelligence and machine learning, was lauded for its solution of reiterating messages and answering questions about Ethics and Compliance.



# Our Essence



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## 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 the farm to the 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.





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## Our Compliance Team

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.

Reporting to the Institutional, Legal and Compliance Vice Presidency, Compliance enjoys decision-making autonomy and reports independently to the Transparency and Audit and Integrity Executive Committees and the Board of Directors.

Its primary duty is to coordinate BRF's Integrity System, which applies to everyone, from senior management to production employees, including those comprising our supply chain.

### Diversity creates wealth

Our compliance team is composed of professionals from diverse fields and has gender balance

### Suitable skills in continuous learning

BRF was the first company in the animal protein sector to obtain ISO 37001 certification (Anti-Bribery Compliance Management Standard), a feat it achieved more than two years ago. To maintain this crucial certification, supervisory audits were carried out in 2021 and 2022 attesting to the robustness of BRF's Integrity System in its human, financial and technological resources in which anti-bribery practices are well rooted.

In the recruitment process, all Compliance professionals are carefully evaluated and undergo induction training with a minimum workload of 12 hours. Furthermore, in 2022 our professionals underwent 439 hours of internal training and 853 hours of external training and engagement activities.

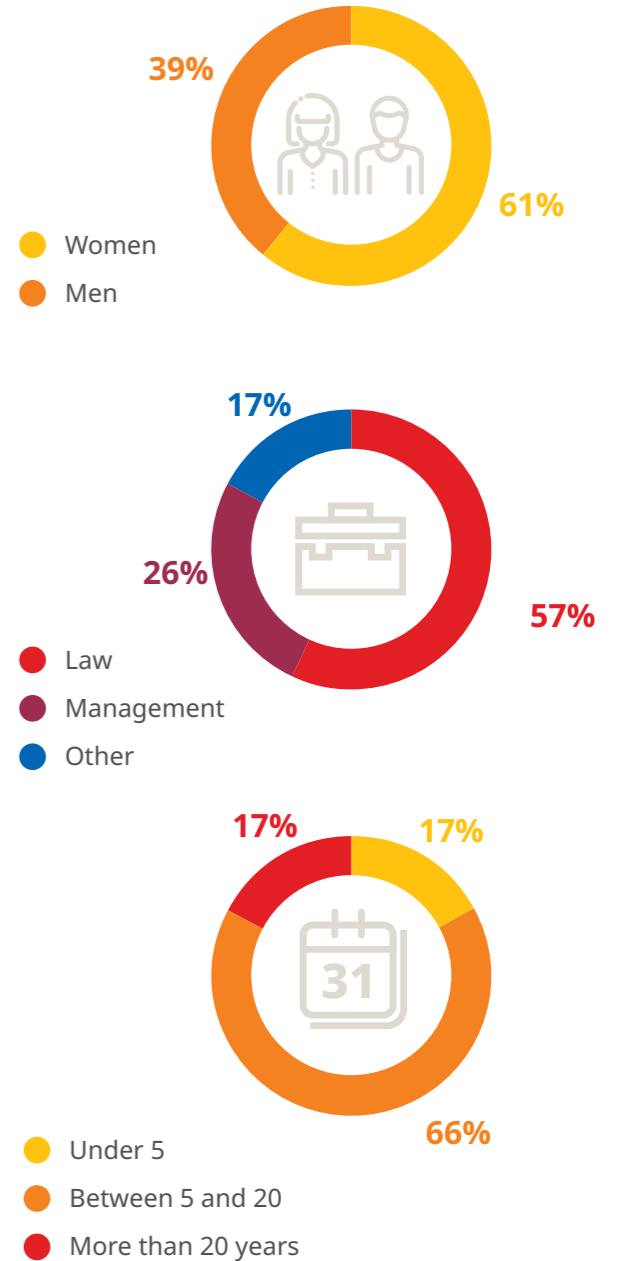
In 2022, BRF invested R\$ 307,307 in courses and training for the Compliance team to support and encourage the continuous training of employees.

### Compliance employees



### TEAM DETAILS

In %





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BRF senior management is directly involved in strengthening our culture of ethics and transparency, which is essential for the development and effectiveness of our compliance policies and practices.

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The Institutional, Legal and Compliance Vice President and the Compliance Board attend the meetings held by the Board of Directors (CA), the Audit and Integrity Committee (CAI) and the Executive Committee (COMEX) to present the progress of the Integrity System, and to report on the progress of investigations and other matters related to the Transparency Manual and the Company's compliance policies.

We also have the Transparency Committee, which is chaired by the Compliance Board and formed of members of the Company's Executive Board. This committee is tasked with overseeing BRF's Integrity System and advising on compliance issues, as well as setting standards of conduct and applying remediation and/or disciplinary measures.





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**Integrity in practice** Connection between BRF pillars and external references

PILLAR	DESCRIPTION	Reference documents			Integrity program Enhancement Plan
		CGU	DOJ	ISO 37001	
<b>Compliance risk detection and mitigation</b>	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 of 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	1, 5, 10.2, 10.3, 10.4
<b>A global structure suited for the level of risk</b>	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	4, 5, 6, 8, 10.2
<b>Global policies and procedures</b>	To address key issues and critical business matters, BRF has 30 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	1, 3, 8
<b>Training, capacity-building and communications</b>	The Company provides ongoing training and capacity building about BRF's Integrity System and management policies to employees and business partners. More than 70 weekly publications were made in 2022 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	1, 2, 3, 4, 10.4
<b>Ongoing partner due diligence</b>	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 involving business partners 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	1, 2, 10.1, 10.2, 10.3
<b>Digital controls and agile monitoring that is responsive to business dynamics</b>	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	Item 8.1; 8.3; 8.4; 9.1; 8.7; 10.2	6, 7, 8
<b>Misconduct detection and remediation</b>	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 an 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	6, 7, 10.3
<b>External engagement and sharing best practices</b>	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	9.1, 9.2, 9.3, 10.1, 10.4



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## Integrity ambassadors

Every single employee is required to communicate and promote the culture of integrity. However, to ensure engagement and dissemination of this commitment, we have the Integrity Ambassadors Program, which ended 2022 with 303 ambassadors present in 100% of BRF facilities worldwide. Our ambassadors voluntarily support the enhancement of the Integrity System, encourage ethics and transparency, and nurture the Integrity Commitment among employees. All program applicants undergo specific training and attend monthly multidisciplinary meetings to ask questions, discuss sensitive issues, and share expertise and best practices. Our training programs are also accessible to people with impaired hearing.

