



Wolters Kluwer TeamMate Audit Solutions

BRF and TeamMate+: Navigating an evolving internal audit landscape



Managing internal audit staff across various cultures and locations can be difficult and resource-intensive, especially when it comes to complying with the strict scrutiny of multiple regulatory bodies.

Because of those pressures, an organization's internal audit function must continually adapt and evolve — especially for multinational companies like the **Brazilian-based BRF**. BRF is one of the largest global food processing companies with over 30 brands in its portfolio, including poultry and swine meats, margarine, pasta, pizza, and frozen meals. The 90-year-old company sells its products to a worldwide customer base with operations in over 127 countries on five continents.

TeamMate had the opportunity to speak with **Luis Garcia**, Chief Audit Officer, **Valmir Grolli**, Audit Manager, and **Robert Rossatto**, Audit Coordinator at BRF, to learn how heightened focus on risk has broadened the potential depth and scope of internal audit, requiring auditors to manage risks with more transparency.

Today, BRF's internal auditors are responding to these regulatory challenges in a variety of ways, including using the TeamMate+ audit management system to help define and manage risk while shifting audit efforts toward areas where they can make the most significant impact.



TeamMate: Tell us about BRF and internal audit's role within the organization.

Luis Garcia: Our internal audit function has grown exponentially over the years to mirror the significant growth and expansion of BRF. Our 75-person audit team has a presence in all BRF operations worldwide and consists of three executive managers. The remaining auditors who round out our team hold the positions of specialist, senior, and junior auditors. The internal audit function reports to the board of directors, through the audit committee, and BRF's CEO for administrative issues.

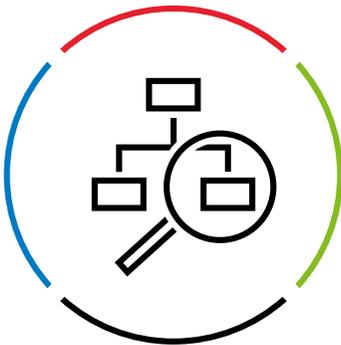
Our headquarters are in Itajaí, and BRF owns 44 factories in five countries, including Brazil, Paraguay, Turkey, Kingdom of Saudi Arabia and the United Arab Emirates. BRF's internal audit team is responsible for all the audit reviews throughout the company across every location. As I mentioned, our team has experienced tremendous growth — over 100% in the last few years. Coincidentally, this growth coincides with the time that we implemented TeamMate+, Wolters Kluwer's audit management solution.

TeamMate: How has BRF approached sustainability as a part of your culture?

Luis Garcia: BRF is a global company that guides its actions by Sustainability. We are guided by your concern for the environment, the promotion of BRF social development and sustainable consumption. We face the challenge of building an integrated and balanced chain, generating value for all the audiences that make up our network. BRF is part of the Business Sustainability Index (ISE) portfolio organized by Brazilian Stock Exchange (B3). ISE is a tool that provides a comparative analysis of performance of companies listed on B3 in relation to corporate sustainability. This analysis is based on environmental balance, social justice, corporate governance, and economic efficiency. Internal audit plays an important role in this process, performing independent and objective audits, focused also on sustainability aiming to protect BRF, adding value to its operations, and contributing to achieving sustainability strategic goals.

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Luis Garcia
Chief Audit Officer



TeamMate: Let's discuss your day-to-day workflow and how TeamMate+ enhances that process and improves audit productivity.

Luis Garcia: Over the years, I've seen a shift in the role of internal audit — one that requires internal audit to be more relevant to the board and better aligned with management's agenda. The internal audit team is responsible for carrying out the entire audit process, from defining the audit plan, conducting fieldwork, analyzing reports, and monitoring the implementation of the action plans. We present our reports in a summarized fashion to our audit committee and BRF's senior management.

TeamMate+ has been instrumental in helping us embrace the complexity of our audit cycle and moving us efficiently and effectively through the audit workflow. The automated functionality within TeamMate+ enables us to fully track our process and carry out actions quickly, simultaneously, and online — actions we previously executed manually. It also allows us to identify opportunities for improvement in our audit workflow using a single tool.

TeamMate: What else has played a role in your decision to implement TeamMate+?

Luis Garcia: In 2014, we began a process to implement Audit software, when TeamMate was chosen, and in 2020, we started the process to become certified in International IIA standards. To succeed, the system was important in the certification process to support our compliance, methodology, and information management efforts. TeamMate+ helps us successfully manage and analyze the tremendous volume of information we generate with more reliability and accuracy. This is central to achieving our goals within internal audit and gives us greater confidence in our presentations to senior management and the board.

