

W0. Introduction

W0.1

**(W0.1) Give a general description of and introduction to your organization.**

Minerva Foods is the leading beef exporter in South America and has adjacent operations in animal protein processing and sales, and live cattle exports. A Brazilian-based, publicly traded corporation, Minerva Foods has a global presence, exporting to more than 100 countries on five continents. At the end of 2021, the second year of the new coronavirus pandemic, Minerva's net revenue was BRL 26.9 billion.

The Company sources, processes and sells animal protein through an integrated, geographically diversified and flexible business platform comprising 25 beef slaughter plants in Brazil, Argentina, Colombia, Paraguay and Uruguay. In 2021, Minerva Foods expanded into Oceania with the acquisition of two sheep slaughter plants in Australia.

Completing its assets are 14 distribution centers in South America (9 in Brazil, 2 in Chile, 1 in Argentina, 1 in Colombia and 1 in Paraguay), 16 sales offices in key markets (Algeria, Australia, Chile, China, Dubai, Egypt, United States, Hong Kong, England, Italy, Lebanon, New Zealand, Russia, Singapore and Taiwan), one meat processing plant (Minerva Fine Foods) in Brazil and two operating under the Swift brand in Argentina.

Starting a new chapter in its 30-year history, in 2021 the Company refreshed its brand to reflect the evolution that has made Minerva Foods a modern, disruptive and innovative business that is committed to creating a sustainable food future for our planet. Each site now displays the renovated Minerva Foods brand. The Company has a 23% market share in South America with a workforce of 21,215 employees and in 2021 produced and processed 1,001 million metric tons of beef across all regions

As part of its business model, the Company supports the development of more than 21,000 cattle suppliers to meet the requirements of mature markets on issues such as traceability and environmental, labor and land-use compliance.

Minerva Foods is deeply committed to sustainability in such a way that this value is embedded in its institutional culture. To ensure the best prioritization of initiatives and in the development of partnerships, the Minerva Foods ESG (environmental, social and corporate governance) agenda was organized into three pillars: Dedication to the Planet, Prosperity of Our People, and Product Quality and Respect for Life. In April 2021, Minerva Foods unveiled a number of goals and targets relating to climate change, a focus area in the Company's sustainability strategy pillar 'Dedication to the Planet'.

These goals cover the Company's own operations and the broader value chain and aim to achieve net zero emissions by 2035—15 years earlier than called for in the Paris Agreement—among other medium-term ambitions.

More information about Minerva Foods is available in the 2021 Sustainability Report, on our institutional website and on the investor relations website.

W-FB0.1a

**(W-FB0.1a) Which activities in the food, beverage, and tobacco sector does your organization engage in?**

Processing/Manufacturing

W0.2

**(W0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date
Reporting year	January 1 2021	December 31 2021

W0.3

**(W0.3) Select the countries/areas in which you operate.**

- Argentina
- Brazil
- Colombia
- Paraguay
- Uruguay

W0.4

**(W0.4) Select the currency used for all financial information disclosed throughout your response.**

BRL

## W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

## W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

## W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, a Ticker symbol	BEEF3

## W1. Current state

### W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Important	direct operations Primary use: treated water is used for receiving animals, for primary washing in pens, for sterilization equipment, for cleaning and sanitizing products and by-products, in addition to sanitizing the plant at the end of production. Why it is vital: without treated water it is not possible to operate an industrial food processing plant due to the need for daily washing and sanitizing of the production area to guarantee non-contamination of products, in accordance with current food safety legislation. Future dependence: dependence on water will remain the same in the future, as there is a legal obligation to wash and sanitize the production area daily. indirect operations Primary Use: Water is used on our suppliers' livestock farms for animal watering. Some farms that operate in an animal confinement system also use water to clean corrals and animal living areas, as recommended in animal welfare regulations. Why it is important: Sufficient water is an important aspect when raising livestock to ensure animal health and welfare. Future dependence: dependence on water will remain the same in the future due to the need to guarantee the welfare of livestock.
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Important	direct operations Primary use: the main use is cleaning observation pens, washing trucks, gardening, irrigating patios, because in an industrial food plant, reused water cannot have direct contact with products, according to legislation. Why it is important: The use of reused water is important to reduce the demand for withdrawal of surface and groundwater. Future dependence: dependence on reused water tends to increase in the future as better water use practices are implemented in industrial units to minimize the capture of new water. indirect operations Primary use: it is used in the pre-shipment truck sanitization processes and in the cleaning of corrals and other living areas where they exist. Why it is important: the use of water is important to reduce the demand for the use of surface water or third parties in these processes. Future dependency: dependency on reused water tends to increase in the future as better water use practices are implemented on supplier farms. This dependence also tends to increase with the implementations that must be carried out for water collection, such as rainwater. These waters can also be used in confinements to reduce dust and/or when treating rainwater, for animal thirst.

### W-FB1.1a

(W-FB1.1a) Which water-intensive agricultural commodities that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Agricultural commodities	% of revenue dependent on these agricultural commodities	Produced and/or sourced	Please explain
Cattle products	More than 80%	Sourced	More than 80% of the Company's revenue comes from the production of fresh and processed beef. In the production process, consumption begins in the observation corrals where drinking water fountains and water sprinklers are available for thermal comfort of the animals. The corrals are also individually sanitized to ensure the sanitary conditions of the environment and to receive the next batch of animals. Then, when sent for stunning and slaughter, the animals undergo a bath of hyperchlorinated water to sanitize the leather and general cleaning, followed by washing the paws. At the beginning of the slaughter process and other stages of dismantling the carcass, the use of water is continuous and abundant to guarantee the safety of the food produced. At the end of the process, all industrial areas are sanitized for use the next day.