Our governance has the instruments to afford a strategic role to Integrity, from the Board of Directors to advisory committees and technical areas of BRF.



## Integrity is an uncompromising commitment, a daily exercise

Aware of the challenges faced in recent years, BRF has been striving to reinforce the culture of transparency and ethics in everything it does and thereby protect its reputation amid sweeping transformations in the relationships between companies, consumers and business partners.

During Integrity Week in March 2022, more than 10,000 employees participated in the Integrity Challenge, an interactive online quiz on BRF's Compliance policies and guidelines. Our ambassadors played an essential role in mobilizing the teams around various engagement efforts, such as drawing contests, social media posts, podcasts and games, always addressing issues of ethics, transparency and integrity. The Week was a resounding success, both virtually and in-person, and had the support of all vice-presidencies.



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### Complex topics in plain terms

As BRF is a food company, it makes complete sense to present guidelines in the form of Integrity Recipes, with ingredients, preparation instructions and additional tips. This plays a key role in supporting teams in reinforcing ethical behaviors that we should not overlook.

Integrity Recipes were the subject of goal-checking meetings, shift changes and other routine events at the Company.

At the end of 2022 our Integrity Ambassadors were given a book featuring a collection of 52 Integrity Recipes, all reviewed and updated that year, to be remembered and shared in 2023.



**100+**  
ambassadors

appointed and trained in 2022, totaling a network of 303 ambassadors present in all eight vice presidencies and 100% of BRF facilities.



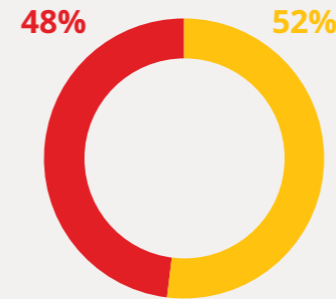
#### Nationalities of Ambassadors in Brazil

- Brazilian
- Haitian
- Venezuelan
- Togolese

## Global presence

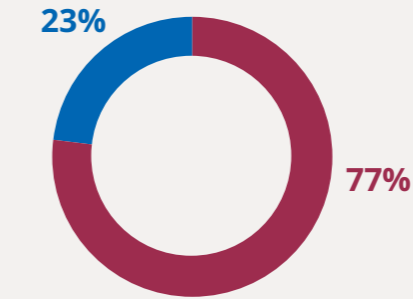
We have Ambassadors in Brazil, Chile, Uruguay, China, Turkey, Oman, Qatar, Arab Emirates, Kuwait, Singapore, Japan, Europe and South Africa

### Ambassadors by gender



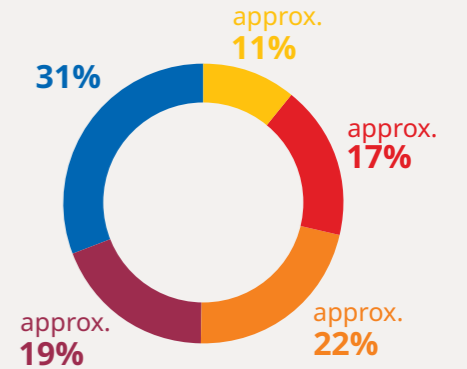
- Women
- Men

### Ambassadors by category



- Operational administrative
- Managers

### Ambassadors by length of service



- Over 20 years at the company
- 15 to 19 years at the company
- 10 to 14 years at the company
- 5 to 9 years at the company
- Under 5 years at the company



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The Integrity System sets out BRF's integrity guidelines and was implemented considering the specificities of the agricultural production sector and the risks to which the Company is exposed.





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## Progress and continuous improvement

BRF conducts regular internal and external independent audits on its Integrity System, according to the requirements of the Sarbanes-Oxley (SOx) Act and ISO 37001:2016 (Anti-Bribery Compliance Management Standard).

The Company also carries out frequent internal assessments of the eight pillars comprising its Integrity System. The key performance indicators monitored include: the number of individuals trained and coached on compliance topics, the 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 Compliance and reported to the Audit and Integrity Committee and the Transparency Committee.

## Implementation of the Integrity System was staggered over stages with different proposals:

### 2020 Journey

#### CEMENT FOUNDATIONS

- > Lower risk exposure
- > Global group structure
- > Implementing transactional controls
- > Evaluating system maturity
- > Budgetary responsibility.

