



# MILK SOURCING IN BRAZIL



## TRANSPARENCY & TRACABILITY



1 factory (Pocos de Caldas)



250

Direct sourcing from Farmers we know, located on average 398 km around the factory (~63% of volume)



12

Indirect sourcing via cooperatives (~37% of volume)

## RELATIONSHIP WITH FARMERS



+ 35 yrs

of partnership with some farmers



70%

of farms are pasture-based (~34% of volumes)

100%

of farms comply with our Animal Welfare standards

100%

of farms purchasing from Central de Compras have Soy traceability



2-year contracts with most farmers



3-mth lag

Payment for farmers, for better predictability

Central de compras

For better nego of farm inputs

## THE WAY WE FARM



Soy traceability: CFA (Collaboration for Forests and Agriculture) – WWF initiative for soy traceability in Brazil



Regenerative agriculture: Flora Project (agroforestry) with IPÊ (Ecological Research Institute)



Support to improve Milk quality: EDUCAMPO and Comquali



Recognition program: + SÓLIDOS



Animal welfare: conversations initiated with Beba Mais Leite last year to certificate farms on AW - ! On hold during Covid-19 time.