### W1.2

**(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?**

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	All water withdrawn (both from surface sources, underground or purchased from third parties) is monitored daily, both in volume and in time of capture, using ultrasonic flow meters. The information is sent to a system for compiling the data, which is filed in a spreadsheet and presented monthly to the Industrial Management Commission for discussion on the increase or decrease in consumption. Action plans are executed for cases that need attention.
Water withdrawals – volumes by source	100%	The total volume of water withdrawn by source (surface, underground or public supply network) is monitored daily through hydrometer readings at each unit. The information is sent to a system for compiling the data, which is filed in a PBI spreadsheet and presented monthly to a committee for discussion on increasing or decreasing consumption. Action plans are executed for cases that need attention. 100% of water abstraction sources are monitored in accordance with the licenses issued by Organs competent bodies.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	100%	The quality of all water abstracted is analyzed on a monthly basis and must be subjected to a potential treatment in accordance with the environmental management policy and procedures. In some cases even if they are groundwater, there are units that necessarily must treat their water due to the high degree of water hardness, due to the characteristic of the region, as is the case with units in Colombia and Argentina. When the water collected from wells meets all the parameters established in the legislation, it can only be sent for industrial use with the addition of chlorine. All water that is collected from surface sources undergo physical-chemical treatment until its potability standard is in accordance with legislation. Water collected from rivers and streams, we evaluate parameters such as turbidity, hardness, pH, organic matter, among others. In the already treated water supplied to the industry, the parameters are monitored in accordance with national and international standards
Water discharges – total volumes	100%	The total volume of effluent disposal in Brazil is controlled daily and follows the recommendations contained in the disposal authorizations issued by the competent environmental agencies. In other countries, the volume of effluents discarded is indirectly monitored, through the volume of water collected measured by hydrometers and, by assigning a percentage of loss, an estimate is made of the total volume of water discarded in the month. For Minerva Foods Latam, the volume unloaded in 2021 was monitored through the total volume captured throughout the year, attributing a percentage of loss of 15%. Therefore, to arrive at these total annual volumes of effluent generated, the daily volumes captured and correctly measured by installed water meters are used, after which the total sum of the month is made and the 15% loss during the process is subtracted (indicated in the literature ). This form of measurement was adopted until all units had an automatic effluent flow measurement recorder
Water discharges – volumes by destination	100%	The entire volume of effluents discarded in Brazil is controlled daily by flow meters and follows the recommendations contained in the disposal grants issued by the competent environmental agencies. Disposals are made in surface sources and part of the volume is destined for fertigation of pastures in properties neighboring to the production units. In other countries, the volume of treated effluent is measured indirectly and sent to the receiving body (surface sources) or for post-treatment in lagoons at the production units. Indirect measurement is done through estimation, attributing a percentage of loss to the volume of water captured daily measured by hydrometers. At Minerva Foods Latam units, the treated effluent is sent to the receiving body or for post-treatment in the municipal treatment network, and the recommendations contained in the authorizations issued by the competent environmental agencies are followed.
Water discharges – volumes by treatment method	100%	All company's units have their own effluent treatment systems and carry out daily control and measurement of volumes through flow meters and follow the recommendations contained in the disposal authorizations issued by the competent environmental agencies. At the Minerva Latam units, the treated effluent is sent to the receiving body or for post-treatment in the municipal treatment network, and the recommendations contained in the authorizations issued by the competent environmental agencies are followed. All effluent generated in Minerva Foods' production units is treated with an organic load removal efficiency above 90%. The system efficiency control is done through monthly laboratory analyses. For the management of indicators related to the generated effluent, there are goals established for parameters of BOD, nitrogen and phosphorus and the results are presented and discussed monthly at meetings of the Industrial Management Commission with action plans when deviations are observed
Water discharge quality – by standard effluent parameters	100%	All effluent generated in Minerva Foods' production units is treated with an organic load removal efficiency above 90%. The system efficiency control is done through monthly laboratory analyses. For the management of indicators related to the generated effluent, there are goals established for the parameters of BOD, nitrogen and phosphorus, and the results are presented and discussed monthly at meetings of the Industrial Management Commission, with action plans when deviations are observed. The company follows the recommendations of its operating licenses issued by competent agencies.
Water discharge quality – temperature	100%	For all units, the water flow is in accordance with the legislation in force in each country, with no problems with this parameter. The temperature is measured at several points in the system, such as raw effluent inlet, treated effluent outlet, water temperature in the receiving body and ambient temperature. The operating license requirements based on current legislation are followed and measurements are taken daily.
Water consumption – total volume	100%	Minerva Foods considers that all water collected is used in the process and that consumption occurs only for the process of cooking proteins in the production process of canned and portioned products. This percentage of consumption is calculated through the difference between the volume captured at the sources and the volume discharged after effluent treatment, both monitored daily.
Water recycled/reused	1-25	The legislation is strict regarding the reuse of water, to avoid contamination of the product. For this reason, it is not possible to reuse more water in the process. The water from the filter backwash, clarifier purge, defrost water, or from the sterilizer flow is used to wash the corrals and clean cattle trucks. Flow checks are carried out from the pumps during their daily use
The provision of fully-functioning, safely managed WASH services to all workers	100%	All factories have adequate changing rooms for all employees, with individual bathrooms, showers, sinks, lockers and sewage network in accordance with legislation. The Company meets all drinking water standards for the water supplied to its employees. This quality is attested by regular collections accompanied by inspectors from the Ministry of Agriculture assigned to the plant. Strict hygiene standards are followed, considering the company's field of activity. All domestic sewage is collected and treated properly in accordance with legislation. In addition to the internal control carried out by Minerva Foods on a daily basis, the Ministry of Agriculture constantly carries out tests on the water to guarantee its quality, depending on the parameter, this test is also carried out daily. For LATAM plants, each ministerial control body also carries out checks to meet the quality of water, whether for product or for employees