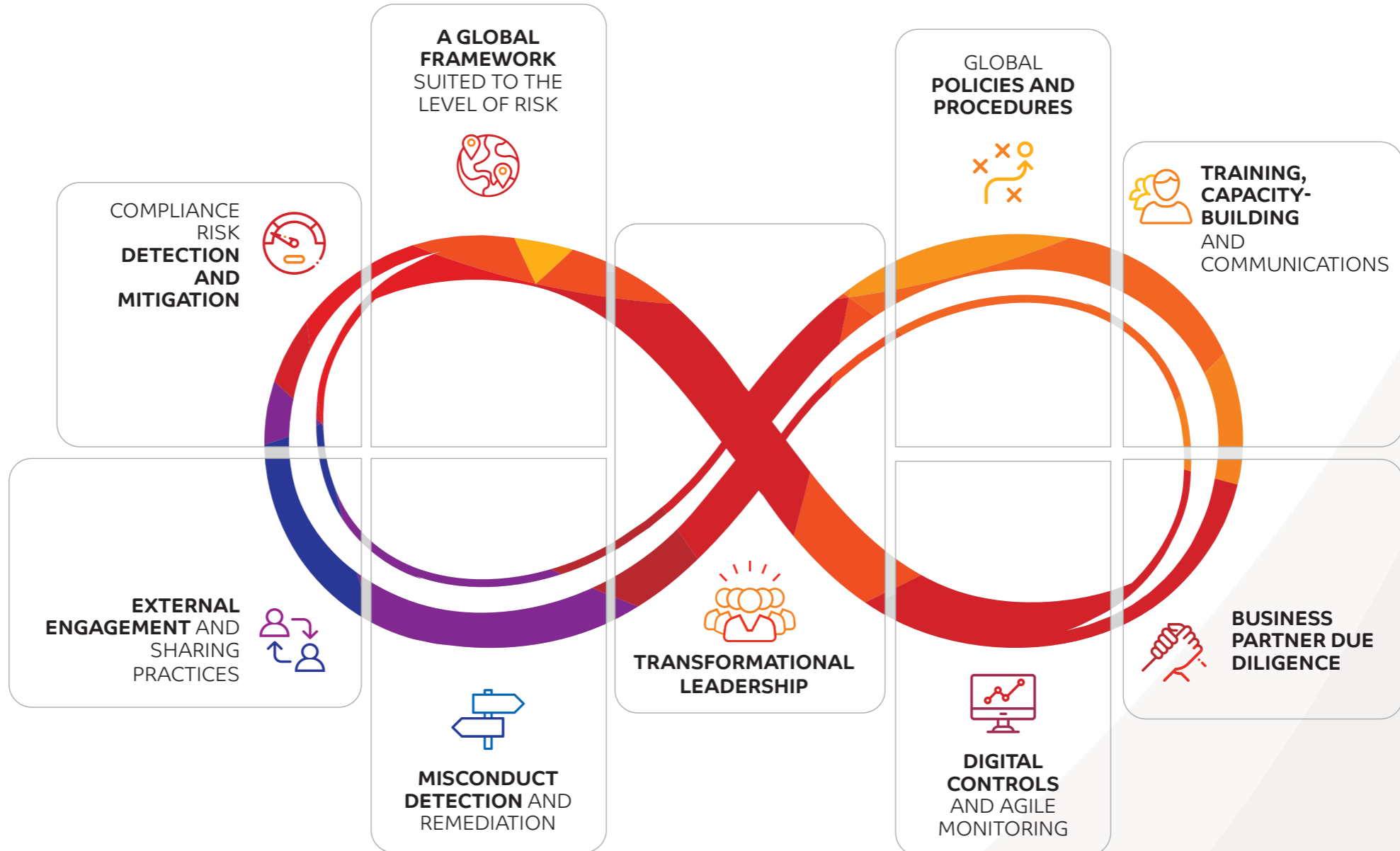
### 2021 – 2023 Journey

#### GROWTH AND OPTIMIZATIONS

- > Lower catastrophe exposure
- > Lower investigations backlog
- > Stakeholder engagement
- > Maturity of regional indicators
- > Budgetary responsibility.



# BRF Integrity System



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## Compliance Risk Detection and Mitigation

In our journey to strengthen integrity structures and foster a culture of ethics and transparency in the Company, we seek the increasing commitment of our employees and business partners to mitigate potential risks that challenge our operations - and this organization-wide commitment starts with BRF's senior management.

Informed by corporate policies and technical methodologies, the risk mapping process allows us to identify factors which could impact our operations and to form action plans to counter, transfer or neutralize these impacts.

There are multiple possibilities for change: amendments to laws and regulations, developments in Brazil and the world, internal changes, entry into new markets and even the identification of sensitive points based on real situations and outcomes of internal and external investigations. Because of this, they are identified in detail and undergo periodic reviews.

The Corporate Risk Management Policy is a huge step forward in the proactive stance of BRF functions facing integrity-related risks. It was published in 2020 and updated in 2022, in a review that was analyzed and approved by BRF's own Board of Directors.





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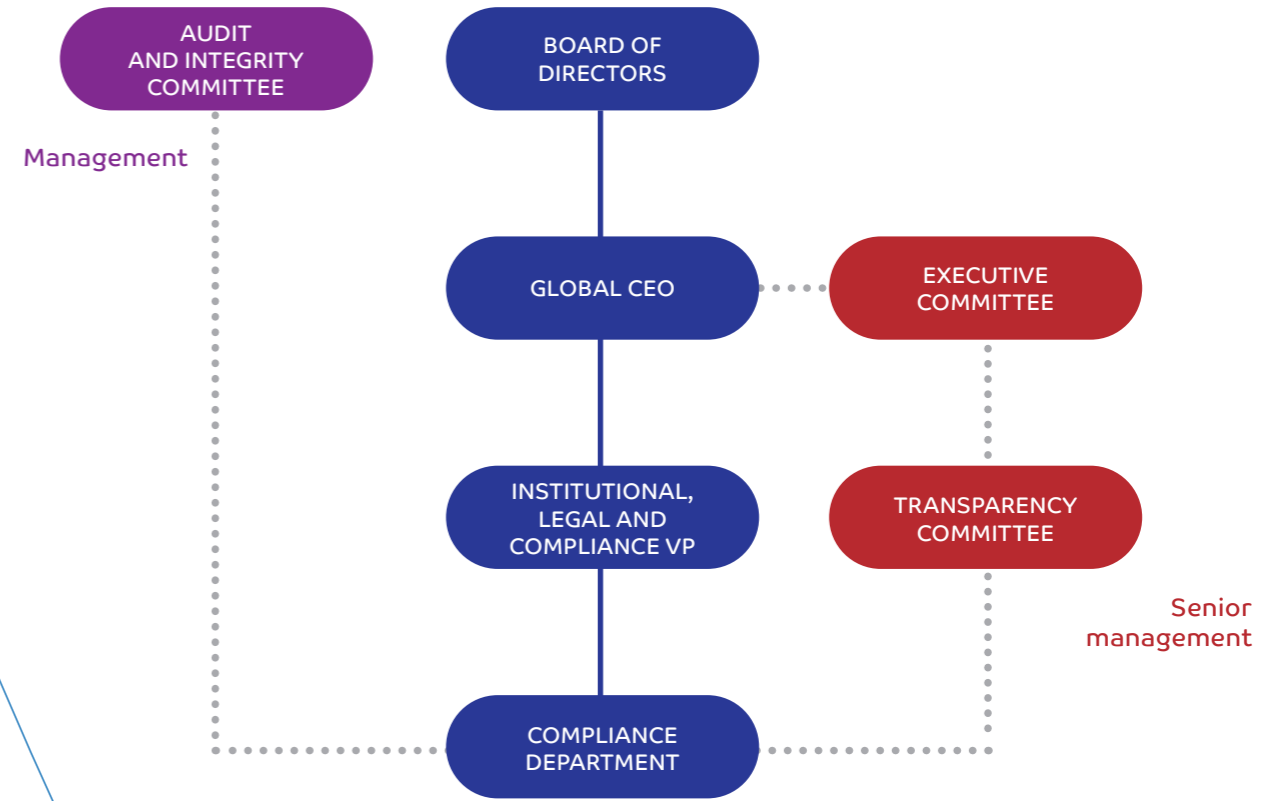
6 Credits