In addition to helping us both achieve and continue to meet the requirements of our IIA certification, we needed a solution that could support our vision to be one of the best internal audit departments in the world. If you are going to demand such expertise from your team, you must have software that can deliver at the same high level. Our selection process was quite rigorous, but in the end, TeamMate+ was the clear choice.



TeamMate: What efficiencies has your organization gained with TeamMate+?

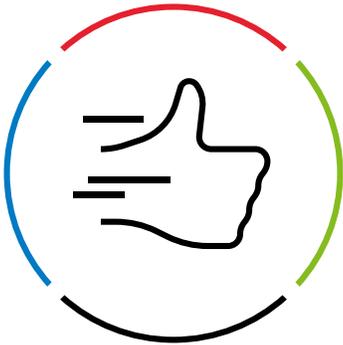
Valmir Grolli: We upgraded to TeamMate+ at the start of our methodology restructuring process for our IIA certification. Not only was our internal audit team learning to work with a new software solution, but we were growing our team, revamping our processes, and increasing the number of audits. We were experiencing so much change all at once and we had a high learning curve. Looking at the evolution of our TeamMate+ adoption and use, we've seen around 30% increase in the effectiveness of our audits, resulting in greater efficiency on our audit cycles (faster cycles), the quality of our audits (reduced errors and minimized rework), and the compliance strength with the various IIA rules to maintain certification (tracking supervision). It is also important to highlight the gains in efficiency and in the quality of following up the action plans (Follow up) as an emergent need due to the large number of action plans that are generated annually.

As an organization that seeks continuous improvement of its audit planning, eliminating the barriers associated with manual, paper-based processes and geographically dispersed teams has driven efficiencies into all facets of our internal audit workflow. Another benefit is the ease of interaction with other systems, especially around KPI reporting. We use Power BI to generate KPI indicators that connect with our performance dashboards to provide valuable insights to the organization.

We prepare the final audit reports separately, primarily because it follows a slightly different format. Everything can be done through the TeamMate+ application, including change control, reviews, and approvals. This allows for the ability to maintain consistent traceability and further demonstrate the benefits and flexibility of TeamMate+.

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Valmir Grolli
Audit Manager



TeamMate: Which features of TeamMate+ do you use the most, or have found to provide the greatest amount of value?

Luis Garcia: From audit management's point of view, I think the main aspect of TeamMate+ has to do with the overall ease with which to conduct analysis within the audit programs, maintaining records, and obtaining approval. This is all included within the audit report. Having the data and numbers of the action plans that are generated to carry out the monitoring plan is perhaps the functionality that I, particularly as a director, find most interesting and useful. The effectiveness of internal audit work is only achieved when the action plan is implemented, and we have successfully demonstrated our capacity to completely reach the individual audit goals and show a satisfactory result to the organization through the implementation of the action plan. This further demonstrates that our organization seeks a continuous improvement of its processes.

TeamMate: Looking back at the way you conducted audits prior to TeamMate+ and how your workflow looks today, what are the benefits to your business?

Robert Rossatto: With our certification methodology, each audit follows a consistent set of steps, or checklist, to achieve the proper results. We've recorded this checklist in TeamMate+, including reviews and approvals.

TeamMate: What other opportunities that TeamMate+ offers have you considered or may be looking to implement in the future?

Robert Rossatto: Although we haven't installed it yet, but TeamMate+ already makes it possible to use, for example, the Agile Audit methodology. This is a trend and one that we are considering implementing, along with some of the other newer technologies that are appearing, such as artificial intelligence, machine learning, and working with large volumes of data using analytics.

TeamMate: Any advice for other organizations interested in implementing TeamMate+?

Luis García: I cannot emphasize enough how much TeamMate+ helped us prepare for our IIA certification, which was a process that demanded a lot of effort and adaptation. We are very satisfied with how we have implemented the TeamMate+ solution and the customer service and support we have received. Our journey with Wolters Kluwer has been extremely positive.

The role of an internal auditor continues to evolve, and we want to ensure our audit management solution can grow with us. We cannot follow the traditional role of internal

audit and only focus on control issues. We must be protagonists about company management issues and initiate cutting-edge discussions on sustainability, climate, artificial intelligence, and many other topics that internal audit hasn't addressed much in the past.

Internal audit must play a leading, vanguard, and innovative role in helping the company realize its strategic objectives. This is how I envision our responsibility in the future. But we will only be successful through the ability to understand, analyze, and manage our data. To achieve this future state, reliable software is essential, which is why we chose to partner with TeamMate+.

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