**W1.2b**

**(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?**

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	13561.55	Higher	The increase in water withdrawals was due to the resumption of operations at the Canelones unit in Uruguay, the acquisition of a new operational unit in Bucaramanga, Colombia and the considerable increase in production in Argentina and Paraguay. In the future, the volume of water collected may vary depending on production levels, and an increase in production may lead to an increase in the volume of water and a decrease in production or strategic stops in certain operating units, which may cause a decrease of that volume. 2020, 11.408,20; 2021, 13.561,55; var% 2021/20, 18,9%
Total discharges	11950.97	Higher	The increase in water discharge was due to the resumption of operations at the Canelones unit in Uruguay, the acquisition of a new operational unit in Bucaramanga, Colombia and the considerable increase in production in Argentina and Paraguay. In the future, the volume of water discharge may vary depending on production levels, and an increase in production may lead to an increase in the volume of water discharge and a decrease in production or strategic stops in certain operating units, which may cause a decrease. 2020, 9.348,61; 2021, 11.950,97; var% 2021/20, 27,3%
Total consumption	1610.59	Lower	The increase in water consumption was due to the resumption of operations at the Canelones unit in Uruguay, the acquisition of a new operational unit in Bucaramanga, Colombia and the considerable increase in production in Argentina and Paraguay. In the future, the volume of water consumption may vary depending on production levels, and an increase in production may lead to an increase in the volume of water and a decrease in production or strategic stops in certain operating units, which may cause a decrease of that volume. The water consumed is that which is incorporated into the product or carcass during washing, evaporation from cooling towers or boiling water for sterilization of equipment and utensils, etc. 2020, 2.023,59 ; 2021, 1.610,59; var% 2021/20, -20,4%

**W1.2d**

**(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.**

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	1-10	Lower	Other, please specify (Internal toll and external consultancies)	Minerva Foods performs an internal assessment of the water withdrawal areas, based on the limits established in the abstraction and release grants, reports from environmental agencies in the regions where it operates and the history of recorded droughts. In this sense the Company classifies as units in water stress areas, those that suffer water impacts such as drought, floods or where the amount of available water is insufficient to meet local needs. The control is done by evaluating volume measurement indicators for each month compared to previous years.

**W-FB1.2e**

**(W-FB1.2e) For each commodity reported in question W-FB1.1a, do you know the proportion that is produced/sourced from areas with water stress?**

Agricultural commodities	The proportion of this commodity produced in areas with water stress is known	The proportion of this commodity sourced from areas with water stress is known	Please explain
Cattle products	Yes	Yes	The cattle used as an input in the production process originates from regions that are at most 300 kilometers away from the industrial units, therefore, the characteristics of the regions where it is produced are considered the same as the region where it is processed. Minerva Foods performs an internal assessment of the water withdrawal areas, based on the limits established in the abstraction and discharge parameters, reports from environmental agencies in the regions where it operates and the history of recorded droughts. In this sense, the Company classifies as units in water stress areas, those that suffered water impacts such as drought, floods or where the amount of available water is insufficient to meet local needs. Last year, the Mirassol do Oeste unit in Brazil was the only unit considered to be in an area of water stress. In it, 55,554 heads of cattle were slaughtered, which represents 1.52% of the total number of animals slaughtered by the company in 2021.

**W-FB1.2f**

**(W-FB1.2f) What proportion of the produced agricultural commodities reported in W-FB1.1a originate from areas with water stress?**

Agricultural commodities	% of total agricultural commodity produced in areas with water stress	Please explain
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**W-FB1.2g**

(W-FB1.2g) What proportion of the sourced agricultural commodities reported in W-FB1.1a originate from areas with water stress?

Agricultural commodities	% of total agricultural commodity sourced from areas with water stress	Please explain
Cattle products	1-10	The cattle used as an input in the production process originates from regions that are at most 300 kilometers away from the industrial units, therefore, the characteristics of the regions where it is produced are considered the same as the region where it is processed. Minerva Foods performs an internal assessment of the water withdrawal areas, based on the limits established in the abstraction and discharge parameters, reports from environmental agencies in the regions where it operates and the history of recorded droughts. In this sense, the Company classifies as units in water stress areas, those that suffered water impacts such as drought, floods or where the amount of available water is insufficient to meet local needs. Last year, the Mirassol do Oeste unit in Brazil was the only unit considered to be in an area of water stress. In it, 55,554 heads of cattle were slaughtered, which represents 1.52% of the total number of animals slaughtered by the company in 2021. In recent years, the Company has been managing water resources aiming to reduce its dependence on the origination of cattle or production in areas of water stress, recording a reduction of 78.8% in the volume of water abstracted in areas of water stress, reducing the impact on the surroundings of the unit. Another way to reduce the impact on water stressed areas is geographic diversification. In 2021, the acquisition, through a joint venture with Salic, of two slaughterhouses specialized in sheep in Australia - an important step towards expanding geographic diversification, arbitrage capacity and entry into other branches of the protein market. These decisions, while reducing exposure to risks and uncertainties typical to the segment, enables the company to plan and build a Minerva Foods connected to the future, capable of providing food in various forms, production structures and value chain configurations, with quality and sustainability. As future trends, the Company expects to maintain low levels of abstraction in areas of water stress, by studying the implementation of different sources of abstraction and technologies to reduce water consumption.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	10001.68	Higher	The increase in water withdrawal was due to the resumption of operations at the Canelones unit in Uruguay, the acquisition of a new operational unit in Bucaramanga, Colombia and the considerable increase in production in Argentina and Paraguay.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	Brackish/sea cannot be used in the production process of in natura meat and its derivatives due to the specifications of the sanitary regulations in the countries where the company operates.
Groundwater – renewable	Relevant	3135.44	Much higher	The increase in water withdrawal was due to the resumption of operations at the Canelones unit in Uruguay, the acquisition of a new operational unit in Bucaramanga, Colombia and the considerable increase in production in Argentina and Paraguay.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	The company does not withdraw groundwater from non-renewable sources
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	The company does not produce water
Third party sources	Relevant	424.44	Higher	The increase in water withdrawal was due to the resumption of operations at the Canelones unit in Uruguay, the acquisition of a new operational unit in Bucaramanga, Colombia and the considerable increase in production in Argentina and Paraguay.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	9500.67	Higher	The increase in water consumption and the consequent discharge was due to the resumption of operations at the Canelones unit in Uruguay, the acquisition of a new operational unit in Bucaramanga, Colombia and the considerable increase in production in Argentina and Paraguay.
Brackish surface water/seawater	Please select	<Not Applicable>	<Not Applicable>	Brackish/sea water cannot be used in the production process of in natura meat and its derivatives due to the specifications of the sanitary regulations in the countries where the company operates.
Groundwater	Relevant	1837.61	Higher	The increase in water consumption and the consequent discharge was due to the resumption of operations at the Canelones unit in Uruguay, the acquisition of a new operational unit in Bucaramanga, Colombia and the considerable increase in production in Argentina and Paraguay.
Third-party destinations	Relevant	1134.86	Much higher	The increase in water consumption and the consequent discharge was due to the resumption of operations at the Canelones unit in Uruguay, the acquisition of a new operational unit in Bucaramanga, Colombia and the considerable increase in production in Argentina and Paraguay.