## A Global Framework suited to the Level of Risk

Taking quality food products to various parts of the world entails considerable risks. To address them we have developed and matured a risk management framework that is up to the task, active in Brazil and our other geographies. All Company employees, without exception, form our first line of defense, acting to mitigate risks. The second line of defense is sustained by our compliance structure.

One of the Compliance close partners, the Risk and Internal Controls department is responsible for the dissemination of our integrity culture. To achieve these goals, our Integrity System undergoes a periodical internal audit, with a team composed of auditors specialized in ISO 37001, in addition to an annual independent external audit.

The Compliance Board has unfettered access and attends Board of Directors and Oversight Board meetings when necessary. The Audit and Integrity Committee, in turn, reports to senior management audit findings, risk management information, initiatives to foster ethics and transparency, and a detailed analysis of material incidents logged by the Transparency Channel. The Committee has four members, one of whom is external, which ensures greater decision-making independence.



[Find out more about BRF's organizational structure](#)

### Audit and Integrity Committee Members\*

**Augusto Marques da Cruz Filho**  
Member of the Board of Directors and Coordinator of the Audit and Integrity Committee

**Eduardo Augusto Rocha Pocetti**  
Member of the Board of Directors.

**Deborah Stern Vieitas**  
Member of the Board of Directors

**Manoel Cordeiro Silva Filho**  
External Member

\* Appointed at the Board of Directors' Annual Meeting held on April 06, 2022, to serve until the Company's 2024 Annual General Meeting.



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## Focus on Risks

The Global Risk Board is tasked with rolling out Risk Management and Internal Controls (GRC) at BRF. It is a specific department with its own budget, divided into various workstreams: Internal Controls, Market Risks, Corporate Risks, Policies and Procedures and Business Intelligence, among others. It also has the support of contracted business partners, as well as the support and interaction with all other BRF departments, including senior management and the governing body, to which it has periodic direct access.

This structure allows for exemplary work to be carried out, through the publication of corporate policies, updating the risk matrix and preparing the Maturity Enhancement Plan, designed to ensure stronger culture, governance, processes and risk management system.

To ensure BRF's future as a going concern and its global presence, the Global Risk Board and its associated areas work interdependently and in a preventive manner, with a long-term vision, ensuring compliance with national and international laws and regulations, with the support of all leadership.

In 2022 we updated the Company's Risk Map, based on the global maturity enhancement plan, which identifies and addresses more than 50 categories of risks. We also linked the Map and the Company's socio-environmental and governance commitments to investments, thus ensuring alignment with BRF's main risk topics. In addition, by signing the Plea Bargain we committed to critically analyzing past misconduct and addressing it in the risk factors, determining extent, impact, and probability.

In 2022 we updated the Company's Risk Map, based on the global maturity enhancement plan, which identifies and addresses more than 50 categories of risks.



**GRC**

**Global Risk Board**

is responsible for rolling out  
Risk Management and Internal  
Controls (GRC) at BRF



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## Global Policies and Procedures

We have 30 policies and procedures prepared by the Compliance Board, which are periodically reviewed to identify needs for updating, changes in risk exposure, processes, guidelines or responsibilities established in them.

In addition to these, in 2022 the team reviewed more than 20 documents written by other departments, in order to identify, address and mitigate compliance risks in a range of topics and processes of the Company.

Specifically regarding Compliance policies and procedures, the following initiatives were carried out last year:


- **Publication of a procedure for Background Checks on Business Partners of the Companies merged into BRF.** This procedure consolidated instructions observed for hiring high-risk partners by PET segment companies, acquired by BRF PET in 2021.
- **Review of Information Confidentiality and Classification policies,** to update them with apposite national and international legislation, to adjust the definitions of data classifications as "Public", "Internal", "Confidential" and "Strictly Confidential" and situations that require specific approvals for external sharing.

All policies and procedures are available to our employees on the Company's intranet, on self-service terminals. Policies addressing BRF's premises, commitments or public guidelines can also be found on our institutional website, available not only to employees but also to business partners and external stakeholders.

As important as establishing robust compliance policies and guidelines is communicating and disseminating these guidelines to our employees and business partners. We accordingly carry out various communication and training programs, including Integrity Week in 2022 (learn more on [page 23](#))

### Transparency Manual

In January 2021, the new Transparency Manual, the Company's code of conduct, was launched, with updated guidelines for employees on issues such as conduct, human rights, ethics, combating corruption and bribery, among other topics of relevance to cultivating a culture of integrity. This manual was approved by the BRF Board of Directors on October 29, 2020.



A good practice implemented in 2022 was the use of Flor of RH, BRF's virtual assistant, to send cards to operational employees to drive home the fact that no form of corruption or bribery will be tolerated and that the Transparency Channel can be used to report any misconduct.

The Transparency Manual is provided during the induction process with BRF through a clause in their employment contract, digital acceptance available in nine languages (Portuguese, English, Spanish, Arabic, Turkish, Creole, German, Chinese and French) or through self-service terminals, equipment available in facilities, which facilitate access to the Transparency Manual and the Anti-Corruption and Anti-Bribery Policy for all employees, especially those in the operational sector.



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## Training, Capacity-building and Communications

We constantly provide training to employees and business partners on BRF's Integrity System and management policies. Meetings at various company facilities begin under the topic of one of our three commitments (Integrity, Safety and Quality).

The result of the care given to employee development and communicating good practices was evident in 2022 through the organic engagement displayed by teams on several occasions, such as during the ISO 37001 audit - which took place for the first time in a hybrid format with visits to BRF production plants and Distribution Centers - as well as in feedback meetings on the Integrity System maturity assessments (Integrity Items of the Company's Management Programs: SEO and +Excellence).

As elections took place in Brazil in 2022, the Compliance Board worked together with Institutional Relations and Legal to drive home the guidelines set out in the Electoral Conduct and Dealings with Government Officials procedures with leaders and employees in Human Resources.

Among the challenges projected for 2023 are renewing our ISO 37001 certification, sustaining the maturity achieved last year and improving our Integrity System throughout our dynamic, extensive and complex chain.



**100%**  
of employees

trained in our New Transparency Manual and Anti-corruption and Anti-bribery

### Training and capacity building at BRF

#### Transparency Manual Training

All employees joining BRF undergo training on the Transparency Manual, which is the company's code of conduct (learn more on [page 20](#)). Attendance in this training is monitored weekly, and we maintain a digital database to track the process. In addition, we are audited internally and externally according to SOX controls on this topic.

Furthermore, all 14 members of BRF's Board of Directors and Oversight Board and Advisory Committees members underwent training on BRF's Transparency Manual and on Anti-corruption and Anti-bribery topics.

### Trained employees

**53** Executive Board

**677** Managers

**3,089** Supervision and Coordination

**8,453** Administrative

**77,232** Operations and Sales

**1,640** Apprentices

**456** Interns

**Total: 91,600**

1. Active employees only at 12/31/2022.

2. We do not count employees on leave or who have formal justifications within the guidelines established by HR for registration in the system



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### BRF's academy

The academy's training is directed to employees with access to computers at the workplace and consists of a set of courses on integrity, ethics and transparency. All employees must complete the training within 30 days of joining the Company, or from the launch of new courses by Compliance.

The courses on Integrity include: Donations and Sponsorships, Anti-Bribery and Anti-Corruption, Conflicts of Interest, Gifts, Presents and Hospitality, Compliance in LGPD, Business Partners Code, Dealings with Government Officials, MIP (information classification), Antitrust Policy, and Human Rights and Zero Tolerance for Harassment - the last three launched in 2022. All courses have a mandatory quiz to evaluate the assimilation of content by participants.

BRF Academy courses are entirely online, available in several languages and accessible in Brazilian Sign Language, special computers, and Portuguese-subtitled videos.



In 2022, BRF invested in replacing the platform on which the online training is available to increase accessibility through different means (web, mobile and in-person), as well as an automated integration with our global employee base and unified approval process.



**16,110**

**active employees**

at 12/31/2022 underwent training in 2022 in the courses comprising the Series Integrity Commitment

### Risk Based

The training covers basic compliance risks in each area, presenting the Integrity System and integrity guidelines of the main Compliance policies and procedures. The training takes place in person or through the Teams tool and includes practical cases to evaluate the retention of content by participants.



**961**

**employees trained**

on the topic of Electoral Conduct and Relationship with Public Authorities (Initiative conducted by Institutional Relations and Compliance)

**176**

**employees trained**

specifically on the *Due Diligence* procedure

**1,223**

**new employees** or employees promoted to specific departments/positions with risk exposure



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## Communications: Integrity is a daily practice

In 2022, we continued the ongoing communication of Compliance topics throughout the Company. By promoting and encouraging regular reflections through various channels, we aim to reach the multiple stakeholders associated with BRF, spreading a culture of integrity that is increasingly alive.

We worked on activations in all of our business units and in all our geographies, as well as reaching the stakeholders of companies acquired by BRF PET. Our content is therefore broadcast in Arabic, Spanish, English, Portuguese, Turkish, and Creole, and on-demand for key markets. Among the topics covered are: Transparency Manual, Policies and Procedures, Transparency Channel, Conduct Standards, Government Relations, and Evaluating and Mitigating Integrity-Related Risks.

For our internal stakeholders, we seek to diversify the communication formats for campaigns, such as Integrity Week, webinars, emails, self-service kiosks, and through the use of social media, especially WhatsApp.

For our business partners, we have channels such as the supplier portal, social media including LinkedIn and Instagram, and events where we share best practices. We also direct content towards integrated producers, who can receive the BRF Rural Newsletter, in addition to having access to the supplier portal and events on the topic.

Company Investors are equally informed about our commitment to integrity, to whom reports, publications on LinkedIn and Compliance events are shared. We communicate with society through the press, reports, social media, Compliance events, and collective actions.

In 2022, we also held another edition of Integrity Week, an annual event that celebrates the Company's unwavering commitment to Integrity

## 2022 at a Glance

During the past year, we can highlight the use of social media to reach our internal audience, especially through the sending of cards via WhatsApp on the topic of Integrity and Anti-Corruption through Flor of RH, BRF's virtual assistant. This initiative was recognized by the Organization for Economic Co-operation and Development (OECD) in its Global Report.

In 2022, we also held another edition of Integrity Week, an annual event that celebrates the Company's unwavering commitment to Integrity. During the week, webinars were held featuring professional experts in their fields, alongside BRF's leading employees and references. Various activities were also held in regional locations with the support of our Integrity Ambassadors.

To further support the communications made by our Ambassadors, directed towards our plant, distribution center and integration employees, all available Integrity Recipes were reviewed and updated, and new content was produced in this format. The Recipes contain bite-sized summaries of the company's main policies and procedures so that all employees can imbibe BRF's culture.

Furthermore, with the general elections held in 2022, communications specifically addressed electoral conduct, conflicts of interest, politically exposed persons and key information about the elections.



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## Business Partner Due Diligence

Our Compliance Board carries out background checks on business partners before contracts are signed and/or renewed, seeking to ensure integrity pervades all Company relationships.

The due diligence includes automated checks of news, judicial and administrative proceedings, black lists and verifications of the history of harmful acts against the public administration by individuals and legal entities. Legal entity should ideally have an integrity program to mitigate risks of irregularities that is in line with our ethical principles. When coupled with our digital controls, these precautions allow us to detect the potential risks to which the Company is exposed in its relationships with business partners and to prevent cases of corruption, bribery, fraud and other compliance risks. Potential mergers and acquisitions are also carefully scrutinized, undergoing due diligence processes to check for exposure to compliance risks.

In 2022 we enhanced our continuous checks on business partners, including socio-environmental and human rights risks, with the support of the Multidisciplinary Grain Committee, composed of five areas: Commodities, Sustainability, Reputation, Compliance and Legal. Regarding grain supply, for example, the main risks associated with the chain are environmental: regulatory, deforestation and loss of biodiversity, and social, with

the disregard for human rights and encroachment of productive areas into traditional communities (indigenous and maroon). To mitigate such risks, we have a geospatial monitoring platform, in which fortnightly analyses are carried out on the entire grain supply base against the criteria set out in our Sustainable Grain Purchase Policy (Embargoes, Deforestation, Encroachment and Human Rights, among others). This analysis allows us to detect risks, evaluate the feasibility of mitigating measures with the responsible areas and refer the most sensitive cases for analysis and resolution by the Multidisciplinary Committee.



In 2022 we enhanced our continuous checks on business partners, including socio-environmental and human rights risks, with the support of the Multidisciplinary Grain Committee, composed of five areas: Commodities, Sustainability, Reputation, Compliance and Legal







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See below the leading integrity promotion actions carried out internally and with business partners:

- Training conducted internally by the Compliance Board for **176 employees**, who work directly in the process of contracting high-risk partners of the Company, with the objective of training them on background checks and updates to the new system (more information on [page 26](#)); and
- Training conducted for more than **4,695 business partners** regarding BRF's Business Partner Code of Conduct and the conduct expected of them throughout their dealings with the Company.

The training on BRF's Business Partner Code of Conduct is available on our [institutional website](#) and on the platforms used by partners in the Agribusiness and direct and indirect procurements segments.

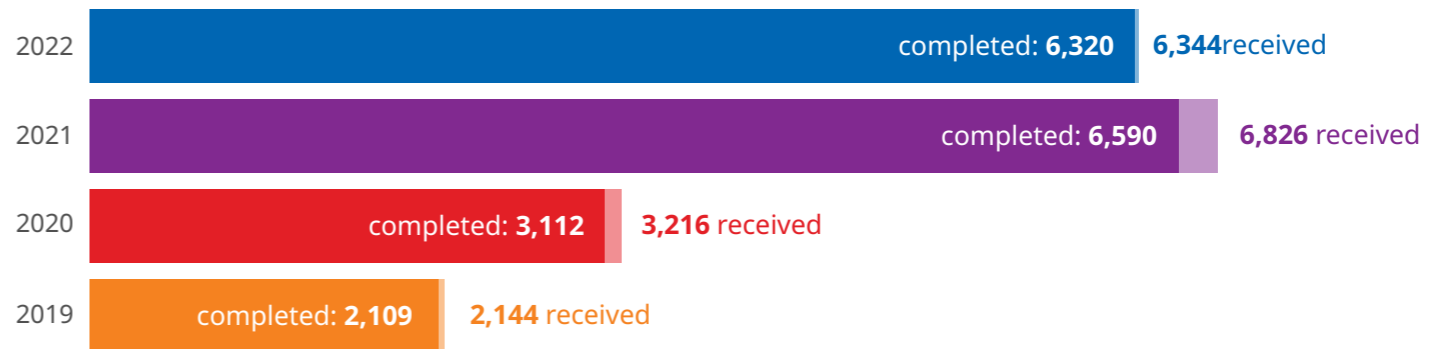


In accordance with ISO 37001, the Compliance Board also carries out background checks on specific categories of personnel in certain positions.



In 2022 more than 6,300 background checks were performed, with over 200 renewals of high-risk contract analyses for the Company.

**Due diligence demands**





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## Digital Controls and Agile Monitoring

The reach and efficiency in applying internal policies and guidelines and the Company's compliance with laws are continuously monitored by its internal controls, audits and transactional tests involving other areas, as well as external auditing. Specific digital controls are designed according to the level of risk posed by each operation, functioning systematically and automatically, and are implemented quickly with minimal impact on operations.

Process digitalization highlights are presented opposite.

Other automation processes will be implemented over the coming months, such as the self-declaration process for conflicts of interest, affording greater agility and reliability to responses submitted in Success Factor platform and the HR management system, rendering recruitment processes faster and more efficient.

A robust system for managing information declared by related parties will also be implemented.

**1.** Automation of background checks (due diligences) on business partners.

**2.** The creation of 11 management dashboards, indicators and KPIs customized according to Compliance's specifications:

- Gifts and presents
- Petty purchases
- Manual entries
- Overtime for junior apprentices
- Discounts at BRF stores
- Donations and Sponsorship
- Sales Commission
- Manual Shipping Entries
- Sale of Commodities
- Travel expenses.

**3.** The creation of Integrity Maturity Indicators in our regions based on the pillars of the Integrity System and ISO 37001:2016.



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## Efficiency and innovation

In 2022, BRF continued to roll out risk-analysis and transactional control solutions. Since then it has been increasing the number of active controls, **with more than 45 active controls**, such as:



**Data Loss Prevention (DLP)**, a control that classifies document confidentiality;

In 2022, **113,720** analyses were performed, issuing alerts related to improper messaging within the Company;



**Special Discounts Control**, which helped mature the discount awarding process at the Company's exclusive stores for employees

Last year over **R\$ 200,000** was saved in transactions blocked due to improper discounts at BRF stores, **based on 238 alerts**;



**Petty Purchases Control**, a tool for a previously manual process that became completely automated. The control affords greater compliance in our relationships with suppliers



## Digital controls

Petty purchases

**67,570**  
**orders analyzed**,  
equivalent to R\$ 108 million in  
monitored transactions

**4,259**  
**order alerts**,  
equivalent to R\$ 18.7 million



**Employee Travel Expenses Control**, which changed from monthly to weekly and became automated. In addition to efficiency, we made business travel expenses more transparent.



**Apprentice Working Hours Control**, a tool to track compliance in the working hours of apprentices as defined by Brazil's labor legislation (CLT).

**New transactional controls for analyzing internal processes will be developed and rolled out in 2023, aiming to improve the controls in place throughout BRF's production chain, in compliance with the obligations undertaken in the Plea Bargain entered on December 28, 2022.**

DLP

**113,720** analyses  
in 2022

BRF stores

**238** alerts  
equivalent to R\$ 221,212 in  
transactions blocked in 2022

Apprentice Working Hours

**2,953** alerts



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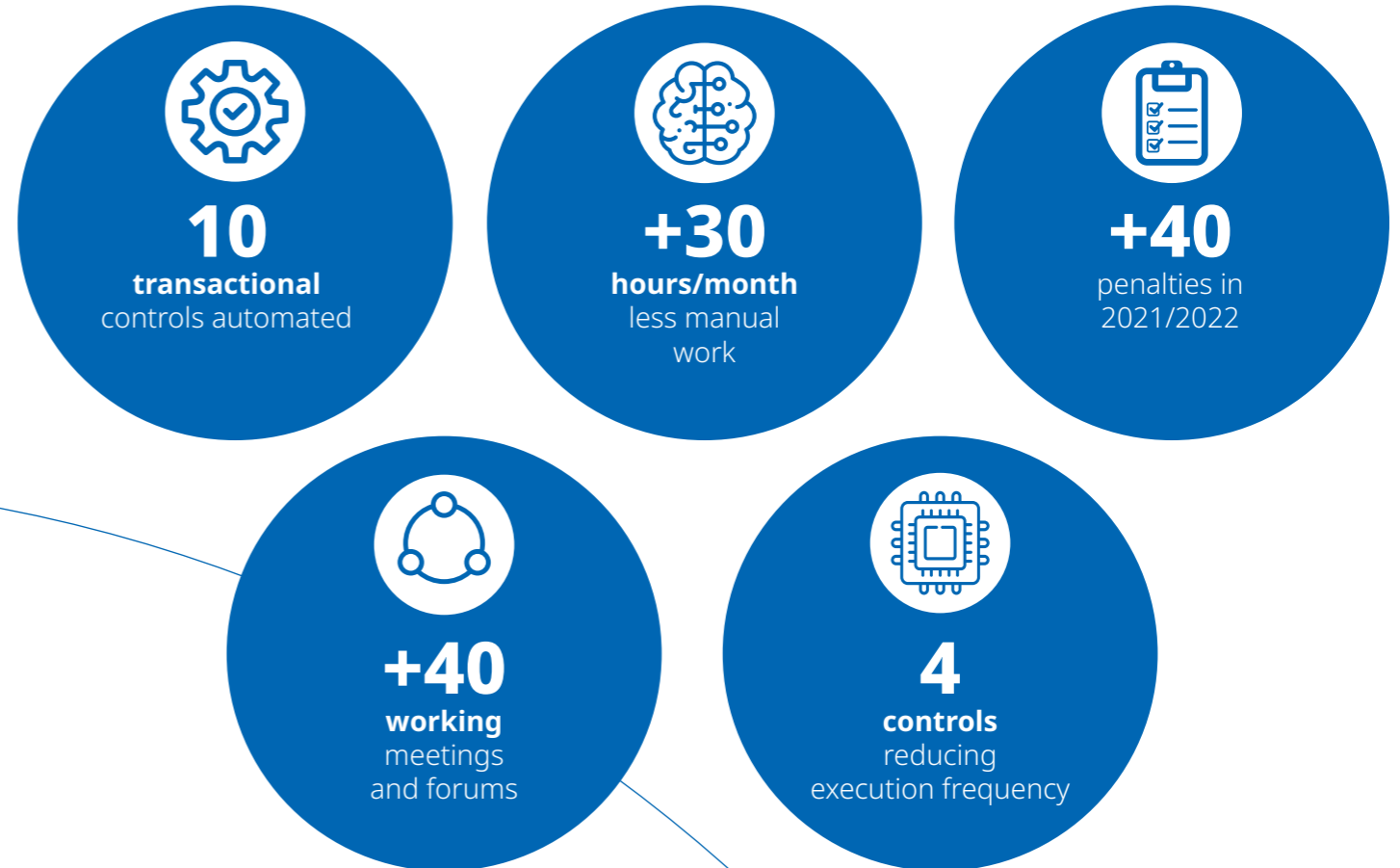
## Digital transformation

Digital transformation initiatives give us a competitive advantage and help make our high-risk decision-making process increasingly accurate and agile for BRF.

Partner analysis is a critical step to ensure that all parties are aligned with the Company's strategies, guidelines and reputation.

BRF invested R\$ 542,000 in automating the due diligence process and transactional controls.

## Key figures from the project Automation of Transactional Controls



## Misconduct Detection and Remediation

Both internal and external stakeholders can file concerns, suspicions and warnings to our Transparency Channel. The Channel is managed by an independent firm to ensure that reports are kept anonymous and confidential. The channel's impartiality is also guaranteed by BRF's corporate policies of non-retaliation and image protection for all potential parties involved. Once logged, the concerns are directed to our internal investigations team, which looks into the facts and supports teams in applying corrective or disciplinary measures.

Any reports that may involve the *Compliance* Department itself are investigated independently by the BRF Board of Directors and the Audit and Integrity Committee.

The Transparency Channel receives reports 24 hours a day through various communication channels, including a website, electronic forms and telephone lines in the following countries: Saudi Arabia, Austria, Brazil, Chile, China, United Arab Emirates, Japan, Kuwait, Oman, Qatar, Singapore and Turkey.

Assistance is provided in the following languages: Arabic, Creole, Spanish, English, Portuguese and Turkish.

### Concerns logged

	2019	2020	2021	2022
Fraud	488	665	685	728
Behavioral	1,169	1,987	2,471	2,610
<b>Total</b>	<b>1,657</b>	<b>2,652</b>	<b>3,156</b>	<b>3,338</b>

### Concerns logged - by subject

	2019	2020	2021	2022
Fraud involving customers	70	84	93	69
Discrimination	35	46	55	76
Theft, robbery or deviation	66	60	63	45
Fraud involving suppliers	119	100	113	89
Harassment	125	354	465	564
Other	1,242	2,008	2,367	2,495

### Cases closed-2022

	Substantiated	Unsubstantiated	Total
Behavioral	689	2,373	3,062
Fraud	247	532	779
<b>Total</b>	<b>936</b>	<b>2,905</b>	<b>3,841</b>

	2019	2020	2021	2022
<b>Penalties</b>	<b>172</b>	<b>252</b>	<b>317</b>	<b>301</b>
Warnings	86	121	198	210
Terminations	82	116	111	81
Suspension	4	15	8	10
Cases under Investigation	2,009	3,338	3,841	1,506



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## Transparency Committee

The Transparency Committee is composed of members of the Company's senior management and is responsible for overseeing BRF's Integrity System. It also advises the Company on high-risk compliance issues and decides on the application of remedial measures and/or disciplinary sanctions for reported non-compliance with internal policies and the Transparency Manual.

All reports received through the Transparency Channel are carefully analyzed and given the appropriate treatment. The investigating department conducts a preliminary analysis to determine if there is sufficient evidence to begin an investigation. If necessary, the case may be referred to outside consultants. Reports substantiated by evidence are reviewed by a multidisciplinary committee, which deliberates with the sectors involved as to the appropriate disciplinary measures in accordance with internal policies and the Transparency Manual. Once the investigation is complete, the reports are sent to the whistleblower, if contact is possible. Due to the confidentiality of the reported processes, the results remain confidential.

## Information Security

Due to the sensitivity of the information we handle every day, a robust information security structure is essential. Our Data Loss Prevention (DLP) tool is used to classify information, covering 100% of our computerized employees. When creating any file, the tool allows the document to be classified as public, external, confidential or strictly confidential, and tracks the path of the document, ensuring its proper destination. The tool also issues a warning in the event of improper messaging.

In 2022, the Compliance Board reviewed the Information Confidentiality and Classification Policy and launched online training on the subject, in order to disseminate and raise awareness among employees about the importance of proper data classification to prevent leaks and exposure to risks.

Additionally, specific training sessions were conducted for departments with higher risk exposure, to ensure the tool acquired by the Company is used properly. These actions helped improve and significantly enhance the DLP system.



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## External Engagement and Sharing Practices

At BRF, we believe that there must be cooperation between companies and institutions as a whole when it comes to respecting ethics and integrity issues. We understand that in order to maintain the highest level of excellence in actions taken, a social pact of ethics and transparency must be established among all market players.

### Good Practice recognized in the OECD's Global Report



In the Global Report published by the Organization for Economic Co-operation and Development (OECD) in 2022, Flor do RH, BRF's virtual assistant that uses artificial intelligence and machine learning, was lauded for its solution of reiterating messages and answering questions about Ethics and Compliance.

### Integrity Week

#### Participation of Integrity and Compliance professionals



In 2022, the Compliance Board actively participated in forums and training sessions for sharing best practices and experiences on the topics of ethics, transparency and integrity. To promote these issues, we participated in the following debates: International Chamber of Commerce (ICC-Brazil), Compliance Women Committee, and Legal, Ethics & Compliance (LEC), Instituto Não Aceito Corrupção, Observatório Social do Brasil, Ministry of Agriculture and Livestock (MAPA), FGV Ethics, UN Global Compact - Brazil Network, Pact for Sport, Brazilian

Association of Animal Protein (ABPA), B20 Compliance, OECD Working Groups, and the United Nations Office on Drugs and Crime (UNODC).

In addition, we were able to continue sharing best practices with companies and institutions from various sectors, such as Embraer, Bunge, KPMG, Cia Hering, Rio de Janeiro State Government, Aberje, Instituto Inhotim, Votorantim, Suzano, INPI and more than 26 other entities.



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# Credits

**A BRF S.A. PUBLICATION**  
www.brf-global.com

**Co-ordination**  
Compliance Board  
Global CEO

**Editorial Design and Writing**  
Grupo Report

**Graphic Design**  
Grupo Report

**Revision**  
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