W1.2j

**(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.**

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Relevant	579.36	Higher	1-10	In Brazil, the Mirassol, D'Oeste and Janaúba units perform tertiary treatment in their operations. Mirassol d'Oeste requires a high quality discharge in the receiving body in accordance with what is required in local environmental legislation, while Janaúba discharge it in the municipal treatment network.
Secondary treatment	Relevant	1137.6	Higher	81-90	All Minerva Foods production units in the countries perform secondary treatment, except for the Mirassol d'Oeste and Janaúba units, which require tertiary treatment. The treatment parameters follow the requirements of the environmental legislation of each location.
Primary treatment only	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	100% of the units carry out treatment of their effluents at least up to the secondary level
Discharge to the natural environment without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	All Minerva Foods units carry out treatment of the generated effluent, in accordance with the provisions of local legislation.
Discharge to a third party without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	All Minerva Foods units carry out treatment of the generated effluent, in accordance with the provisions of local legislation.
Other	Please select	<Not Applicable>	<Not Applicable>	<Not Applicable>	

**W1.3**

**(W1.3) Provide a figure for your organization's total water withdrawal efficiency.**

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	2690000000	13561.55	1983549.07809211	Annually, the target for the following year is defined by analyzing the history of the previous year, with adjustments to the number of heads slaughtered in the budget for the following year. In other words, the reduction in water consumption is estimated through the projects that are planned to be implemented in the year and a value of m <sup>3</sup> per head slaughtered is calculated. The tendency is to maintain water consumption targets as established for each of the units.

**W-FB1.3**

**(W-FB1.3) Do you collect/calculate water intensity for each commodity reported in question W-FB1.1a?**

Agricultural commodities	Water intensity information for this produced commodity is collected/calculated	Water intensity information for this sourced commodity is collected/calculated	Please explain
Cattle products	Not applicable	Yes	Minerva Foods controls the water consumption in its units, so the calculation to define the water intensity is performed by dividing consumption by the amount of finished product in tons (TPA). This intensity is used for internal control and to set goals for each unit

**W-FB1.3b**

**(W-FB1.3b) Provide water intensity information for each of the agricultural commodities identified in W-FB1.3 that you source.**

**Agricultural commodities**

Cattle products

**Water intensity value (m3)**

834.73

**Numerator: Water aspect**

Total water consumption

**Denominator**

Tons

**Comparison with previous reporting year**

Higher

**Please explain**

Between 2020 and 2021 there was an increase in water consumption due to the start of operations at the Bucaramanga unit (COL) and the resumption of operations in Canelones (UY). Another factor that influenced the increase was the expansion of slaughter and production volumes in Argentina and Paraguay. The results are discussed in the Industrial Management Commission, which takes place monthly to analyze the results of the strategic KPIs for the Company. They are discussed and, when necessary, action plans are prepared for observed deviations. The future trend of water abstraction will be smaller, since our processes tend to be more and more efficient. The intensity figure considers m3/metric ton produced.

**W1.4**

**(W1.4) Do you engage with your value chain on water-related issues?**

No, not currently but we intend to within two years

W1.4d

**(W1.4d) Why do you not engage with any stages of your value chain on water-related issues and what are your plans?**

	Primary reason	Please explain
Row 1	We are planning to do so within the next two years	In the Dedication to the Planet pillar, the Company's focus is on acting to prevent the worst effects of climate change, while supporting rural producers in implementing practices that sequester and store carbon, protect biodiversity, and increase resilience. As a driver of efforts in this direction, Minerva Foods announced its Commitment to Sustainability in 2021 and will work on three major axes to achieve net zero emissions by 2035. The first axis is linked to the environmental efficiency of operations, the second to the fight against illegal deforestation and the third the Renova Program, which aims to support the production chain in the implementation of low carbon emissions best practices.

W2. Business impacts

W2.1

**(W2.1) Has your organization experienced any detrimental water-related impacts?**

No

W2.2

**(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?**

No

W3. Procedures

W-FB3.1

**(W-FB3.1) How does your organization identify and classify potential water pollutants associated with its food, beverage, and tobacco sector activities that could have a detrimental impact on water ecosystems or human health?**

The identification and classification of possible pollutants is carried out through a survey of aspects and impacts, and legislation in force in each country. The company follows the guidelines and standards established by current environmental legislation, whether municipal, national or international. These standards recommend the limits allowed for the discharge of industrial and sanitary effluents. These parameters are constantly monitored in order to eliminate potential pollutants in their final sources of release, especially surface releases into water bodies.

All effluents are monitored through analysis reports issued by specialized laboratories, accredited in accordance with the ISO/IEC 17025 Standard or internationally recognized certification.

In the case of units in Colombia, the laboratories must be approved by IDEAM and in Paraguay, the laboratories must be accredited by the ONA (National Accreditation Organization), so that the analyzes are accepted and presented to environmental agencies.

The evaluation of the results of the monitoring analyzes aims to identify the causes of the parameters outside the expected range for compliance with the legislation or for the improvement of the operation.

The reports or internal verification support the unit's monitoring reports regarding the quality of the receiving body (when discharge is made) or the water pipe, when fertigation or percolation is used.

The analyzes are carried out in accordance with the Environmental Monitoring Matrix (F.SGA CPT001) inserted in the Environmental Monitoring (PR) procedure. SGA, CPT-002), as well as the parameters to be analyzed by collection point, as established in environmental licenses and/or for internal monitoring.

Internal monitoring related to settled solids and bioremediation must be carried out by an employee designated by the environmental supervisor, with daily frequency and registered in the forms of control of settled solids (F.SGA). CPT - 013) and Application Control and Bioremediation in Effluent Treatment Lagoons (F.SGA). CPT - 014), according to the applicability of each unit.

W-FB3.1a

**(W-FB3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your food, beverage, and tobacco sector activities.**

**Potential water pollutant**

Other animal by-products

**Activity/value chain stage**

Manufacturing – direct operations

**Description of water pollutant and potential impacts**

Effluent has a high organic load due to the generation of effluent from the red line (cleaning containing blood), green line (ruminal content and rumen) and sanitary sewage. With the organic load above the allowed levels, it can degrade the receiving body if inappropriately released.

**Management procedures**

Waste water management

**Please explain**

There are procedures described in each unit on how to carry out the treatment. This document contains each step and how the treatment is carried out and which parameters must be analyzed and which standards must be met. Its success is measured by comparing the results obtained and the expected results. In monthly meetings of the Industrial Management Commission, strategic KPIs are discussed and, when necessary, action plans are prepared for observed deviations. Once the legal requirements for wastewater quality are met, they are considered "target achieved".

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**Potential water pollutant**

Wastewater and sludge with high organic or suspended solids content

**Activity/value chain stage**

Manufacturing – direct operations

**Description of water pollutant and potential impacts**

The high organic load of the effluent can impact the amount of oxygen available on the receiving bodies, so the monitoring of Biological Oxygen Demand (BOD) is important to ensure oxygen availability. Higher BOD indicates more oxygen is required, and signifies lower water quality.

**Management procedures**

Waste water management

**Please explain**

All units offer wastewater treatment according to their characteristics, generally covering primary physical-chemical treatment, secondary treatment (activated sludge or stabilization ponds) and tertiary treatment. Ensuring compliance with legal requirements and the maintenance of water body or soil quality. In monthly meetings of the Industrial Management Commission strategic KPIs are discussed and, when necessary, action plans are prepared for observed deviations. Once the legal requirements for wastewater quality are met, they are considered "target achieved".

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**Potential water pollutant**

Other animal by-products

**Activity/value chain stage**

Manufacturing – direct operations

**Description of water pollutant and potential impacts**

Ammonia nitrogen is one of the pollutants associated with the production process. High concentration of Nitrogen in water bodies can lead to Eutrophication, impacting the ecosystem balance

**Management procedures**

Soil conservation practices

**Please explain**

Minerva Foods uses waste stabilization by composting to minimize its impact. This reduces the amount of waste that could be sent to landfills. The amount of waste sent for composting is monitored by the Industrial Management Commission and the greenhouse gas (GHG) Management system, as a scope 3 emission.

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### W3.3

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**(W3.3) Does your organization undertake a water-related risk assessment?**

Yes, water-related risks are assessed

### W3.3a

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**(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.**

**Value chain stage**

Direct operations

**Coverage**

Full

**Risk assessment procedure**

Water risks are assessed in an environmental risk assessment

**Frequency of assessment**

Annually

**How far into the future are risks considered?**

Up to 1 year

**Type of tools and methods used**

Databases

**Tools and methods used**

Other, please specify (Internal company methods)

**Contextual issues considered**

Water availability at a basin/catchment level

Water quality at a basin/catchment level

Water regulatory frameworks

**Stakeholders considered**

Employees

Local communities

NGOs

Regulators

Water utilities at a local level

**Comment**

Water is a fundamental input in the meat industry and Minerva Foods is aware of its importance. Therefore, it performs daily monitoring and structured and careful analysis of consumption in relation to production.

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**W3.3b**

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**(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.**

The company has a technical engineering and environment body, which, through field analyses, studies and prospection of the company's growth, outlines the strategies to be taken aiming at the sustainability of water sources, whether for withdrawal or discharge. The company has some strategic weekly forums for decision making. In these forums factors that define cattle supply and demand in the sector are analyzed. Among other information climate forecasts from the CFS2, GFS, ECMWF and COSMO INMET models are analyzed.

As the energy matrix in Brazil and Paraguay is predominantly hydric the company is exposed to an increase in electricity costs in the event of water crisis. The analysis of the monitoring of the electricity sector takes into account various sources of information, such as mathematical models of price forecasts, weather maps and reports from the Brazilian National Electric System Operator (ONS).

Water risks are associated with a significant increase in electricity prices. Therefore, water crisis scenarios can have a financial impact on the company's production costs. The role of the subsidiary Minerva Energia is to study the best contracting period and minimize the financial impacts for the company by contracting energy for medium and long-term periods, thus protecting against price volatility inherent in the energy market.

All of Minerva Foods' industrial units are exposed to water risk scenarios. The analysis of water risks for the company is made taking into account a projection of price increases in the case of extreme water events. Another factor monitored is the mandatory reduction in consumption determined by the government in a possible scenario of electricity rationing. It is not possible to predict exactly the levels of reduction in the event of rationing, but, for example, there were a compulsory 20% reduction in the last water rationing event that occurred in 2001.

The organization has ongoing studies that can minimize the impacts related to the price of electricity and possible situations of consumption restrictions in the event of electricity rationing. These are studies related to the self-production of energy that could make the company self-sufficient in the generation of part of its consumption, minimizing the water risks related to the energy matrix of Brazil and Paraguay.

**W4. Risks and opportunities**

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**W4.1**

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**(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes, both in direct operations and the rest of our value chain

**W4.1a**

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**(W4.1a) How does your organization define substantive financial or strategic impact on your business?**

Minerva Foods, as the export leader in South America, has a high risk of losing foreign markets. Considering the European Union as one of the most demanding markets in terms of sustainability requirements, the loss of these sales would lead to a reduction of approximately 8% in the Company's revenue, that is, approximately 1.5 billion reais. This is one of the examples of substantive financial impact considered by the Company.

**W4.1b**

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**(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?**

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	1	1-25	The Mirassol D'Oeste unit, in the state of Mato Grosso, is located in a water stress area according to internal analysis.

**W4.1c**

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**(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?**

**Country/Area & River basin**

Brazil	Other, please specify (Bacia do Rio da Prata)
--------	---

**Number of facilities exposed to water risk**

1

**% company-wide facilities this represents**

1-25

**Production value for the metals & mining activities associated with these facilities**

<Not Applicable>

**% company's annual electricity generation that could be affected by these facilities**

<Not Applicable>

**% company's global oil & gas production volume that could be affected by these facilities**

<Not Applicable>

**% company's total global revenue that could be affected**

1-10

**Comment**

The Mirassol D'Oeste unit, in the state of Mato Grosso, is located in a water stress area according to internal analysis.

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**W4.2**

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(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

**Country/Area & River basin**

Brazil	Other, please specify (Bacia do Rio da Prata)
--------	---

**Type of risk & Primary risk driver**

Acute physical	Drought
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**Primary potential impact**

Increased operating costs

**Company-specific description**

The drought may lead the Company to have to purchase water from sources other than those primarily defined or to a substantial increase in the price of water needed in all Minerva Foods operations, especially at the unit located in areas of water stress (Mirassol D' West - MT)

**Timeframe**

1-3 years

**Magnitude of potential impact**

Medium-high

**Likelihood**

About as likely as not

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

1000000

**Potential financial impact figure - minimum (currency)**

<Not Applicable>

**Potential financial impact figure - maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

The cost of the shutdown of the unit is estimated to be BRL 1 million per day.

**Primary response to risk**

Develop drought emergency plans

**Description of response**

Tracking the weather scenario and increasing the purchase radius of raw material in emergencies.

**Cost of response**

440000

**Explanation of cost of response**

Estimated cost based on the cost of R\$200.00 per m<sup>3</sup> of water delivered via water truck and average daily consumption at the Mirassol D'Oeste unit

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W4.2a

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(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

**Country/Area & River basin**

Brazil	Other, please specify (Bacia do Rio da Prata)
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**Stage of value chain**

Use phase

**Type of risk & Primary risk driver**

Acute physical	Drought
----------------	---------

**Primary potential impact**

Increased operating costs

**Company-specific description**

The drought may lead the Company to have to purchase water from sources other than those primarily defined or to a substantial increase in the price of water needed in all Minerva Foods operations, especially at the unit located in areas of water stress (Mirassol D'Oeste – MT)

**Timeframe**

1-3 years

**Magnitude of potential impact**

Medium-high

**Likelihood**

About as likely as not

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

1000000

**Potential financial impact figure - minimum (currency)**

<Not Applicable>

**Potential financial impact figure - maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

Estimated cost of the unit shutdown per day due to lack of water.

**Primary response to risk**

Upstream	Increase supplier diversification
----------	-----------------------------------

**Description of response**

Monitoring the climate scenario and increasing the radius of purchase of raw materials in drought emergencies. Drilling studies for the construction of artesian wells are also being carried out at the Mirasol D'Oeste unit.

**Cost of response**

1000000

**Explanation of cost of response**

Estimated cost for drilling 4 wells.

---

**W4.3**

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

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**W4.3a**

---

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

**Type of opportunity**

Efficiency

**Primary water-related opportunity**

Improved water efficiency in operations

**Company-specific description & strategy to realize opportunity**

Projects to reuse water for cleaning trucks and washing corrals, replacing equipment such as pressure reducers in sanitary inlets and sanitizing hoses increase efficiency in all of the Company's units. If it is considered an average value of R\$2.30 per m<sup>3</sup> and a reuse of around 12% of the water withdrawal the savings will be approximately BRL 3.7 million annually.

**Estimated timeframe for realization**

Current - up to 1 year

**Magnitude of potential financial impact**

Low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

Financial impact not calculated.

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W5. Facility-level water accounting

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W5.1

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(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

**Facility reference number**

Facility 1

**Facility name (optional)**

Mirassol D'Oeste - MT

**Country/Area & River basin**

Brazil	Other, please specify (Bacia do Rio da Prata)
--------	---

**Latitude**

-15.701111

**Longitude**

-58.123888

**Located in area with water stress**

Yes

**Primary power generation source for your electricity generation at this facility**

<Not Applicable>

**Oil & gas sector business division**

<Not Applicable>

**Total water withdrawals at this facility (megaliters/year)**

208.15

**Comparison of total withdrawals with previous reporting year**

Much lower

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

208.156

**Withdrawals from brackish surface water/seawater**

0

**Withdrawals from groundwater - renewable**

0

**Withdrawals from groundwater - non-renewable**

0

**Withdrawals from produced/entrained water**

0

**Withdrawals from third party sources**

0

**Total water discharges at this facility (megaliters/year)**

176.93

**Comparison of total discharges with previous reporting year**

Much lower

**Discharges to fresh surface water**

176.93

**Discharges to brackish surface water/seawater**

0

**Discharges to groundwater**

0

**Discharges to third party destinations**

0

**Total water consumption at this facility (megaliters/year)**

208.15

**Comparison of total consumption with previous reporting year**

Much lower

**Please explain**

The unit had to be stopped for a few days in 2021.

---

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

#### Water withdrawals – total volumes

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

The company has been studying the external verification of its environmental data.

#### Water withdrawals – volume by source

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

The company has been studying the external verification of its environmental data.

#### Water withdrawals – quality by standard water quality parameters

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

The company has been studying the external verification of its environmental data.

#### Water discharges – total volumes

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

The company has been studying the external verification of its environmental data.

#### Water discharges – volume by destination

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

The company has been studying the external verification of its environmental data.

#### Water discharges – volume by final treatment level

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

The company has been studying the external verification of its environmental data.

#### Water discharges – quality by standard water quality parameters

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

The company has been studying the external verification of its environmental data.

#### Water consumption – total volume

**% verified**

Not verified

**Verification standard used**

<Not Applicable>

**Please explain**

The company has been studying the external verification of its environmental data.

## W6.1

### (W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

## W6.1a

### (W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Commitments beyond regulatory compliance	The Health and Safety, Environment, Food Safety and Social Responsibility Policy establishes the key points to which the company is committed, in this sense it is defined on "Respecting the environment and the community through the prevention and conservation of natural resources for the support the negotiation and management of environmental aspects with the appropriate treatment of its liquid effluents, solid waste and atmospheric emissions." The Company meets the legal requirements applicable to its activities, through adequate management instruments for solid waste, liquid effluents and emissions atmospheric conditions in all units.

## W6.2

### (W6.2) Is there board level oversight of water-related issues within your organization?

Yes

## W6.2a

### (W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Chief Operating Officer (COO)	Director responsible for the environmental performance. The COO acts as direct support from the CEO in order to implement the Company's strategic plan, directing the directors under its management to comply with the Policies established by the Company, as well as its regulations and guidelines from the International Finance Corporation, which has among its guidelines the objective of avoiding or minimizing adverse impacts on human health and the environment, avoiding or minimizing pollution resulting from project activities, as well as promoting the most sustainable use of resources, including energy and water. The COO is responsible for identifying priority demands and forwarding them to the CEO for consideration, such as those arising from socio-environmental criteria that permeate water issues, in addition to ensuring that industrial managers are complying with other relevant guidelines and strategies for Minerva Foods.
Chief Sustainability Officer (CSO)	Director who, together with the other Directorates, addresses sustainability issues where water issues are included. The CSO is responsible for adopting mechanisms to manage risks and opportunities in sustainability, including the water issue, through the management of the Company's sustainability department. The CSO is responsible for operationalizing the decisions made by the members of the Executive Board and Board of Directors in relation to the best resource efficiency practices through its collaborators in solutions that consider the establishment of internal and external actions.
Other, please specify (Sustainability Commission)	The Sustainability Commission aims to drive the sustainability agenda throughout the organization and assist in decision making related to environmental, social responsibility and animal welfare issues. In addition, it also assesses the risks and opportunities arising from climate change and unfolds this assessment in multidisciplinary working groups that determine and implement actions aimed at the theme. The commission also monitors the evolution of these actions by means of absolute and relative indicators. The Commission includes the CEO, CFO and key executives from the Sustainability, Legal, Institutional Relations, Innovation, Human Resources, Investor Relations and Financial areas.
Other, please specify (Sustainability and Innovation Advisory Board)	The Sustainability and Innovation Advisory Board is a non-statutory collegiate advisory body that is linked to the Company's executive board, and is responsible for monitoring and discussing practices related to socioenvironmental sustainability, corporate governance and innovation, in order to provide greater transparency, efficiency and assertiveness of Minerva Foods initiatives. This board meets at least once a month and is composed of Minerva Foods CEO, CFO, CTO, HR Director, Legal Director, Institutional Relations Director, Sustainability Director and 2 independent members
Other, please specify (ESG Communication Commission)	In order to improve communication between Minerva Foods areas that make up the environmental, social and governance pillar, the ESG Communication Commission was created, in which the areas involved present relevant projects for the current month, such as projects related to the effluent treatment plant, water capture and disposal. The Commission meets monthly and is composed of the Sustainability, Communication, Environment, OHS, Human Resources, Quality and Animal Welfare areas. In addition, the Chief Transformation Office, the Legal Department, and an external communications consultancy also participate.

## W6.2b



**(W6.2b) Provide further details on the board's oversight of water-related issues.**

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding strategy	The Minerva Foods Board of Directors is the main body to guide the Company towards the best corporate sustainability practices, in order to generate long-term value for all stakeholders. Among the Board's attributions, we highlight its responsibility as the main promoter of Minerva Foods' institutional values, such as sustainability that permeates all of our practices, processes, procedures and businesses, and responsibility for deciding the strategic paths to be followed by the Company, as the bridge between the Executive Board and the shareholders. In addition, Minerva Foods has a Finance and Risk Committee, linked to the Board of Directors, which reports periodically and meets at least once a quarter. The Committee assists the Board in fulfilling its responsibilities, including issuing recommendations on risks and mitigation strategies, in order to give greater efficiency and quality to the decisions made by the Board of Directors, in addition to monitoring and evaluating the effectiveness of the policies applied by the Board of Directors. Company. In addition, the Committee also assists in the implementation of mitigating measures for the risk factors to which the Company is exposed, as well as in the analysis of the Brazilian economy and global environment, with their potential effects on the Company's financial, operational and strategic position. The Finance and Risk Committee, together with the Company's Board. Officers must constantly analyze the risks to which the Company is exposed and which may affect its business, monitoring changes in macroeconomic and sectoral scenarios that may influence its activities, in order to assess and monitor the Company's integrated risk map for, whenever necessary, propose improvements in strategy, operational, financial risk mitigation plans and compliance. In addition, the Strategic and Investment Committee, composed of the CEO, CFO, members of the Executive Board and directors, has the objective of analyzing and issuing recommendations on proposals for strategic and business plans, as well as other guidelines and guidelines related to the Company's strategies. to be submitted to the Board of Directors. Minerva Foods also has the Sustainability and Innovation Advisory Board to assess climate risks and Opportunities. The Board is a non-statutory collegiate advisory body that monitors and discusses practices related to socio-environmental sustainability, corporate governance and innovation, in order to provide greater transparency, efficiency and assertiveness in the Company's initiatives. Its composition includes the presence of an independent invited member, as well as the CEO and CFO of the Company and two independent members. Another important committee to mention is the Industrial Management Commission. With monthly meetings, the results of the strategic KPIs for the Company are discussed and, when necessary, action plans are prepared for observed deviations.

**W6.2d**

**(W6.2d) Does your organization have at least one board member with competence on water-related issues?**

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	Yes	The criteria used by the company assess competence of board member(s) on water-related issues are related to professional expertise and academic experience in agricultural issues being advisory to the board of Agribusiness Companies and consultant.	<Not Applicable>	<Not Applicable>

**W6.3**

**(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).**

**Name of the position(s) and/or committee(s)**

Chief Sustainability Officer (CSO)

**Responsibility**

Assessing water-related risks and opportunities  
Managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

More frequently than quarterly

**Please explain**

Director who, together with the other directorates, addresses sustainability issues where water issues are included. The CSO is responsible for adopting mechanisms for managing sustainability risks and opportunities, including the water issue, through the management of the Company's sustainability department. The CSO is responsible for operationalizing the decisions taken by the members of the Executive Board and the Board of Directors in relation to the best practices of resource efficiency through its employees in solutions that consider the establishment of internal and external actions related to water resources.

**W6.4**

**(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?**

	Provide incentives for management of water-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	

**W6.5**

**(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?**

Yes, other

## W6.5a

**(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?**

Minerva Foods actively participates in the Brazilian river basin committees held by the responsible organizations. It is through democratic discussions and negotiations that these committees evaluate the real and different interests over the uses of water in the hydrographic basins. The main decisions made by the committee are: to approve and follow up the elaboration of the Basin Water Resources Plan, which gathers strategic information for water management in each basin; to arbitrate conflicts over the use of water (in the first administrative instance); to establish mechanisms and suggest the amounts to be charged for the use of water. Due to the Covid-19 pandemic, no committee meetings were held in 2021.

## W6.6

**(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?**

Yes (you may attach the report - this is optional)

Minerva\_Foods\_SR2021\_EN\_compressed.pdf

## W7. Business strategy

### W7.1

**(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?**

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	11-15	At Minerva Foods, we recognize that the sustainability of our business depends on maintaining the ecosystems that support agricultural production. Our focus is on action now to prevent the worst effects of climate change while supporting farmers to implement practices that sequester and store carbon, protect biodiversity and water resources, and increase resilience. This will contribute to the fight against Climate Change, consequently reducing the effect of extreme droughts, rains, floods etc. The goals demonstrate the Company's commitment to sustainability and will require strong leadership and collaboration, leveraging the best science to guide all actions.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	11-15	Annually, the target for the following year is defined by analyzing the history of the previous year, with adjustments to the number of heads slaughtered in the budget for the following year. In other words, the reduction in water consumption is estimated through the projects that are planned to be implemented in the year and a value of m <sup>3</sup> per head slaughtered is calculated. Minerva Foods' sustainability strategy is guided by contributing to a healthy planet and thriving communities. In 2021, the Company set a commitment to invest R\$1.5 billion by 2035, including investments in technologies to increase efficiency in the treatment of effluents and atmospheric emissions.
Financial planning	Yes, water-related issues are integrated	11-15	Minerva Foods' sustainability strategy is guided by contributing to a healthy planet and thriving communities. In 2021, the Company set a commitment to invest R\$1.5 billion by 2035, including investments in technologies to increase efficiency in the treatment of effluents and atmospheric emissions.

### W7.2

**(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?**

#### Row 1

**Water-related CAPEX (+/- % change)**

4.45

**Anticipated forward trend for CAPEX (+/- % change)**

11.52

**Water-related OPEX (+/- % change)**

12

**Anticipated forward trend for OPEX (+/- % change)**

13.5

**Please explain**

(CAPEX) Projects carried out at Minerva Foods LATAM units to improve water consumption. (OPEX) Amounts spent on collection operations and water treatment plants.

### W7.3

**(W7.3) Does your organization use scenario analysis to inform its business strategy?**

	Use of scenario analysis	Comment
Row 1	Yes	The climate influences not only livestock in countries where Minerva Foods has units, but also in all industry world players. This generates variations in the world meat supply, a condition that supports the company's commercial strategy. For example, the lack of rain can break agricultural crops, increase the price of grains and significantly impact the American livestock industry, which is heavily dependent on feedlots; in Australia, the drought in recent years has reduced the country's herd and has limited the participation of Australian meat in some import markets. Situations like these open up commercial opportunities for the company.

**W7.3a**

**(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.**

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Water-related Climate-related	Monthly, in addition to discussions in committees with the C-level, meetings are held with a specialized consultancy where, among other matters, the availability of water in Brazil (rainfall) and how its abundance or scarcity can affect the Company's business is debated.	Based on the data presented at meetings, committees and lectures, the Company can define which unit may be positively or negatively affected. Thus, the production planning in the units can be adapted according to the analyzes carried out.	Based on the data presented at meetings, committees and lectures, the Company can define which unit may be positively or negatively affected. Thus, the production planning in the units can be adapted according to the analyzes carried out.

**W7.4**

**(W7.4) Does your company use an internal price on water?**

**Row 1**

**Does your company use an internal price on water?**

No, and we do not anticipate doing so within the next two years

**Please explain**

Despite the importance of water security for the company water pricing has not yet been discussed internally or requested by any stakeholder.

**W7.5**

**(W7.5) Do you classify any of your current products and/or services as low water impact?**

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	No, but we plan to address this within the next two years	<Not Applicable>	Other, please specify (Minerva Foods has been conducting studies on the subject.)	Minerva Foods has been conducting studies on the subject.

**W8. Targets**

**W8.1**

**(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.**

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Country level targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	Brazil: The target is defined through the history of the previous year, with adjustments in the number of heads slaughtered projected for the year. That is, the value of m³ per head slaughtered is calculated and this value is projected on the slaughter estimate for the current year and the reductions are also defined based on the projects that will be carried out in the year. Latam: Due to the adequacy of systems from the former Athenas Foods, the units of Minerva Foods LATAM built their baseline of water consumption in 2021, so that in 2022 they can define reduction goals and projects.

**W8.1a**

**(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.**

**Target reference number**

Target 1

**Category of target**

Water consumption

**Level**

Company-wide

**Primary motivation**

Recommended sector best practice

**Description of target**

1% reduction in the water monitoring indicator (consumption/ton produced) for operations in Brazil, in relation to the previous year.

**Quantitative metric**

% reduction per unit of production

**Baseline year**

2020

**Start year**

2020

**Target year**

2021

**% of target achieved**

0.3

**Please explain**

Between 2020 and 2021 there was an increase in water consumption due to the start of operations at the Bucaramanga unit (COL) and the resumption of operations in Canelones (UY). Another factor that influenced the increase was the expansion of slaughter and production volumes in Argentina and Paraguay.

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**W8.1b**

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**(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.**

**Goal**

Reduce environmental impact of product in use phase

**Level**

Company-wide

**Motivation**

Brand value protection

**Description of goal**

1% reduction in water consumption intensity

**Baseline year**

2020

**Start year**

2021

**End year**

2021

**Progress**

Result: 0.3% reduction. Between 2020 and 2021 there was an increase in water consumption due to the start of operations at the Bucaramanga unit (COL) and the resumption of operations in Canelones (UY). Another factor that influenced the increase was the expansion of slaughter and production volumes in Argentina and Paraguay.

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**W9. Verification**

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**W9.1**

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**(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?**

No, but we are actively considering verifying within the next two years

**W10. Sign off**

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## W-FI

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(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

No further information.

## W10.1

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(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Executive director (CEO)	Chief Executive Officer (CEO)

## W10.2

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(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

No

## Submit your response

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In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms