



2023 ESG Report

Cargill®

Table of contents



Overview	2	Land and Water.....	19	Community Impact.....	48	Appendix.....	152
Letters from our CEO and CSO	3	Our approach: Land	20	Our approach.....	49	TCFD Index	153
About Cargill	4	Protect.....	21	Strategic partners	50	SASB Index	154
Where we operate	5	Regenerate.....	24	Partnerships in action.....	51	Animal Welfare Index.....	159
2023 highlights	6	Restore.....	26	Global philanthropy and volunteerism....	53		
Awards and recognition	7	Innovate.....	27	Responding in times of crisis	54		
		Protecting biodiversity.....	28				
Strategy.....	8	Our approach: Water	29	Ethics and Compliance.....	55		
Focus areas	9	Water in our operations	30	Our approach.....	56		
ESG governance, leadership, and collaboration	10	Water in our supply chains.....	31	Our ethical culture	56		
ESG scorecard.....	11	Water in our communities	32	Promoting risk management and compliance	57		
Climate	13	People	33	Delivering Impact	58		
Our approach.....	14	Our approach.....	34				
Scope 1 and 2	15	Health and safety.....	35				
Scope 3.....	16	Diversity, equity, and inclusion	39	Sustainable Supply Chains	67		
Moving food sustainably around the world	18	Employee training and development.....	41	Aqua Nutrition.....	68		
		Human rights	42	Cocoa & Chocolate	89		
		Farmer livelihoods	45	Palm Oil.....	111		
				Soy	131		

Letters from our CEO and CSO

Delivering impact with purpose and partnership

When it comes to urgent challenges facing people and the planet, Cargill's connections across the food system give us the opportunity – and responsibility – to deliver meaningful solutions.

That's why, throughout our global supply chains, Cargill is driving industry-leading change that's creating value for our customers, farmers, and communities. And agriculture is how we're getting it done.

The problem-solving potential of agriculture has always been essential in nourishing people, supporting the livelihoods of farmers and food workers, and unlocking opportunities for growth. Now, as the world faces rising food insecurity and disruptions caused by conflict and climate change, we need new solutions rooted in agriculture and supported by science.

Cargill is invested in cultivating the innovation and partnerships the world needs to help make it happen. Leading with our values, we're working to help achieve zero hunger, decarbonize our industries, protect and restore natural resources, and ultimately improve people's lives.

We're proud of our efforts and committed to sharing our results to accelerate our progress and deepen our impact.



Brian Sikes
President and Chief Executive Officer



Trusted relationships with our customers, food producers, and stakeholders empower Cargill to deliver greater impact than any of us can alone; it's the power of partnership that's fueling our progress.

We all have a role to play in reimagining what's possible in food and agriculture. Farmers tend the soil and care for their animals. Our customers serve the world's consumers. And Cargill facilitates connections that nourish the world in a safe, responsible, and sustainable way.

This report shares how we are delivering impact with purpose and partnership. In it you will see that Cargill is:

- Delivering innovative, sustainable solutions for our customers that together drive collective action;
- Engaging with farmers around the world to transform agriculture supply chains to be more sustainable; and
- Partnering to build resilient, inclusive communities where we do business.

We know that Cargill's values in action can add still greater value – for the climate, land and water, and people around the world whose nourishment depends on it. And we're committed, as ever, to getting it done.



Pilar Cruz
Chief Sustainability Officer



About Cargill

Our purpose

To nourish the world in a safe, responsible, and sustainable way.

Our values

- We put people first.
- We reach higher.
- We do the right thing.

We connect farmers with markets, customers with ingredients, and families with daily essentials. Our work spans:

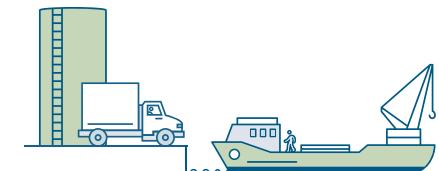
Origination & Processing



Partner with farmers growing crops.

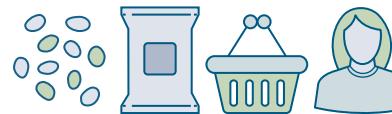


Originate and source commodities.



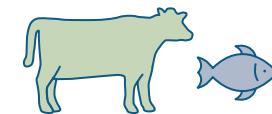
Store, process, and transport goods around the world.

Food & Bioindustrial



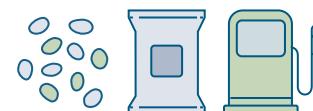
Sell ingredients, finished solutions, and services to manufacturers, foodservice customers, and retailers.

Animal Nutrition & Protein



Feed and process animals.

Food & Bioindustrial | Agricultural Supply Chain



Process commodities into branded food, feed, fuel, ingredients, and bioindustrials.

Trade & Capital Markets



Provide insights to our partners.



Established in 1865



Selling to 125 countries



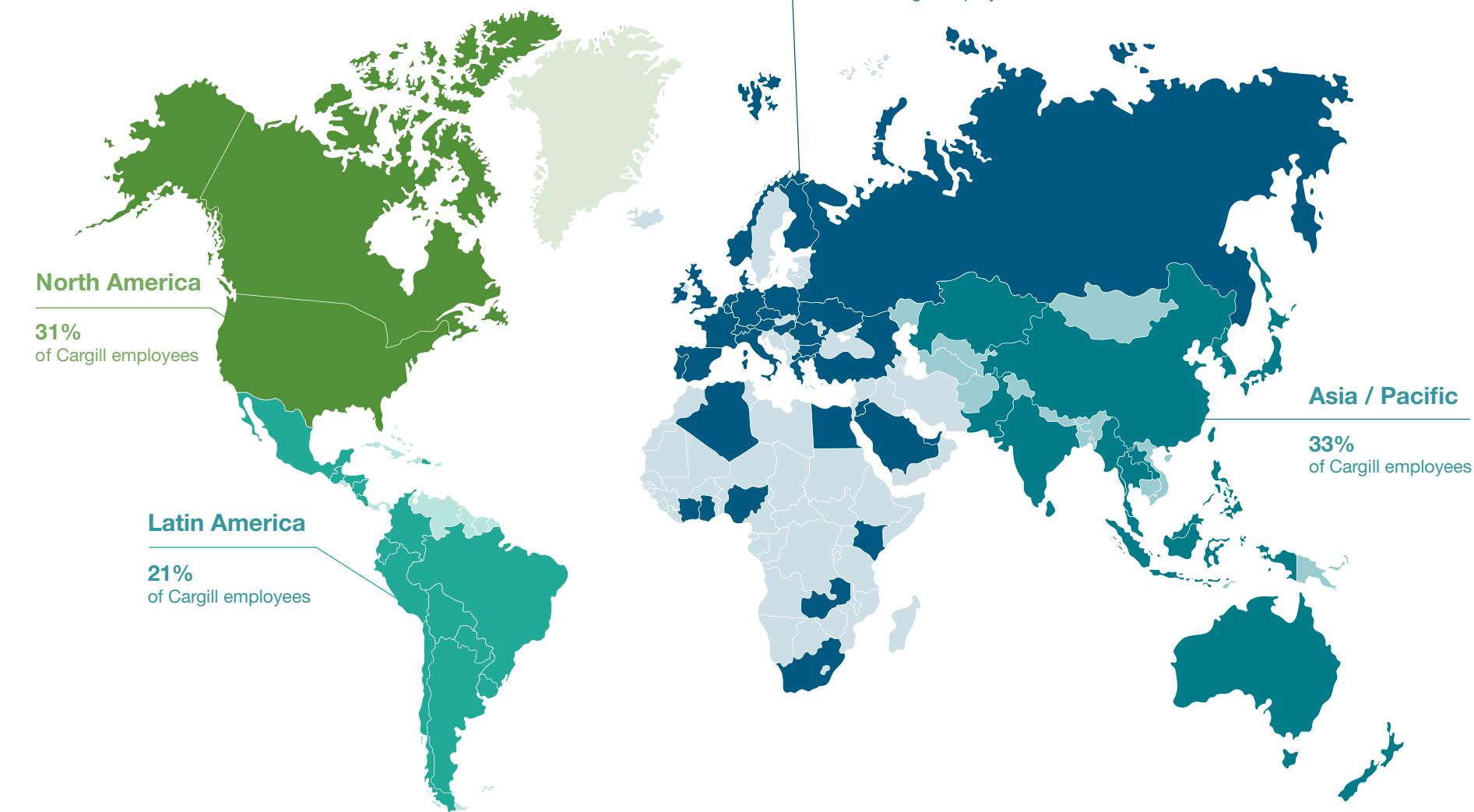
Generating \$177 billion¹ in revenues in fiscal year 2023²

¹ All financial amounts are presented in U.S. dollars.

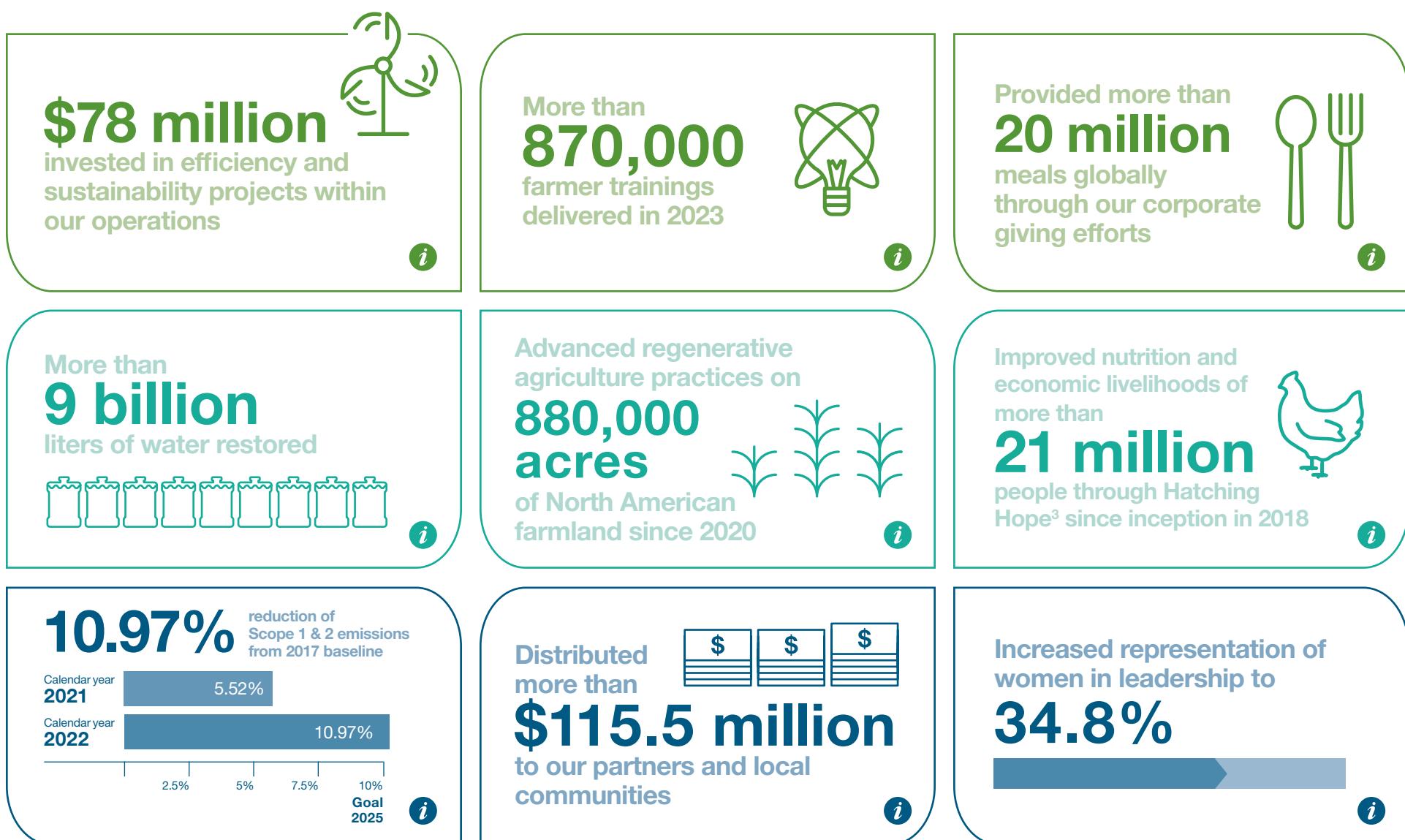
² For the fiscal year beginning June 1, 2022, and ending May 31, 2023.

Where we operate

We employ a team of more than 160,000 talented people in 70 countries who are committed to nourishing the world, while also conserving vital ecosystems and investing in the communities where we live and work.



2023 highlights



³ The aim of the Hatching Hope Global Initiative is to improve nutrition and economic livelihoods by reaching 100 million people by 2030 through the production, promotion, and consumption of poultry.

Awards and recognition

We seek to produce best-in-class products and innovative solutions that advance our purpose of nourishing the world in a safe, responsible, and sustainable way – all while being a great place to work. We're proud of the external recognition we received this year:

America's Most Innovative Companies 2023 – Fortune
Product innovation, process innovation, and innovation culture

2022 Brands That Matter Award – Fast Company
Communicating and demonstrating brand purpose

CES Innovation Award
Chekt smart food locker takeout and delivery pickup system

2023 BIG Innovation Award
Food and agricultural product innovation

2023 Edison Awards™
Product innovation – four awards (two Gold, one Silver, one Bronze)

2023 Diversity, Equity, and Inclusion Award – NAMI
Promoting and implementing a DEI strategy (Honorable Mention)

Best Places to Work in Latin America, 2022
Cargill Argentina, Top 50 places to work

HRC Corporate Equality Index 2022
100% rating by Human Rights Campaign for the 18th consecutive year

Top 50 Corporate Sustainability Award 2022 – Nhip Cau Dau Tu Magazine
Cargill Vietnam, implementation of sustainability initiatives





Strategy

Our sustainability strategy is focused on three areas: Climate, Land and Water, and People. Within each of these areas, we have a clearly defined approach with commitments and programs to drive positive change and maximize our impact within our operations, supply chains, and communities.

Focus areas

Cargill is working to transform the food and agricultural industry to address some of society's greatest challenges. Yet, we know that to positively impact these global issues, we must first effect change within our own businesses. That is why we've focused our sustainability strategy in three areas: **Climate**, **Land and Water**, and **People**. Within these three areas, we have specific commitments and targets that provide clarity on the most important issues we seek to address through our solutions, supply chains, external partnerships, and management of our operations and businesses (see [ESG Scorecard](#)).



Climate

Food insecurity and climate change are inextricably linked. We must mitigate and adapt across the food system – particularly helping farmers, who are on the front lines of climate change. That's why our climate action includes aggressive measures to expand farmer-led adoption of regenerative agriculture and decarbonize how we grow, process, and move the world's food.



Land and Water

Effectively managing our planet's natural resources, including preserving critical ecosystems and water resources, is essential to ensuring we can continue to produce food for a growing population. It is also essential to enabling climate mitigation and adaptation. Our work is grounded in nature-based solutions and accelerated through partnerships with farmers, customers, industry groups, non-governmental organizations (NGOs), and governments.

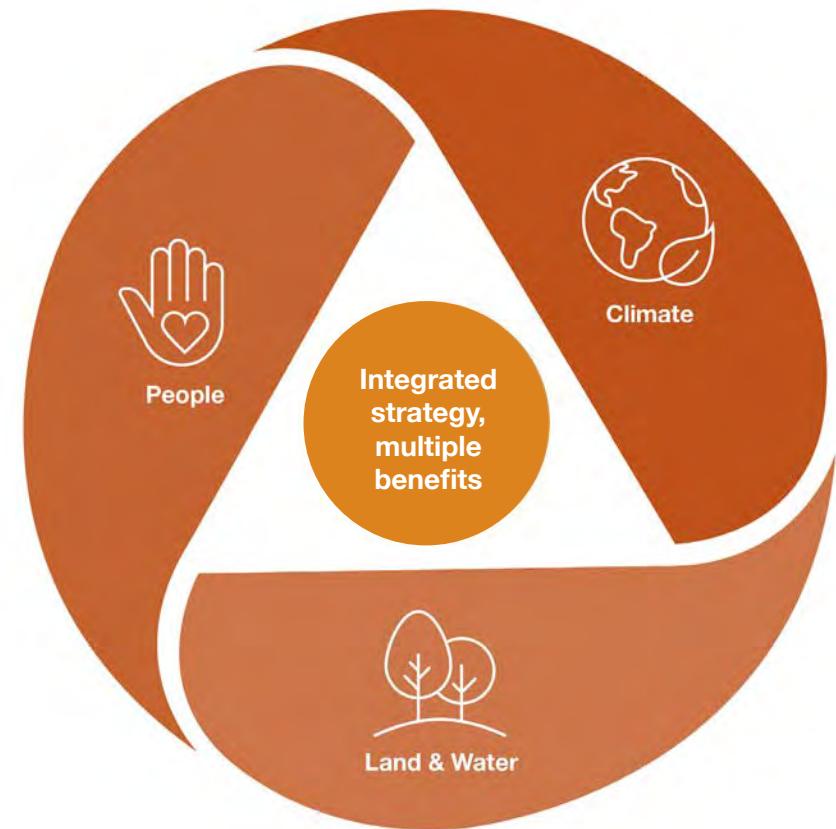


People

Our food and agriculture system must nourish the world. But to do that, we need to support the people who make it possible. Working alongside our employees, farmers, customers, and communities, we seek to improve livelihoods, and build a more equitable, inclusive, and resilient food system.

Our strategy

The global challenges across our focus areas of Climate, Land and Water, and People are interconnected. Our sustainability strategy is intentional in its approach to creating products, partnerships, and programs that have multiple benefits across our focus areas, allowing us to advance our ambition to deliver as much positive, collective impact as we can.



Our strategy was informed by a materiality assessment completed in fiscal year 2022. This assessment aimed to identify the most relevant ESG issues for our company, evaluating material topics based on their impact on the environment and society, as well as business and financial success. Our material topics are aligned to our focus areas of Climate, Land and Water, and People, and are used to guide ESG investment, measurement, and ongoing partnerships.

ESG governance, leadership, and collaboration

Sustainability is deeply ingrained in Cargill's business strategy as a core driver of our customer value proposition, industry leadership, stakeholder expectations, and short- and long-term risk management. It is also woven into all elements of our business, including our commercial offerings, customer partnerships, and operational functions. And it starts at the top.

Overall responsibility for sustainability and ESG rests with the CEO, who also serves on Cargill's Board of Directors. The CEO collaborates closely with the Chief Sustainability Officer (CSO) to evaluate and address ESG risks, opportunities, and impacts, guiding the company's overarching business strategy and reporting practices. Reporting to the CEO, our CSO is entrusted with leading Cargill's comprehensive ESG strategy and monitoring progress against ESG goals and targets. To fortify ESG governance and accountability, Cargill also has an executive-level ESG Governance Committee, chaired by the CSO, that monitors progress and assists in strategic planning and alignment across the company.

Stakeholder engagement

To drive systemic change across the food and agriculture system, we must collaborate with the stakeholders that influence all parts of that system. Given our role as a global connector, we have embraced the opportunity we have to bring together governments, peer companies, NGOs, and thought leaders to spearhead industry-wide transformation. Cargill has deep, oftentimes decades-long relationships with many of these organizations and industry players, such as CARE, the United Nations World Food Programme, World Central Kitchen, Save the Children, and World Resources Institute. Every day, we have people around the world engaging in dialogue with their counterparts and program partners – all working together toward common goals to improve our food and agriculture system. A list of key external partnerships can be found in the [Community Impact](#) section of this report.

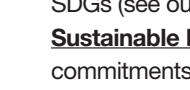
About this report

This report summarizes our ESG policies, management approach, programs, and performance across our company. All information covers Cargill's fiscal year 2023 (June 1, 2022 – May 31, 2023), unless otherwise noted. The report content was developed to align with our most material ESG topics and our sustainability strategy, focused in the areas of Climate, Land and Water, and People, and to highlight the environmental and social outcomes we are driving across our operations, supply chains, and the communities where we live and work. Additional information about our ESG performance can be found in the Appendix of this report as well as within the ESG scorecard.

The United Nations Sustainable Development Goals

Cargill is committed to supporting the [United Nations \(UN\) Sustainable Development Goals](#) (SDGs), which provide a shared blueprint for governments, businesses, and NGOs to galvanize action behind our world's greatest challenges. As a participant of the UN Global Compact, we believe the private sector plays an important role in deploying innovative solutions and resources – and working with the public sector and civil society to deliver even greater impact.

Our contributions to the SDGs

Climate	People	Community Impact
 	     	       
Land and Water Land use Water resources	Farmer livelihoods  	Human rights      
	Diversity, equity, and inclusion	

We've aligned our sustainability strategy and targets with the SDGs (see our [ESG Scorecard](#)) and the [2030 Agenda for Sustainable Development](#). Details around our impact, commitments, programs, and strategic partnerships with governments, NGOs, and other business leaders can be found in the corresponding sections of the report for each of the areas outlined below.

ESG scorecard

Fiscal year 2023

Cargill's purpose is to nourish the world in a *safe, responsible, and sustainable way*. We have set science-based targets and invested in bold action to deliver on our ambition. We are committed to reporting progress against those goals, and to expanding transparency about the impacts of our operations, products and services, and supply chains around the world. The following chapters within this report contain additional details around our progress against these targets. We are actively investing in and accelerating our progress against the targets that are listed as needs attention.

Key:  Needs attention  On track  Achieved

Climate

Our targets contribute to the following SDGs:



Target metrics	Status	Progress by end of fiscal year 2023
Scope 1 and 2 (Operations) ⁴ : Reduce absolute operational greenhouse gas (GHG) emissions 10% by 2025		-10.97% reduction ⁵ from 2017 baseline <div style="background-color: #0070C0; width: 100px; height: 10px; display: inline-block;"></div> -10.97%
Scope 3 (Supply Chain): Reduce global GHG emissions from our global supply chain by 30% by 2030, measured per ton of product		-0.43M MT CO2e reduced ⁶ through supply chain sustainability programs

Land and Water

Our targets contribute to the following SDGs:



Target metrics	Status	Progress by end of fiscal year 2023
Transform our agricultural supply chains to be deforestation-free		
Eliminate deforestation across our agricultural supply chain by 2030		Please see the Sustainable Supply Chains section of Cargill's ESG report for detailed land use reporting. Each of our priority supply chains provides a dashboard of progress against key land use metrics

Enable a water positive impact⁷ in our operations, supply chains, and communities

Operations: Implement water stewardship practices at all 72 priority facilities by 2025		Average implementation of water stewardship practices across all priority facilities <div style="background-color: #0070C0; width: 100px; height: 10px; display: inline-block;"></div> 78%
Supply Chain and Communities: Enable a water positive impact in all priority regions by 2030		Progress toward enabling a water positive impact <div style="background-color: #0070C0; width: 100px; height: 10px; display: inline-block;"></div> 8.6%

⁴ Scope 1 and 2 refers to GHG emissions from our operations and from energy purchased from the grid, respectively. Scope 3 refers to upstream and downstream supply chain emissions.

⁵ Calendar year 2022 result. Our Scope 1 and 2 GHG inventory was verified at a limited level of assurance by S&P Global. Please see [Cargill's 2023 CDP Climate Response](#) for more information.

⁶ Cargill will report a percent reduction against baseline once we complete our full Scope 3 inventory. Please see [Cargill's 2023 CDP Climate Response](#) for more information.

⁷ Cargill defines a water positive impact as effectively improving watershed health by addressing the shared water challenges of availability, quality, and access to safe drinking water, sanitation, and hygiene (WASH), using an approach that is informed by our footprint and the severity of local water challenges.

ESG scorecard

Fiscal year 2023 continued



Needs attention



On track



Achieved

People

Our targets contribute to the following SDGs:



Target metrics	Status	Progress by end of fiscal year 2023
Partner with farmers to help their businesses and communities thrive for generations to come		
Provide 10 million farmer trainings in sustainable agricultural practices by 2030		Attendance at farmer trainings since 2017 6.4 million
Improve nutrition and economic livelihoods by reaching 100 million people by 2030 through the production, promotion, and consumption of poultry		People reached 21 million
To be a respected global leader in diversity, equity, and inclusion		
Achieve gender parity in leadership by 2030 globally		Percentage of women in leadership roles toward our goal of 50% 34.8%
Build vibrant communities through partnerships, philanthropy, economic development, and employee volunteerism		
Invest 2% global pre-tax earnings to advance social and environmental impact priorities and support local communities ⁸		Donated across 70 countries this year \$115.5 million

⁸ Based on global, consolidated pre-tax earnings over a three-year trailing average.



Climate

As our climate continues to change, it's becoming increasingly clear that our food system needs to change along with it. From our place at the heart of the agricultural supply chain, Cargill is uniquely positioned to lead the transformation of our food and agriculture system to address the challenge.

Our approach

Cargill's commitment to climate action spans our entire business and focuses on feeding a growing global population more sustainably.

Climate change presents both immediate and long-term risk to the vitality of our food system. More frequent and severe weather events, changing growing seasons, and declining soil health all threaten the ability of farmers to nourish the world.

Our approach to climate action focuses on empowering farmers through **mitigation and adaptation**. We are committed to helping them produce more food, more sustainably, to adequately feed a growing global population. Our efforts also encompass the other steps in the journey from farm to fork, including how we process and move food and other vital goods around the world with a lower carbon footprint.

Cargill takes a holistic approach to addressing climate change that includes four strategic areas:

Reducing emissions and sequestering carbon

We are taking action across our operations and supply chains to reduce our Scope 1, 2, and 3 greenhouse gas (GHG) emissions against the measurable and time-bound, science-based targets detailed in this report⁹. This includes steps to scale regenerative agriculture in our supply chains, implement process efficiency and technologies in our facilities, expand the use of renewable energy projects at our plants, and decarbonize our ocean transportation business.

Innovating new products and solutions

We are collaborating with customers and suppliers to better enable them to meet their GHG emissions reduction goals through the development of products created from more sustainable raw materials. We are advancing our capabilities by, for example, building out our Life Cycle Assessment (LCA) competencies and developing a carbon footprint screening tool for the research and development of our alternative protein products.

Scaling new markets

We continue to invest in emerging markets that help to decarbonize food, agriculture, and other sectors. We are providing more farmers with access to environmental markets through the expansion of Cargill RegenConnect® (see [Land and Water](#)). We're also growing the market for renewable fuels and nature-derived chemistries used for a wide range of applications, such as increased recycled asphalt content for roads and the replacement of petrochemical-derived ingredients in personal care products.

Supporting climate policy and collaboration

We promote decarbonization in agriculture, manufacturing, fuel, and energy sourcing, and advocate for public policies that align with our strategies. We support the Paris Climate Agreement and government actions to address climate change. We actively engage in several pre-competitive initiatives to reduce emissions across supply chains, such as the Midwest Row Crop Collaborative (MRCC), MIT Climate Consortium, and the Global Maritime Forum's Decarbonization Task Force.

Cargill conducts an annual assessment of our climate-related risks across our global operations, as well as upstream and downstream value chains, from a medium- and long-term perspective. This assessment is detailed in our [2023 CDP Climate Response](#) ¹⁰ and aligned to our TCFD Disclosure, which is included in the [Appendix](#) section of this report.



Our work contributes to the following SDGs:



⁹ Scope 1 and Scope 2 refer to GHG emissions from our direct operations and from energy purchased from the grid, respectively. Our Scope 3 emissions include the footprint of all agriculture commodities we source from farmers, emissions related to the transportation of commodities and products, and emissions related to the use of the products we sell.

Scope 1 and 2

Our operations and energy purchases

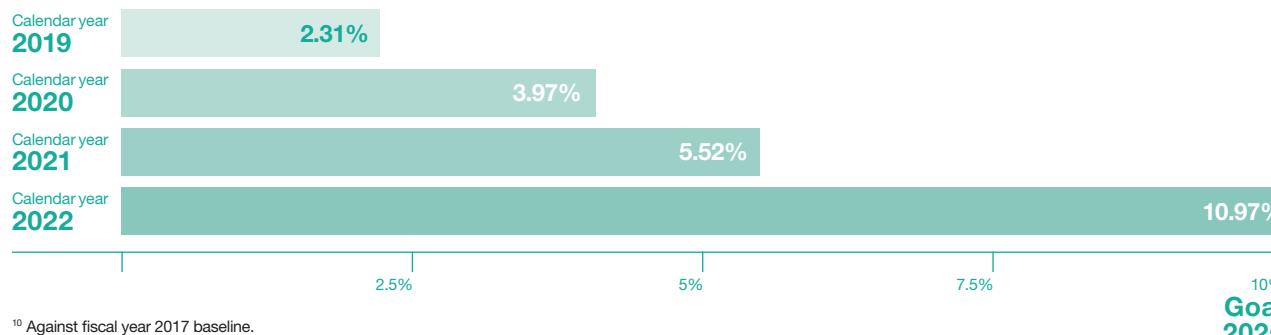
Cargill prioritizes efforts to reduce emissions across our global operations, including facilities that have the most impact on our Scope 1 and 2 emissions. Scope 1 and Scope 2 refer to GHG emissions from our direct operations and from energy purchased from the grid, respectively. Our Scope 1 and 2 target was set and approved by the Science Based Targets initiative (SBTi) in 2019 against a 2017 baseline.

This year, we exceeded our goal to reduce our absolute operational GHG emissions 10% by 2025, reducing emissions from our operations by 10.97% as of calendar year 2022 against our 2017 baseline. We attribute this accelerated milestone to the systematic implementation of process efficiency and technologies at our facilities, as well as the increased consumption of renewable energy at our plants. While we are proud of this achievement, we also acknowledge the opportunity for continuous improvement to ensure that we maintain our progress alongside future business growth.

Target and progress

Reduce absolute operational GHG emissions 10% by 2025¹⁰

Emission reduction progress¹¹



Adopting green electricity in Indonesia

Over the last year, Cargill has made strides in our efforts to source additional renewable energy. As one example, we have partnered with PLN, the Indonesian government-owned electric utility company, to supply bundled energy and Tradable Instruments for Global Renewables (TIGRs), which are energy attribute certificates obtained from renewable resources like wind, solar, geothermal, and hydropower. In 2022, Cargill purchased more than 70,000 megawatt hours (MWh) of clean electricity from PLN, supporting seven of our sites in Indonesia. This resulted in a reduction of more than 50,000 metric tons of CO₂e.

The renewable energy project in Indonesia is one of 15 Cargill projects online in 12 countries. This was accomplished primarily through the procurement of Power Purchase Agreements (PPAs) for wind and solar. Cargill has also executed four additional contracts for offtake from projects that will come online in the next two years. Once these projects are fully operational in 2024, we expect Cargill's renewable electricity mix will reduce our CO₂e emissions by more than 715,000 metric tons per year.

Company-wide, the renewable electricity consumed in our operations reduced our annual CO₂e emissions by approximately 300,000 metric tons in calendar year 2022.



This is the equivalent of removing more than 67,000 cars from the road for one year.

Transitioning to moist feed

In the United States, Cargill's corn wet mills have been selling moist feed derived from corn processing for years, providing valuable nutrition to cattle while eliminating the need for drying. A similar process change is being made in Europe, where we are exploring the production of fiber-rich feed from wheat processing for cattle. A thorough assessment has considered nutritional value, drying costs, product value, and site-specific GHG emissions. Our site in Wroclaw, Poland, for instance, has discontinued feed drying, resulting in annual savings of 7,000 metric tons of CO₂e. We are now assessing the feasibility of implementing this approach in other wheat processing sites. Additionally, our site in Songyuan, China, has recently adopted the production of moist feed, reducing emissions by approximately 7,000 metric tons of CO₂e annually.

Scope 3

Our supply chains

With agriculture, food, and transportation accounting for nearly one-third of total global emissions,¹² we believe our greatest opportunity for emissions reductions lies within our global supply chains. Our Scope 3 emissions include the footprint of all agriculture commodities we source from farmers, emissions related to the transportation of commodities and products, and emissions related to the use of the products we sell.

With an SBTi-approved goal of reducing our global supply chain emissions 30% by 2030,¹³ measured per ton of product, we are investing in products, services, and programs that are scalable and measurable. As a partner to farmers and customers, we collaborate to find workable solutions that meet our respective business objectives, such as increased productivity and meeting emissions reductions targets. We prioritize our efforts in supply chains that have the greatest impact and opportunity for change, including animal protein, row crop farming, aquaculture feed, and ocean transportation.

We are also working to help advance the industry's progression of standardized metrics such as land-related emissions. Cargill has advised on the development of both SBTi's Forest, Land and Agriculture (FLAG) protocol and the GHG Protocol Land Sector & Removals Guidance. For the latter, Cargill participated as an Advisory Committee Member for two years, including as a pilot test company to provide feedback on the draft protocol. Once the final guidance is published in 2024, we will work to incorporate land-related emissions in our Scope 3 footprint.

¹² Intergovernmental Panel on Climate Change (IPCC) ¹⁴

¹³ As outlined in this report, we have reduced total Scope 3 emissions by 0.43M metric tons of CO₂e from a fiscal year 2017 baseline. We will report a percent reduction against baseline once we complete our full Scope 3 inventory.

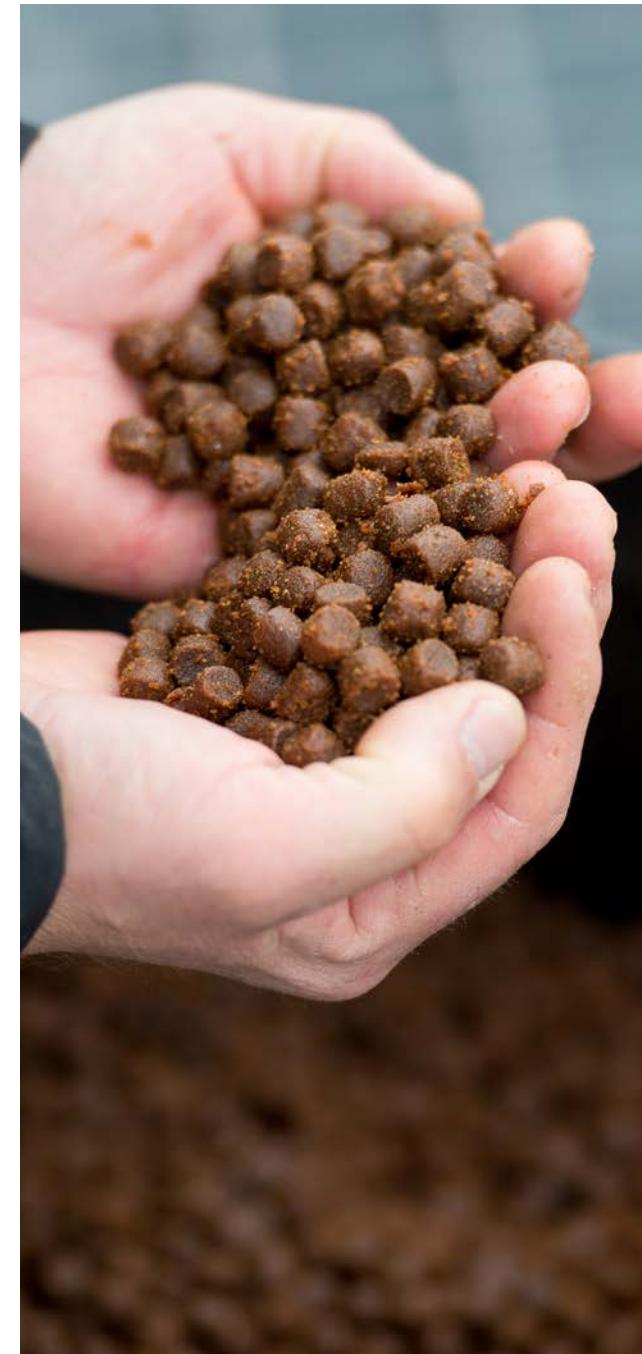
Helping seafood farmers chart a path to a low-carbon future

Seafood is an important source of protein; however, the feed used in aquaculture can be relatively carbon intensive. Cargill's **SeaFurther™ Sustainability** ¹⁵ initiative aims to bring together customers and suppliers worldwide to produce sustainable seafood and minimize its impact. With a goal to reduce the carbon footprint of customers' farmed seafood by 30% by 2030, we provide tailored guidance that supports farmers' businesses while enabling a reduction in their emissions.

This year, we conducted a pilot project to focus on regenerative agriculture methods across eight farms in the United Kingdom, representing 1,500 hectares for the cultivation of wheat and rapeseed. Both wheat and rapeseed are key ingredients in salmon feed. This resulted in a reduction of 1,000 tons of CO₂e. This pilot has helped our customers understand the potential of regenerative agriculture to reduce the carbon footprint of their fish feed. We are now working to scale up the initiative, reaching additional farmers in the U.K. and expanding to France for the 2024 crop with the goal of reducing emissions by 10,000 metric tons CO₂e. This will enable us to support more customers in their emissions reduction goals.

“ SeaFurther has helped us trace and certify our feed sources with more accuracy for better reporting; the program has assessed our sites and identified hot spots where we can reduce emissions relatively easily and helped bring in strategy to do this; and it has connected us to more localized and regenerative agricultural sources to further improve our long-term efficiency.”

Cate Cannon
Sustainability Manager, Kames Fish Farming Ltd, Scotland



Our vision is to make regenerative agriculture commonplace across our global supply chains, helping farmers produce food more sustainably while increasing their profitability and resiliency.

Soil has the potential to be a natural solution to climate change. Regenerative agriculture is a way of farming that disturbs the soil as little as possible, providing myriad positive environmental outcomes. Practices include planting cover crops during the winter, reduced or no-till planting, rotational grazing, and agroforestry. For most farmers, adopting regenerative agriculture practices can mean major changes to their operations, which can pose significant financial risks. For that reason, we're partnering closely with farmers to support an economically viable transition to regenerative agriculture that will enable lower-carbon food, fuel, fiber, and feed.

We have identified the following on-farm benefits of regenerative agriculture:

- **Enabling** carbon sequestration in the soil, which is a natural climate solution
- **Building up** healthy soils, which increases resiliency and biodiversity
- **Using inputs** and resources more efficiently, which improves productivity
- **Improving** water quality and use through better soil health and more efficient irrigation technology
- **Optimizing** fertilizer use, which often reduces costs, improves water quality, and reduces GHG emissions

“The cover crop from Cargill’s regenerative agriculture program helps hold moisture in the ground, so we don’t have to use as much water. The crops look better, and the corn is holding longer than if we would have worked the ground.”

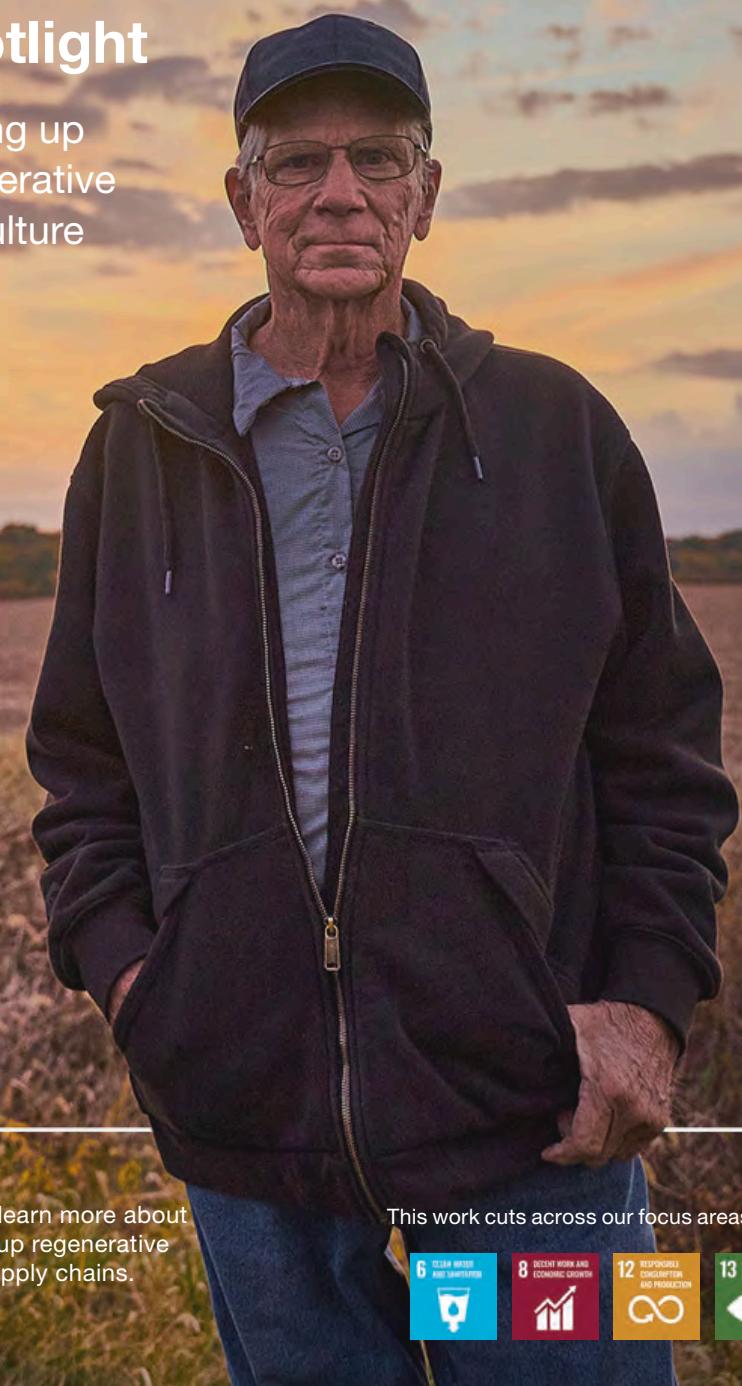
Steven Flair

Owner of Bobridge Farms in Montezuma, Indiana,
U.S. and Cargill RegenConnect® participant



Spotlight

Scaling up regenerative agriculture



See [Land and Water](#) to learn more about our approach to scaling up regenerative agriculture across our supply chains.

This work cuts across our focus areas contributing to:



Moving food sustainably around the world

While our climate action starts at the farm, it continues throughout the supply chain, including decarbonizing a global transportation network that moves food by ship, truck, and rail. Through these efforts, we're also accelerating the shift to lower-carbon energy sources that can fuel the transportation industry.

Charting a course toward zero-carbon ocean transportation

Most food miles take place on water¹⁴, which is why Cargill is working to make zero-carbon shipping a reality. Decarbonizing the shipping industry will span decades, but we are taking action now through various solutions that are available today, such as wind-assisted propulsion technology, biofuels, and energy saving devices.

Since 2021, Cargill has been offering FAME (fatty acid methyl ester) biofuel to ships traveling between Singapore and the ports of Rotterdam and Amsterdam in the Netherlands, one of the world's most densely used shipping routes. Combined with other fuel-saving measures, biodiesel can help ships lower their carbon emissions by more than 20%. Cargill has the end-to-end structure in place to supply FAME biofuel and it can be used without any further investment. It's a solution that is ready for use right now.

This year, Cargill teamed up with Mitsui & Co. to order two dual-fuel, methanol-powered Kamsarmax bulk carriers, which was followed by a similar alliance with J. Lauritzen for three ships. Set for delivery beginning in 2025 or 2026, these vessels will be the world's first methanol-fueled bulk carriers to enter commercial service and will help customers advance their Scope 3 climate goals. It's also the first step on the journey to our goal of 5% zero-carbon ships on the oceans by 2030¹⁵.



“We have a responsibility to pioneer decarbonizing solutions across our supply chains to meet our customers' needs and the needs of the planet. A technology like WindWings¹⁷ doesn't come without risk, and as an industry leader – in partnership with BAR Technologies and shipowner Mitsubishi Corporation – we are not afraid to invest, take those risks, and be transparent with our learnings to help our partners in maritime transition to a more sustainable future.”

Jan Dieleman

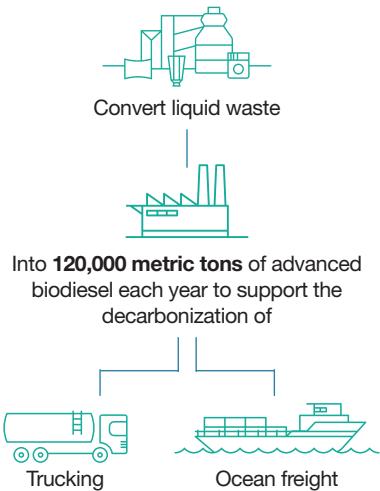
President, Cargill Ocean Transportation and Chair of the Global Maritime Forum

Accelerating the transition to cleaner, renewable fuel

Nearly one-fifth of all carbon emissions in the food system are from transportation.¹⁶ Lowering the carbon footprint of agricultural supply chains requires alternative, cleaner fuel sources for trucking, ocean-freight, and on-farm machinery. Renewable fuels offer an opportunity to decarbonize not only the movement of food, fiber, and feed, but the broader transportation sector. Cargill provides customers with a range of feedstocks to support renewable and more sustainable energy sources, including biomass-based biodiesel, renewable diesel, and waste-based solutions.

This year, we announced the completion of our **first state-of-the-art biodiesel plant**¹⁸ in Ghent, Belgium. The plant, one of Europe's largest, employs industry-leading technology to convert all types of liquid waste oils and fats, including used cooking oils, into advanced biodiesel to support the maritime and trucking sectors in their decarbonization efforts.

The facility is one of the largest biodiesel plants in Europe and will



That's enough to reduce transportation emissions by an estimated 418,000 metric tons, which is equivalent to removing roughly 90,000 cars from the road for a year.

¹⁴ Data analyzed from [study published in the journal Science](#).

¹⁵ See Cargill [Ocean Transportation Decarbonization Report 2022](#) for more information

¹⁶ [Study published in the journal Nature Food](#).

¹⁷ WindWings were designed by Cargill and BAR Technologies, produced by Yara Marine Technologies, and installed on Mitsubishi's Corporate Pyxis Ocean at the COSCO shipyard in Shanghai, China. The WindWings project is part of a project that has received funding from the European Union's Horizon 2020 research and innovation program under grant agreement No 955286.



Land and Water

Protecting our planet's natural resources, including land and water, enables food and agricultural production to remain resilient in the face of climate change and resource scarcity. Cargill is working across its global supply chains to drive systemic change across the industry to make agricultural production more sustainable and resilient.

Our approach: Land

Cargill takes a holistic approach to sustainable land use to create lasting and impactful change for the people and places that grow our world's food.

A holistic approach means that we must respond to the macro challenges of food security, climate change, resource depletion, and biodiversity loss while also addressing the needs of individual farmers and the natural ecosystems that are home to farming communities.

We focus our efforts on helping farmers transition to more sustainable farming practices because improving their productivity and resiliency is key to scalable impact across our supply chains. We also serve as a farmer advocate and connector to our customers, industry groups, NGOs, and governments, and as a collaborator as we work to advance sustainable land use. For example, our [Land Use and Forest Sustainability Advisory Panel](#) helps accelerate progress toward our forest protection commitments across priority supply chains and provides formal input from key global partners and NGOs.

These partnerships span across:

Protect

We partner with farmers to protect forests and other important ecosystems.

Regenerate

We promote regenerative agriculture practices to mitigate climate change and protect our water resources in ways that are beneficial to farmers.

Restore

We restore degraded land and prioritize enhanced biodiversity and ecosystem services.

Innovate

We scale innovative solutions, often in alliances with key partners, to make agriculture more sustainable and productive.



Our work contributes to the following SDGs:



Protect

There are real and urgent threats facing the global food system. Numerous forces are currently straining the system, including geopolitical conflict, extreme weather, and swelling demand, among others. As a result, people are struggling to meet their basic needs around the globe, and an estimated 735 million people go to bed hungry every day.¹⁸

Leveraging the problem-solving power of agriculture to preserve critical ecosystems, Cargill is driving action-oriented, lasting solutions that protect landscapes that nourish people, animals, and the planet. Our efforts include assisting farmers in mitigating deforestation risks, increasing transparency through supply chain traceability, collaborating across industries, and advancing corporate and government policies.



Addressing forest loss with a collaborative roadmap

At COP27 in Sharm-el-Sheik, Egypt, Cargill joined 13 other leading companies in the agriculture sector in establishing a shared roadmap for reducing emissions from land-use change. The [Agriculture Sector Roadmap to 1.5°C](#)¹⁹ was facilitated through a process led by the Tropical Forest Alliance, hosted by the World Economic Forum, with support from the World Business Council for Sustainable Development. The roadmap aims to accelerate zero-deforestation action within the agricultural commodity sector by aligning with global climate goals and the need for food security, economic development, and farmer livelihoods. Specific areas of focus in the roadmap include supporting smallholder farmers in the palm oil sector, and protecting native forests, particularly in the soy sector. Cargill is now working to implement actions described in the roadmap to meet our targets.



Cargill's forest commitments and policy

In 2014, at the United Nations (UN) Climate Summit, Cargill endorsed The New York Declaration on Forests by announcing our goal to eliminate deforestation across our agricultural supply chain by 2030. Our [Policy on Forests](#)²⁰ lays out our approach for achieving this target globally. We have been making progress and are accelerating our efforts. In November 2022, as a signatory of the Agriculture Sector Roadmap to 1.5°C, we committed to eliminating deforestation in our soy supply chain in the Amazon, Cerrado, and Gran Chaco biomes by 2025. This milestone is critical to achieving a deforestation- and conversion-free supply chain in South American soy by 2030. Our progress in our soy supply chain, as well as our other priority supply chains, such as cocoa and palm, can be viewed in the [Sustainable Supply Chains](#) section of this report.

¹⁸ United Nations Food and Agriculture Organization (FAO)²¹



Putting farmers at the center

We continue to use the collective action of the Soft Commodities Forum (SCF) to drive sector transformation, including putting the farmer at the center of this effort through the SCF's Farmer First Clusters initiative. Launched in late 2022, Farmer First Clusters focus on the four states of Brazil's Matopiba region, employing a tailored mix of solutions in different landscapes to address deforestation and encourage alternative mechanisms for conservation. Cargill has committed more than \$1.3 million over three years to the initiative, as part of our far-reaching efforts to provide farmers with viable economic alternatives to land conversion. See [Sustainable Supply Chains: Soy](#) for more details on the project and the actions we are taking.

“To protect forests and other important ecosystems, while addressing food security, we must have a range of systemic solutions – from nature-based to digital technology – all predicated on the need to collaborate closely with farmers and our customers to grow our food in a more sustainable way.”

Leticia Kawanami

Sustainability Director - South America, Cargill Agricultural Supply Chain



Improving visibility in cocoa regions

Increasing supply chain visibility and traceability is critical in helping us better protect forests and monitor for potential deforestation, and we are making progress across our soy, palm, and cocoa supply chains. For example, in our cocoa supply chain, we are using Global Positioning System (GPS) polygon mapping as a way to gather data of a farm's perimeter accurately and rapidly, particularly in remote rural environments. This helps us understand where a farm operates and under what conditions, like proximity to a protected area or within a forest. However, using GPS to map the polygon farm boundaries of smallholder cocoa farmers is not an easy task. Farms can be spread out and they can change dynamically over time, and weather can have a negative influence on local road conditions and GPS signals.

Through Cargill's partnership with Farmforce and Koltiva, we're overcoming those hurdles and deepening our visibility into critical cocoa-producing regions, such as Côte d'Ivoire, Indonesia, and Cameroon. When coupled with other farm-level insights, GPS mapping can help us attain a comprehensive picture of farm-level needs and challenges. We can then offer bespoke support to improve productivity through targeted farm development plans, training, and other inputs. To date, we have mapped 72% of all farmers participating in the Cargill Cocoa Promise program. See [Sustainable Supply Chains: Cocoa & Chocolate](#) to learn more about the actions we are taking.



Protecting forests and people in Indonesia's palm oil regions

Many of the challenges in the palm oil supply chain, such as deforestation and human rights concerns, are not specific to a single supplier or to the palm oil sector alone. To tackle issues that are common within a region and across commodities, Cargill is collaborating with a variety of stakeholders through interventions at the landscape level. We're also working to increase traceability to minimize deforestation risks.

In Indonesia's Riau province, we are implementing a landscape program alongside seven other companies and the Consortium of Resource Experts (CORE), which is supported by two independent consulting companies, Daemeter and Proforest. With a focus on the Siak and Pelalawan districts, the program, which launched in 2018, aims to protect forests, improve smallholder livelihoods, reinforce labor and land rights, and pursue sustainable palm oil production through collaboration and supporting district government in implementing their policies and plans. Farmers from more than 28 villages participate in the program, representing more than 150,000 hectares of land. Within these districts, we have conducted traceability assessment to village level, which enables us to assess high risk villages, inform buyers about high risk mills, and intervene where action is needed across the landscape. See [Sustainable Supply Chains: Palm Oil](#) to learn more about progress and achievements from this year.

Brazil is home to some of South America's most ecologically significant areas and plays a critical role in producing agricultural commodities like soy that feed approximately 10% of the global population.¹⁹ This role will only continue to expand with global population growth.

Cargill is committed to working with farmers and other partners to protect and restore farmland in Brazil while creating a more sustainable pathway for market development. We believe that's possible by doing our best to connect growers, governments, and industry in a joint quest to optimize food production in Brazil.

We're implementing pragmatic solutions that make conservation—above and beyond the law—more economically attractive. For example, through the **Land Innovation Fund for Sustainable Livelihoods (LIF)**²⁰, we are working alongside the agribusiness start-up ecosystem, the academic sector, and soy farmers on the development and implementation of innovative and economically viable options for farmers to protect undistributed lands.

We're confident that agricultural production in Brazil can continue to flourish in a sustainable way, helping to conserve vital ecosystems while supporting farmer livelihoods and the production of food the world needs.

¹⁹ Embrapa, Brazil's government agency for agricultural research ²¹

"Farming and forests can and must coexist. Through farmer engagement, the right incentives, and policy drivers, we believe that is possible in Brazil and other places that deliver the food the world needs to thrive."

Paulo Sousa
South America Group Lead,
Cargill Agricultural Supply Chain (CASC)

Spotlight

Creating a sustainable path forward in Brazil

This work cuts across our focus areas contributing to:



Regenerate

Regenerative agriculture practices have the power to reduce greenhouse gas (GHG) emissions, sequester carbon in the soil, improve water quality and use, increase productivity, and build up healthy soil for the next generation. Yet, every farm is unique and in a different place when it comes to the adoption of regenerative agriculture. That's why we partner with farmers and support them in adopting practices that will work best for their specific location, crops, and business model. We provide farmers with a portfolio of options that deliver foundational economic and environmental benefits to their operations.

Our vision is to make regenerative agriculture commonplace across Cargill's global supply chains, helping farmers produce food more sustainably while increasing their productivity and resiliency. We're working to scale the adoption of regenerative agriculture by supporting farmers and ranchers throughout these transitions.



Regenerating 10 million acres in North America

In 2020, we announced a commitment to advance regenerative agriculture practices across 10 million acres of North American agricultural land by 2030. These practices include planting cover crops, reducing tillage, rotational grazing, and optimizing nutrient management.

Progress toward our commitment



Expanding farmer access to the growing environmental marketplace

We continue to make progress on scaling up regenerative agriculture through programs like Cargill RegenConnect®, which connects farmers to the growing environmental marketplace by paying them for improved soil health and positive environmental outcomes. In 2023, we expanded the program in the United States from 15 to 24 states, providing farmers with payments per metric ton of carbon sequestered per acre. The program now covers more commodities, including cotton, and provides improved ease and access to enrollment via mobile devices. We also announced the expansion of Cargill RegenConnect® in Europe for eligible farmers in Germany, Poland, Romania, and France – building on two years of success in North America. Cargill will offer market-competitive pricing based on each metric ton of carbon sequestered per hectare for primary crops in Cargill's supply chains, including rapeseed, wheat, corn, barley, and sunflower. In recognition of its innovative approach to creating a more resilient and secure food system, Cargill RegenConnect® received a prestigious 2023 Edison Award™.



Investing in sustainability research in Brazil's Cerrado biome

Cargill is investing approximately \$1 million through the Regenera Cerrado project to sponsor a broad environmental study that includes more than 30 scientists researching the benefits of adopting regenerative agriculture in the Cerrado biome. The study partners include Embrapa, Brazil's government agency for agricultural research; Federal Institute of Goias (IF Goiano); Federal University of Lavras (UFLA); leading think tank Instituto Forum do Futuro; operational execution by Institute BioSistêmico (IBS); and various universities. The three-year study launched in October 2022 and will generate scientific data on the benefits of regenerative agriculture that will help enable farmers, companies, and civil society institutions to make science-based decisions that will benefit both farmers and the environment. See [Sustainable Supply Chains: Soy](#) for more details.



Reducing canola emissions in Australia

In New South Wales, Australia, Cargill has partnered with Nutrien Ag Solutions on a pilot project focused on reducing emissions in the canola supply chain by capitalizing on market demands for sustainable commodities. The trial involves 14 growers, representing approximately 870 hectares of canola, who are exploring opportunities for short-term market premiums and long-term access solutions. Cargill and Nutrien are working with growers to complete an emissions baseline, followed by a customized plan using different sustainable products and implementing regenerative agriculture practices. The pilot is targeting a 20% to 25% reduction in emissions associated with nitrogen fertilizer.



Bringing agroforestry benefits to cocoa-growing regions in West Africa

Agroforestry practices that intentionally integrate trees and shrubs with pasture or cropland can help sequester carbon, and provide myriad other benefits, such as enhanced biodiversity and improved water quality. In West Africa's cocoa-growing regions, we're working with PUR on an agroforestry program that helps restore and preserve forests by funding the cost of seedlings and providing growers with on-the-ground expertise. Over the last year, across Côte d'Ivoire and Ghana, Cargill's collaboration with partners such as PUR has enabled the planting of more than 1.4 million multi-purpose trees on cocoa farms and involved more than 16,000 new farmers implementing cocoa-agroforestry.

“Regenerative agriculture can be applied across geography and farm size, which helps us scale farmer adoption in our global supply chains. Enabling this transition can help feed a growing population, improve farmer productivity, and have positive environmental outcomes – a triple win.”

Ashley McKeon

Director, Regenerative Agriculture, Cargill

Restore

In addition to protecting land against deforestation and creating more sustainable farms through regenerative agriculture, restoring degraded land and native ecosystems is important to maintain productive agricultural landscapes. Cargill invests in restoration initiatives that focus on key biomes like Brazil's Cerrado, which is also an important point of origin in the global soy supply chain.

Critically, these restoration efforts take place at a landscape scale, whereby we engage farming communities and a wide range of stakeholders, including local governments and NGOs, to design and implement programs that will succeed in the long term. These initiatives include working with growers to reintroduce native vegetation, recover water resources, and reforest altered areas.

Restoring key Brazilian biomes through farmer and partner collaboration

In 2022, Cargill committed to restore 100,000 hectares of altered land in Brazil over the course of five years through our Protect and Restore initiative. We currently have more than 30 projects underway, with a pathway to restore more than 14,000 hectares in key biomes. The initiatives are focused on protected lands (i.e., Legal Reserves and Permanent Preservation Areas) in private properties and on strengthening and structuring local restoration value chains within communities. The projects, such as those highlighted here, are tailored to meet both the needs of producers and environmental objectives.

Restoring degraded land in the Tijuco River watershed

We are working with producers in the Tijuco River watershed in the state of Minas Gerais to recover degraded pastures and Permanent Preservation Areas within their farms. The Tijuco River Basin has areas in a high state of degradation, but producers were hindered from carrying out interventions because of low investment capacity, difficulty accessing rural credit, and the lack of specific technical knowledge. Through the project, Cargill is providing 200 rural producers with qualified technical assistance, professional training to improve farm management, and technological solutions to improve the quality of pastures and restored areas. Ultimately, the initiative is expected to recover around 3,000 hectares of degraded pastures and nearly 1,500 hectares of protected land.

Expanding the market for sustainable cocoa in Mato Grosso

Cocoa trees, native to the Amazon, help maintain soil moisture, prevent erosion, and sequester carbon – making them particularly well suited for land-restoration efforts. To expand agroforestry practices in the Brazilian state of Mato Grosso, Cargill is providing \$6.4 million in financing to restore 1,000 hectares of degraded forest in this 3-year project. With this financing, our partner, Belterra, will help small- and medium-sized farmers implement agroforestry systems and plant nearly 1 million seedlings – including cocoa and other native trees. Cargill has agreed to purchase the cocoa produced by the participating farms, helping to provide greater economic security and improve farmer livelihoods.

Partnering with Ambev on ecological restoration

This year, Cargill and Ambev – the Brazilian division of beverage company Anheuser-Busch INBev – initiated a partnership that advances the implementation of ecological restoration of native vegetation and the conservation of natural resources in Brazil. A key focus of this work is on ensuring these areas have clean water, which is a critical resource and priority area for Ambev as a beverage company. Cargill and Ambev are collaborating and co-investing resources to restore areas that will help improve local water quality. Our goal is to restore 300 hectares over the next three years.

“This is a very strategic partnership for Ambev. We are joining efforts in Brazil to restore and conserve local watersheds, helping to advance water security in high-risk areas – an issue in which we have been working for more than a decade. By joining forces with Cargill, we are able to amplify our impact together.”

Caio Ramos

Head of Sustainability, Ambev

Innovate

Cargill invests in innovative solutions that advance sustainable land use across our global supply chains. These include technologies that optimize supply chain visibility through digital platforms that connect farmers and customers around the world, which help to promote sustainable agriculture practices, responsible sourcing, and mitigation of deforestation risks.

In addition to developing and deploying these platforms, our approach includes investing in smart ideas and emerging technologies from entrepreneurs and start-ups. We pilot and accelerate these solutions with the expectation that some may have the potential to become enterprise-wide platforms that can be scaled and tailored across multiple supply chains and geographies. In evaluating these innovations – and helping to bring them to market – we prioritize and optimize technologies that are practical and beneficial to farmers, customers, and other partners in the supply chain.



A sustainable tool to ensure market access

The Visión Sectorial del Gran Chaco Argentino (ViSeC) is a multistakeholder effort to protect native vegetation in the Chaco biome. To help Argentine farmers demonstrate that their soy does not come from recently deforested areas, the Land Innovation Fund (LIF) provided support and helped convene ViSeC; CIARA, Argentina's industry association for edible oils; the Peterson Control Union; and the Rosario Stock Exchange to design a new digital traceability platform, with contributions from multiple actors.

This georeferencing platform is currently entering a proof-of-concept phase, with plans to scale it for broad adoption by 2024. Crucially, this platform will provide traceability so that Argentine farmers can ensure their soy is compliant with both national legislation and new deforestation regulations in the European Union. It will keep their soy eligible for export to this key market and help strengthen the linkage between sustainable practices and economic incentives. See [Sustainable Supply Chains: Soy](#) for more details on the project and the actions we are taking.

Investing in digital traceability solutions

Through Cargill's new partnership with Satelligence, we are enhancing our monitoring capabilities to identify deforestation risks in our soy, palm oil, and cocoa supply chains. Satelligence will provide Cargill with near-real-time, satellite-powered deforestation risk monitoring. Satelligence's solutions use open-source, science-based methodologies, certified by Ernst & Young.



“In addition to our monitoring work with partners like Satelligence, we are also accelerating our efforts and investment with new programs that will protect and restore essential landscapes while providing meaningful pathways for farmers to advance their livelihoods.”

Matt Wood

Global Impact Data Analytics and Technology Lead, Cargill



Protecting biodiversity

Biodiversity provides important services that support our global food system, such as pollination and pest control. Cargill focuses on interventions that aim to safeguard species threatened with extinction, as well as conserve natural environments that sustain a larger ecosystem of native animals and plants. We work with leading conservation organizations and other partners to support programs that span geographies and key supply chains, such as palm oil, beef, and aqua nutrition.

Restoring forest ecosystems in Malaysia

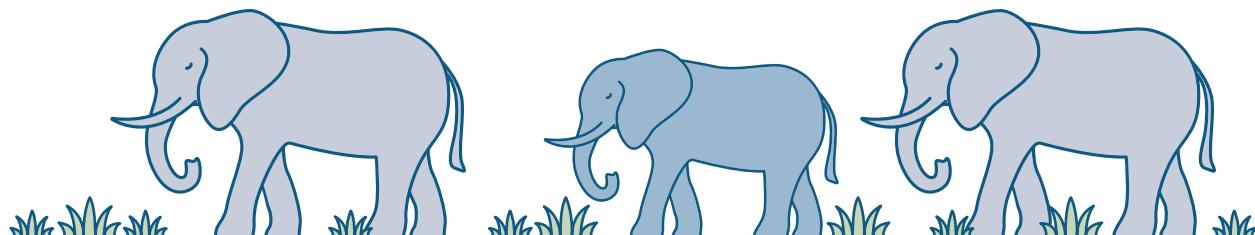
The Southern Central Forest Spine (SCFS) in peninsular Malaysia contains critical wildlife corridors that support populations of endangered species, such as the Asian elephant, Malayan tiger, and sun bear. However, a gradual decrease in the forest cover over several decades has disrupted the forest ecosystem, broken links between forest fragments, and increased conflicts between humans and wildlife, especially elephants.

Given the role of SCFS as a sourcing region for products and commodities that are essential for many companies – such as palm oil – Cargill has worked with nonprofit Earthworm Foundation (EF) since 2021 to create a sustainable landscape model in the area. This model includes forest conservation initiatives as well as engagement with more than 200 farmers, providing awareness and training on sustainability issues and good agriculture practices such as nutrient optimization techniques that minimize fertilizer and waste run-off.



The landscape program also covers a pilot program on Human Elephant Co-existence (HEC). Supported by the Malaysian Palm Oil Board (MPOB) and funded by Malaysian Palm Oil Green Conservation Foundation (MPOGCF), the pilot aims to empower smallholders to adopt practices that encourage wildlife conservation, promote community safety, and reduce crop damages from wildlife visitations. EF is focused on encouraging a mindset shift amongst smallholders in the landscape towards accepting interactions with wildlife, such as the Asian elephant.

In its first year, the program covered an area of 1,500 hectares of agricultural land that borders forest areas inhabited by the elephants – with the expectation that coverage areas will be expanded in the future.



Bringing back declining wildlife populations in Canada

Beef farmers and ranchers in Canada play an important role in providing quality food, but few people know they also play an essential role in protecting the country's land, water, and wildlife. Through our BeefUp Sustainability™ initiative, in 2021, Cargill announced a \$4.5 million program with Ducks Unlimited Canada (DUC) and McDonald's Canada to support rancher-led work. By providing discounted seed and expert technical advice, participating farmers and ranchers are incentivized to restore previously cultivated land to grass and forage, thus creating more sustainable habitats for wildlife.

The program is supporting more than 200 farmers across three Canadian provinces: Manitoba, Saskatchewan, and Alberta. With more than 26,000 acres enrolled this year, the program is on track to meet a five-year, 125,000-acre target. With a focus on threatened biodiversity hotspots, the program is helping bring back declining populations of grassland birds as well as many species of waterfowl. Using estimated nest density (nests per acre) measurement, the program has supported the successful establishment of more than 100,000 duck, grassland, and shorebird nests.

Our approach: Water

Cargill takes a local, context-based approach to water stewardship that prioritizes action where it's needed most.

Clean water is essential for people and agriculture. Developing solutions that drive climate resiliency and adaptation relies on the need for smart water solutions that support soil health, preserve biodiversity, and protect watersheds across the food system.

The global water crisis is complex, impacting communities around the world in varying ways at varying times. With no one-size-fits-all solution to preserving and protecting this vital resource, Cargill has taken a local, context-based approach to water stewardship – an industry-leading strategy we implemented in 2020 that prioritizes action where it's needed most, based on the specific water challenges faced by the local community and our ability to drive change. What makes our approach unique and particularly critical for the food and agriculture sector is that it goes well beyond our own operational footprint, extending to the communities where we operate as well as where we can have the greatest impact: our agricultural supply chains.

As a proud signatory of the UN Global Compact's CEO Water Mandate and a member of the Water Resilience Coalition, we are working to share our key learnings and collaborate with other business leaders to develop critical solutions.

Our work contributes to the following SDGs:



Our commitment and progress

Our water goal and targets were set in fiscal year 2021 following a data-driven, risk-based approach **developed in close partnership**²² with World Resources Institute (WRI). Our key progress this year against our global water ambition and targets follows:

Targets	Progress
Operations: Implement water stewardship practices at all priority facilities by 2025	78%
Supply Chain: Enable the restoration of 600 billion liters of water in water-stressed regions by 2030	9.2 billion liters
Supply Chain: Enable the reduction of 5,000 metric tons of pollutants ²¹ in water-stressed regions by 2030	129 metric tons of Nitrogen Equivalents (N-eq)
Communities: Enable improved access to safe drinking water and sanitation, reaching 500,000 people in priority communities by 2030	More than 108,000 people

²⁰ We define a water positive impact as effectively improving watershed health by addressing the shared water challenges of availability, quality, and access to safe drinking water, sanitation, and hygiene (WASH), using an approach that is informed by our footprint and the severity of local water challenges.

²¹ Our water quality target is expressed in metric tons of Nitrogen Equivalents (N-eq). This is equivalent to the wastewater pollutant load of 1.4 million people, or the total amount of fertilizer applied to 75,000 acres of corn (based on United States Department of Agriculture average data for corn).



Water in our operations

We view water as a shared resource. That's why we are committed to eliminating unsustainable water impact within our footprint and ensuring understanding, compliance, and reporting of water use, impact, and risk at all Cargill facilities. We are also working to provide access to safe drinking water, sanitation, and hygiene for employees and contractors at our facilities. Further, we require our 72 priority facilities²² to implement a set of sustainable water management and stewardship practices as part of our Water Stewardship Program. These priority facilities account for more than 80% of our total operational water footprint and were identified based on water stress exposure and water usage. Through the Water Stewardship program, Cargill has translated our approach to local water needs into guidance that empowers each priority facility to address water challenges and meet targets that are relevant for their specific situation.



Optimizing water use in Belgium

Through the Water Stewardship Program, three facilities near water-stressed areas of Belgium have developed and are testing innovative solutions to optimize and reduce their water use. In Antwerp, the team worked with third-party water consultant Cre@Aqua to study process enhancements and technologies to increase the reliability of its wastewater treatment plant, resulting in reductions to the content of suspended solids in treated wastewater as well as reduced energy consumption at the wastewater plant. In Ghent, the team piloted a new technology with CEVAP Technology BV to reduce the water volume needed to process difficult wastewater streams, such as from facilities that produce biodiesel from residue oil. And in Izegem, the team used continuous improvement tools to identify solutions for reducing water consumption and increasing onsite water reuse. The Izegem team organized pilot tests with third-party water consultant Pantarein.



Enhancing water efficiency and monitoring in Thailand

In Thailand, where Cargill operates across six provinces, climate change is worsening local water challenges. To help conserve this important resource, the regional facilities participating in the Water Stewardship Program have established a water management framework to support water sufficiency for business operations and to minimize environmental impact on the local community caused by the manufacturing process. As part of this approach, Cargill employs a strategy to enhance water efficiency by reducing water loss and increasing operational efficiency, reusing untreated water in non-operations activities, and recycling water treated by various technologies inside and outside its locations. This year, Cargill reduced an estimated 320,000 cubic meters of total freshwater withdrawal at these facilities, which equates to a 7% year-over-year reduction in freshwater withdrawal per ton of production. Of the total water usage at these facilities, 9.8% was recycled water.

²² Please note that the number of priority facilities may change over time due to acquisitions, divestitures, or major changes to our operations.

Water in our supply chains

On average, more than 70% of global fresh water use is associated with agriculture.²³ Through collective action and engaging with our supply chains, we believe agriculture can also be part of the solution to improve water quality and availability for future generations, while supporting farmer livelihoods and community and climate resilience. Engagement across our supply chains is also where we believe we can make the greatest impact.

Notably, our water restoration target of 600 billion liters is almost double the amount of all water used in Cargill's global operations annually. It is also equivalent to the annual use of a city of approximately 11 million people, such as Paris.²⁴

Within our supply chains, we work with farmers, ranchers, and other partners to develop and scale agricultural solutions, such as regenerative agriculture, that improve soil health, water resiliency, and quality; and provide other benefits like GHG emissions reduction. We complement these efforts with programs and partnerships that protect and restore grasslands and aquatic habitats in critical geographies of our supply chains and through projects that support water quality improvements and protect biodiversity.

Scaling water impact through regenerative agriculture

As detailed in the **Land** and **Climate** sections of this report, regenerative agriculture provides multiple benefits for farmers and the food system as a whole: from higher farm productivity to carbon sequestration. Another important benefit to incorporating regenerative agricultural practices is improved soil health and increased water-holding capacity in those soils. Holding more water in the soil means that overall soil moisture can increase, which helps during drought years as well as reduces the need to irrigate; this allows farmers to save on irrigation costs and makes them less dependent on scarce water resources. Increased water-holding capacity also means that the soil can absorb more water when it rains. As a result, nutrients captured in the root zone remain available to plants, instead of running off to nearby streams and rivers.

As part of our vision to make regenerative agriculture commonplace across our global supply chains, we've taken steps to measure our water impact from regenerative agriculture programs. These results are included in our supply chain water target progress, and it is our expectation that our efforts to scale up farmer adoption of regenerative agriculture practices will play an even greater role in meeting our global ambition to enable a water positive impact.

Collectively, this year, regenerative agriculture programs increased water availability in our supply chains by approximately 3.4 billion liters and improved water quality by reducing more than 60 metric tons of pollutants.²⁵

Conserving North America's wetlands

The U.S. has lost more than half of its original wetlands,²⁶ which help to safeguard water quality and filter and replenish underground water sources. With an additional 80,000 acres disappearing each year to development, climate change, and habitat loss,²⁶ Cargill and Ducks Unlimited (DU) have come together this year to kick off a three-year, \$1.5 million partnership to protect four critical landscapes: the Ogallala Aquifer across the U.S. Great Plains; Lake Ontario in New York, U.S.; the Upper Mississippi River in Iowa and Illinois, U.S.; and the Canadian Prairies. While diverse in nature and geography, these landscapes are interconnected in unique ways for DU and Cargill, such as bird migration routes and agricultural supply chains.

Through wetland and grassland restoration, conservation, and enhancement projects in these priority regions, our partnership aims to address water challenges related to availability and quality, increase sustainable agricultural production, and protect critical ecosystems. Combined with efforts from other project supporters, the collaboration will help 420 farmers through funding for improved agricultural practices, training in sustainable agriculture practices, and increased income. Additionally, nearly 73,000 acres of land will be monitored, restored, or protected - nearly 47,000 of which will be under sustainable management. Importantly, the partnership will also fund the restoration of more than 19 billion liters of water and a reduction of more than 500 metric tons of water pollutants.

²³ Based on the WRI report [Achieving Abundance: Understanding the Cost of a Sustainable Water Future](#).²⁷

²⁴ [Eau de Paris](#).²⁸

²⁵ Measured in metric tons of Nitrogen Equivalents (N-eq).

²⁶ [Ducks Unlimited](#).²⁹

Water in our communities

Globally, 2.2 billion people lack access to safe drinking water and 3.5 billion people lack access to sanitation.²⁷ Driven by our belief that clean and safe water is a right for all people, we are partnering with leading NGOs such as Global Water Challenge (GWC) and CARE to enable improved access to safe drinking water and sanitation for 500,000 people in priority communities by 2030.



Enhancing water access with Cargill Currents

In 2021, Cargill and Global Water Challenge (GWC) launched Cargill Currents, a three-year, \$3 million initiative to provide access to safe drinking water, sanitation, and enhanced water security in priority regions through programs and solutions tailored to the local community. In addition to providing water access, the program builds community resilience, promotes economic development, supports farmer livelihoods, empowers women and youth, and addresses climate impacts.

Two years after launching Cargill Currents, the program is on track to reach 150,000 people in priority regions by the end of calendar year 2024. This is 30% of Cargill's 2030 global community water target.



Key highlights from our partnership with GWC this year include:

- Brazil:** We launched an initiative focused on improving access to safe, clean drinking water in five Brazilian states, which is expected to benefit more than 20,000 people.
- West Africa (Cameroon, Côte d'Ivoire, Ghana):** Nearly 48,000 people have benefited from improved access to safe drinking water, sanitation, and hygiene (WASH) and other project activities across 17 communities, 12 schools, and four healthcare facilities. More than half of these beneficiaries are women.
- U.S.:** We announced the launch of six new partnerships with leading water stewardship organizations to improve watershed health and protection, promote sustainable water management, and build community and climate resilience.

“We celebrate our impactful partnership with Cargill and our collaborative approach as connectors to bring together partners to drive action at scale. Cargill is on an ambitious 2030 water stewardship journey, and we are proud to be working alongside them to deliver impact in communities around the world.”

Monica Ellis
CEO, GWC



People

At the heart of our sustainability strategy are the people who help nourish the world – our employees, farmers, customers, and agricultural communities. They are the reason behind our efforts to build a more equitable, inclusive, and resilient food system – one that creates income and opportunity for the people who make it all possible.

Our approach

Cargill champions safety, equity, fairness, and opportunity – for employees, farmers, and other key partners who help produce and deliver food the world needs.

The people who power our global supply chains are the greatest asset we have in addressing food insecurity, climate change, sustainable land use, and other priorities. These include our more than 160,000 employees around the world, as well as the hundreds of thousands of farmers and ranchers from whom we source agricultural commodities that contribute to global food, feed, and fuel production.

Given the size and global reach of these populations, we've taken steps to operationalize our People efforts systematically throughout our businesses. We continually evaluate and optimize our programs and policies to respond to the evolving needs and expectations of our employees, farmers, and customers.



Our work contributes to the following SDGs:



We focus our efforts on five critical areas:

Health and safety

We are committed to protecting our people, treating animals across our supply chains with respect and dignity, and ensuring our food products meet rigorous safety and quality standards.

Diversity, equity, and inclusion

We are developing a diverse workforce and driving a culture of inclusion within Cargill and the communities we serve.

Training and development

We encourage all employees to further their careers through professional development and we offer them the tools and opportunities to do so.

Human rights

We believe human rights are fundamental. We are committed to respecting the human rights of Cargill employees and the people whose lives and livelihoods we touch.

Farmer livelihoods

We partner with farmers and ranchers to help their businesses and communities thrive for generations to come.

Health and safety

For Cargill, safety means protecting people and animals from harm throughout our supply chains and ensuring our food products are safe to eat. This requires an unwavering commitment from leaders, employees, and partners to comply with all health and safety laws in addition to our own strict programs and safety requirements, which often go beyond the requirements of the law. We're working to continuously improve our safety performance, establish aggressive safety goals, and recognize our people for improving safety processes.



Workplace safety

Our approach and progress

Our primary responsibility to our employees is their safety and wellbeing. Our goal, above all others, is to send everyone who works at Cargill home safely, every day. This commitment to safety starts with Cargill's executive team.

Our corporate Environment, Health, and Safety (EHS) function sets Cargill's global health and safety policy and management systems, which comply with all occupational health and safety requirements. Our operating businesses, in close partnership EHS and our Business Operations and Supply Chain leadership, are responsible for the implementation of an aligned EHS strategy and adherence to its policies and procedures.

One way we measure our safety performance is through our reportable injury frequency rate (RIFR).²⁸

1.29 Reportable Injury Frequency Rate (RIFR) in 2023.

We have made significant progress in addressing labor challenges in a very demanding market; however, it's likely these pressures continued to impact our safety performance of the past year. While our immediate focus is on serious injury and fatality prevention – where we're seeing positive trends in our performance and safer ways of working – we also work continuously to strengthen our overall safety programs to prevent all injuries.

²⁸ As defined by the U.S. Occupational Safety and Health Administration, the Reportable Injury Frequency Rate (RIFR) measures total recordable injuries per 200,000 hours worked. This metric at Cargill includes all injuries to both employees and contractors, not just those that result in lost workdays.

Cargill's executive team, as well as business leaders across the company, are held accountable to this safety metric and key safety performance indicators. These indicators are reviewed monthly and quarterly at the corporate level and at various levels within our businesses to gauge performance and identify opportunities for improvement.

Several years ago, we identified the 12 highest-risk activities across the company – such as rail car operations and performing electrical work – and designed a global program, called LIFEsavers, to address those risks. Each of the 12 LIFEsavers identifies specific risks, along with necessary processes, procedures, behaviors, and actions to help our employees perform these activities safely.



Protecting rail-car workers with remote-operated robots

To increase the safety of our workers at our export port terminal in Santos, Brazil, we leveraged remote-operated robots to move rail cars instead of traditional payloaders and tractors. This innovative approach has significantly mitigated the risks to workers from equipment movement and pedestrian contact. Additional benefits to using these robots in place of diesel-operated equipment are the reduction of greenhouse gas (GHG) emissions, as well as improved efficiencies through automation.



Keeping our people safe when driving a vehicle

Over the past six years, we have strictly enforced a no-cell-phone policy for drivers and we continue to replace motorcycles in our businesses and operations with safer modes of transportation. Additionally, we are implementing more robust training programs for our drivers, and we are using various technologies to help improve driver safety. Across countries like Thailand, the Philippines, Vietnam, Indonesia, Australia, China, South Korea, India, Malaysia, and Pakistan, our drivers have experienced the advantages of in-vehicle monitoring systems and telematic technology, which is a method of monitoring vehicles through GPS and onboard diagnostics.

Presently, more than 2,000 Cargill drivers are benefiting from these technologies that analyze various driving behaviors, as well as the SOS services we provide in the event of a crash or other emergency. Our Safe Driver Policy also covers vehicle selection protocols, safety features education, ongoing training requirements, journey fatigue management, and certifications for our most frequent drivers.

“Nothing is more important at Cargill than sending everyone home safe, every day. That’s why we uphold an unwavering commitment to constantly evolving our health and safety programs, like our safe driver program.”

Hongfei Zheng

Cargill Animal Nutrition Group Leader, North Asia

Improving electrical safety

As part of Cargill’s commitment to prioritize safety and eliminate hazards associated with electrical work, we have continued to implement a comprehensive and enhanced electrical safety policy throughout our organization. Working across different businesses and geographies, we have successfully eliminated more than 600 instances of overhead power lines surrounding our facilities, mitigating a key risk area in electrical safety.

We have conducted more than 62,000 online training sessions, covering various elements of the electrical safety policy and procedures.

Mindful May:

Our global Mental Health Awareness Month campaign featured a centralized digital hub where more than 10,000 employees accessed tools, resources, and offerings – including a global webinar series, with additional regional options, covering topics ranging from inclusion and gratitude to social and physical wellness. Leaders and Business Resource Groups were equipped to champion mental health awareness and well-being through digital and in-person connections that empowered psychological safety and reinforced the importance of supporting mental health at Cargill.



Promoting employee wellness

Cargill is committed to putting people first through our focus on employee wellness. We offer a wide variety of flexible and inclusive programs – from physical health and emotional well-being to financial security – to help employees take care of their immediate needs, unexpected challenges, and long-term health. Our employee wellness programs are focused on the following four areas:

- **Physical well-being:** We offer flexible and comprehensive programs that enable employees and their families to cover basic preventive needs, stay physically healthy, and manage unexpected issues as they arise.
- **Mental well-being:** Mental health is foundational to overall well-being, which is why we provide free, confidential mental health programs for employees and their loved ones. We also provide leadership training and resources to help identify and address employee mental health needs, along with ongoing efforts to destigmatize mental health across Cargill.
- **Financial well-being:** We recognize the importance of designing compensation and benefits to meet our employees’ current needs and empower them to save for their future. Supporting employees with tools to help them achieve their financial goals means less time worrying about providing essentials while building a secure future.
- **Work/life well-being:** Our competitive paid time off options provide employees time to rest and recharge, flexibility to manage their day-to-day lives, and leave of absence programs to support them and their loved ones in the moments that matter most.

Product and food safety



Our approach and progress

True to our purpose of nourishing the world is a commitment to delivering food and feed that is safe to eat. We also recognize that food safety is fundamental to the trust customers and consumers have in Cargill and our products. We take a comprehensive, science- and risk-based approach to food safety in our policies, operations, and supply chains. This includes investing in processes and technologies that enable us to rigorously monitor all facilities and areas of risk, such as foodborne pathogens.

Food safety is a value shared by our customers, competitors, farmers, industry associations, and others in the food system, which is why we work collaboratively to advance food safety in the industry and share our innovations and best practices. One of the ways we do this is through our partnership with key organizations. For example, along with other member companies, this year we worked with the Alliance to Stop Foodborne Illness, a program of Stop Foodborne Illness, on a new video series and supporting resources designed to drive culture change around food safety.

Harnessing the power of data

Cargill is investing in innovative solutions that help empower and enable customers to surpass product safety, quality, and ever-changing regulatory demands. A key aspect of our advancement lies in building on our existing data insights platform to develop new technologies and processes that can harness the power of our data to predict and mitigate food safety risk. This year, we further refined and integrated a cutting-edge digital tool that employs a comprehensive risk modeling approach to analyze food safety-related data. This process includes gathering data from multiple internal and external sources and using the tool to filter relevant alerts that include contaminant keywords of concern. The results are analyzed by teams of risk experts to determine if escalation is necessary and if action is needed.

Our vision is to expand the scope of risks we monitor in the markets we serve holistically, further fortifying our robust food and product safety system. This evolution allows us to be better prepared, anticipate, and prevent compliance-related incidents that might not have previously been classified as high risk. Additionally, this enhanced approach has enabled more effective supplier management across our supply chains.



“Every day, thousands of Cargill colleagues around the world are working hard to ensure the safety and quality of our products. But it takes all of us, as well as our external partners and many others, working together to make our entire food system even safer, more reliable, and more sustainable.”

Sean Leighton

Global VP of Food Safety, Quality, and Regulatory at Cargill and President for the Institute of Food Technologists

Animal welfare



Our approach and progress

As part of our purpose to nourish the world in a safe, responsible, and sustainable way, we understand and embrace our responsibility to treat animals with respect and dignity. The proper care and handling of animals is critically important as the global population and demand for nutritious, affordable, and high-quality protein increases.

Cargill takes pride in being an industry leader in animal welfare, and we maintain high standards for our suppliers and ourselves. We have strict animal welfare guidelines in place, and we maintain a zero-tolerance policy on animal abuse among our employees as well as with our suppliers, transporters, and others within our supply chain.

We work with a variety of stakeholders, including farmers and ranchers, customers, NGOs, academics, scientists, and veterinarians to employ best practices. Our approach is based on the Five Domains model – which goes beyond the globally recognized framework for animal welfare, the Five Freedoms – and promotes positive mental states through nutrition, physical environment, health, behavioral opportunities, and overall mental well-being. For additional details on our practices and progress, see the [Appendix](#).

A photograph of a man with grey hair, wearing a red button-down shirt and a black tie, petting the head of a dark-colored cow. He is looking towards the cow. The background shows a bright, outdoor setting with a fence and some vegetation.

“Cargill has long been an industry leader in animal welfare. Our work together over many decades has improved both animal welfare and our understanding of animal behavior. The management at Cargill had both the vision and the right team to successfully collaborate with me to install the first center track restrainer. The piece is now an industry standard that greatly improved animal welfare.”

Dr. Temple Grandin

Author, speaker, and Colorado State University Distinguished Professor

Improving beef cattle welfare

Since the early 1990s, Cargill has worked with animal welfare experts at Colorado State University, including Dr. Temple Grandin, to improve the design of our cattle processing facilities with the goal of reducing animal stress and improving comfort as much as possible. Most recently, Cargill has been collaborating with Dr. Lily Edwards-Callaway of Colorado State University on research initiatives to enhance beef animal welfare during the slaughter process, which is the only time in the life cycle that cattle are under our care and where we can directly improve their well-being. From optimizing pen space to providing shade to assessing the flooring used in pens, we are leveraging our learnings to better understand what practices help meaningfully improve the comfort and welfare of cattle while in our care. Through these efforts, we seek to continuously improve animal welfare across the industry and promote engagement among employees involved in the slaughter process.

Diversity, equity, and inclusion

Our approach and progress

To build a stronger and more resilient food system that can feed the world, we focus on inclusion and equity to build the capacity of our teams and suppliers. That begins with the people who work across Cargill's entire value chain – from the farmers, ranchers, and agricultural communities we source from, to the employees who work directly with them, as well as in our elevators, plants, labs, and offices.

We focus our diversity, equity, and inclusion (DEI) strategy on our workforce, workplace, and marketplace by creating equitable access and opportunities across our operations and supply chains. Inside our company, we are committed to diversifying our team globally through gender parity and regionally by identifying and working to advance underrepresented minorities in leadership.



We are also maintaining our focus on addressing anti-Black racism in Brazil and the United States, which exists due to deep historical roots and persistent systemic issues. We continue to advance programs like the [Black Farmer Equity Initiative](#)²⁷, which launched in 2021.

Globally, we are expanding supplier diversity with a focus on women's empowerment and providing significant support to community partners and NGOs. We are also working alongside our customers and regional leadership to create more equitable and inclusive partnerships with producers and agricultural communities. Our executives have specific DEI aspirations and provide quarterly updates on progress. We recognize the need to strengthen our DEI efforts and are broadening the measures we are looking at and holding leaders accountable to, including representation, inclusion, and advancement metrics.

+7%
above Fortune 100 companies on our DEI Index
(81% favorable)

100%
Human Rights Campaign Corporate Equality Index score for the 18th year

\$70 million
invested over the past two years to make our facilities more inclusive

~\$1 billion
spent with diverse suppliers

We're proud of the progress we've made toward our goal to achieve gender parity in leadership by 2030 globally, which is now at nearly 34.8%. We have also maintained global pay equity for women and U.S. minorities.²⁹



Encouraging involvement through Business Resource Groups

Cargill fosters an inclusive work environment through Business Resource Groups (BRGs), dynamic networks of employees actively championing the recruitment, retention and advancement, and recognition of our global workforce. These BRGs actively engage in a multitude of activities, such as organizing and participating in local events, engaging members and allies, collaborating on special projects, volunteering in community initiatives, and more. By creating a platform for employees to connect and learn, our diverse range of BRGs contribute to an environment that celebrates and supports the professional development and well-being of employees.



"We believe equitable access to opportunities creates meaningful impact in our workforce, workplace, and marketplace."

Stephanie Lundquist
*Chief Human Resources Officer,
Cargill*

²⁹ After considering appropriate factors expected to influence an individual's pay such as country, job family, pay band, and tenure, men and women in professional roles performing the same or significantly similar work are on average paid the same.

Opening doors for careers at Cargill



This year, we introduced the Cargill Career Starter Apprenticeship program, a 12-month “earn and learn” model that combines on-the-job training in Cargill’s U.S. offices with technical and durable skills development. The apprenticeship program was created to help candidates upskill and achieve upward mobility without the requirement of a bachelor’s degree. After completing the program, including one year of education and one year of work experience, apprentices become eligible for professional-level job opportunities, contributing to our diverse and skilled talent pool. Our inaugural class included 14 apprentices at three Cargill locations.

“My apprenticeship has been an inspiring journey of learning and growth. I find myself surrounded by a supportive community of mentors and colleagues, who have shared their wisdom and expertise.”

Debra Chepkemoi
Cargill Data & Analytics Apprentice

Building inclusive facilities

As part of our efforts to achieve gender parity and promote equality, Cargill is furthering our commitment to create inclusive facilities that provide safe, accessible, and convenient spaces. Spurred by the work of our Women in Operations program, we have made significant investments to enable Cargill locations to have restrooms, lactation rooms, quiet rooms, breakrooms, and parking spaces exclusively for pregnant, disabled, and/or elderly employees. Our goal is to be industry-leading in terms of inclusivity and meet the highest standards for facility design. Through benchmarking and ongoing surveys, we seek to continuously improve and monitor the progress of facilities worldwide.

Creating opportunities for diverse communities

To provide greater equity and access for the diverse communities in which our employees live and work, we foster relationships with local organizations that share and help advance our goal. In the Netherlands, our team works with Giving Back, an organization that supports first-generation students with mentoring programs, where our Cargill employees serve as mentors. Since the partnership began in 2015, more than 50 Cargill employees have mentored a student, with a minimum commitment of one to two years. In Türkiye, our local teams collaborated with the Turkish Education Foundation (TEV) to launch the award-winning Women Leaders of the Future Program with the aim of developing future women leaders. Since beginning the partnership in 2021, more than 125 women from 30 universities across 16 cities were provided with opportunities to acquire the necessary skills for leadership in the business world, such as scholarships, internships, mentorship, and on-site training at production facilities. The program receives mentorship support from nearly 50 dedicated Cargill volunteers.

Expanding support for Black farmers in the U.S.

Cargill launched the Black Farmer Equity Initiative in 2021 to address the significant decline of Black farmers in the U.S. and the legacy of systemic inequality. The program focuses on partnering with producers to operationalize equity across the food and agriculture system. Farmers represent a range of priority supply chains – from beef to corn and cotton. This year, through the initiative, we partnered with Target to support a line of T-shirts sourced from cotton grown by Black farmers. Additionally, we also launched a new program with the National Minority Supplier Development Council to help connect Black farmers to markets, capital, information, and technology across several supply chains.



Employee training and development

Our approach and progress

Cargill is committed to investing deeply in our people, providing employees with access to learn, grow, and maximize their potential. We believe the investment in learning helps our employees advance their careers at Cargill, strengthens our business capabilities, and allows us to better serve our customers.

We make high-quality learning resources available to 100% of our professional workforce through comprehensive digital learning platforms as well as in-person training. This enables our employees to customize their personal knowledge journey at their own pace – choosing training for the skill sets that best serve them now and in future roles – and take advantage of collaborative learning opportunities where they can practice what they learn with colleagues and instructors. These trainings cover a broad range, from leadership development and unconscious bias to commercial, digital, and data skills.

We are also continuing to invest in new ways to engage employees who work in our production facilities, providing critical training and education to support a safe, productive, and highly skilled workforce. We work closely with our plant supervisors in developing our frontline team members and are also working to equip these supervisors with the skills and tools needed to coach their teams and be successful people leaders.

Growing leadership skills in our plants

Our ability to deliver nutrition to farm animals, ingredients to customers, and daily essentials to families is directly tied to the tens of thousands of colleagues working in our plants around the world. This year, we launched our Powered by Plants program to improve the employee experience and strengthen our plant culture.

Through this program, we are also investing in the leaders who coach and guide this important part of our workforce including through the introduction of two new training solutions: Leading People and Leading Leaders.

“ [Leading People] was such an amazing training. It really parallels with our biggest value here at Cargill which is putting people first.”

Allen Edwards

Cargill Protein Business Operations & Supply Chain Training Lead



Human rights

Our approach and progress

Human rights are fundamental at Cargill. We are committed to respecting the human rights of all Cargill employees and all those whose lives and livelihoods we impact. This commitment is a part of Cargill's culture – it is rooted in our [Guiding Principles](#) and part of our values of doing the right thing and putting people first.

Our [Human Rights Policy](#) outlines our commitment to respecting internationally recognized human rights as well as our approach to addressing our most pressing, or salient, human rights issues. To effectively address human rights issues, we need to continuously evolve our approach to achieve long-lasting change.

This year, we refreshed our policy, providing clarity on the salient human rights issues affecting our operations and supply chains, as well as details on our governance and Human Rights Due Diligence (HRDD) process. We also designed an interactive training program to better equip Cargill employees with the skills needed to identify and assess human rights risks. One general training pathway introduces key components of our strategy, and three advanced-level trainings offer in-depth guidance on the topics of child protection, responsible recruitment, and land rights.

Our efforts go beyond our own operations and supply chains to local communities where we operate. This community-driven approach helps us address the root causes of our salient human rights issues.

Cargill's salient human rights issues

Forced labor

We do not tolerate the use of any form of forced labor – including prison labor, indentured labor, bonded labor, and any forms of modern slavery or trafficking – anywhere in our own operations and supply chains. We will act to eliminate any form of forced labor from our own operations and supply chains.

Child labor

We work to eradicate child labor from our operations and supply chains. Child labor is defined as work that is mentally, physically, or socially dangerous or that deprives children under the legal working age the opportunity to attend school.

Land rights

We are committed to respecting land resources and tenure rights for everyone, especially for indigenous people, local communities, and ethnic or minority groups, and observe the principle of free, prior, and informed consent as a core element to protect those rights.

Health and safety

We are committed to a culture in which we put our people first and conduct our business activities in a manner that protects the health and safety of those whose lives we touch.

Fair wages and working hours

We are committed to providing competitive, fair, and equitable pay. We are also committed to improving workers' well-being through a safe and healthy working environment, which includes adherence to applicable working-hours laws, including overtime.

Worker voice

We are committed to equal opportunities. We do not tolerate harassment or violence in any form, and we prohibit discrimination against any worker or applicant. We respect the right of workers to form or join a legally recognized labor organization.

Cargill's Human Rights Due Diligence (HRDD) process

As a business operating across diverse supply chains and regions, we have the ability – and responsibility – to address human rights issues. We conduct human rights due diligence to understand where our business activity and relations pose the greatest risk to people, and we prioritize our actions accordingly. Our four-step HRDD process helps us identify and address negative impacts where they occur and remediate those we have caused or contributed to.



Protecting land rights in Côte d'Ivoire

Our commitment to respecting land rights includes helping farmers secure tenure rights to their land through legally recognized documentation. In Côte d'Ivoire, many cocoa farmers don't have the documents to show that they have user or ownership rights to the land on which they live and work, leading to a lack of security and investment – which in turn impacts their productivity, livelihoods, and future incomes. The Côte d'Ivoire Land Partnership program (CLAP) is changing that by bringing together agtech company Meridia, the Ivorian and Dutch governments, the German Cooperation, and cocoa industry companies including Cargill, which joined the partnership in 2022. Through this program, stakeholders are working to help farmers gain official land certificates or contracts, which is otherwise a challenging and expensive process.

In 2022, CLAP delivered the first 130 land-tenure documents to cocoa farmers covering 580 hectares, with more than 40% of the beneficiaries being women. The target is to deliver 9,000 documents to cocoa farmers supplying partner companies by 2024.



Recruiting responsibly in our operations

Since 2008, Cargill's Canadian beef protein facilities have recruited more than 1,000 skilled migrant workers from outside Canada, with the majority from the Philippines. We align with the ethical recruitment principles identified within the International Organization of Migration, and because we believe that these workers can be valuable members of our business and our local communities long-term, we screen for workers that will meet the requirements for permanent residency in the future. We also invest time and resources in enabling a smooth transition for these workers, connecting them to affordable housing and making them aware of community resources and local services. In addition to providing on-the-job training, we also recruit experienced migrant workers who are already trained in skilled labor, specifically industrial butchers and meat cutters, which is helping to fill a skills gap in the local workforce.



Recruiting responsibly in our supply chains

In Malaysia, Cargill works with Earthworm Foundation to help companies in our palm oil supply chain improve their labor and human rights practices through the Labor Transformation Program. The program's goal is to generate long-term engagement with suppliers and improvement on

social issues prevalent in the Malaysian palm oil industry, including recruitment practices, employment contracts, grievance mechanisms, freedom of movement, freedom of association, wages and working hours, health and safety, and access to safe accommodation. In 2022, the third year of implementing this program, we engaged with three high-volume mills on ethical recruitment and other key topics. A positive impact from these mill engagements has been the return of workers' travel documents. Suppliers now have continuous improvement plans – informed by observations and findings from the engagements – to guide them in addressing labor issues within their operations.

Reinforcing supplier procedures

This year, following an industry-wide investigation by U.S. authorities over child labor in the country's meatpacking facilities, allegations surfaced that a contractor of ours that provides plant sanitation services had employed individuals under the legal working age at our sites. While these allegations did not involve claims of misconduct against Cargill, we took immediate actions to review and improve our processes once we learned of the investigation. We also provided notice of termination to the contractor for all sanitation services across our operations. Following this incident, we are also reinforcing our stringent supplier verification procedures with the addition of new protocols in our North American protein business, including a visual inspection requirement by our management team of suppliers' employees on our worksite to identify age concerns, along with investigation and follow-ups on any concern noted. Additionally, we have added social responsibility audits to our supplier engagements, which include interviews of suppliers' employees.

Farmer livelihoods



Our approach and progress

Farmers are the center of our food system and play a fundamental role in addressing global challenges like climate change and food insecurity. This is only possible when sustainable solutions are economically viable for the producers who work hard every day to feed the world.

Cargill partners with farmers to help their businesses and communities thrive for generations to come. Our goal is to work with farmers to maximize productivity and profitability while protecting the environment and supporting a sustainable supply chain that delivers value to our customers.

Our goal:

To provide training on sustainable agricultural practices and improve access to markets for **10 million** farmers by 2030.



Our commitment

This year, we developed a new strategy for supporting farmer livelihoods focused on three key areas:

- **Profitability** of the farm: We work with farmers to increase their productivity and sales. We support farmers in making their farms more efficient, expanding access to finance and markets, and diversifying and growing their incomes to better manage risk.
- **Inclusion** in the supply chain: Diverse supply chains are stronger supply chains. We work toward more diverse and equitable supply chains by supporting land rights and tenure and empowering as well as creating opportunities for women and other underrepresented groups.
- **Resilience** of the farm: We help farmers build long-term resilience to climate change and other shocks and stresses through the adoption of regenerative agriculture practices that support soil health, as well as practices to improve animal health.

Our strategy was developed based on farmer insight, customer analysis, industry best practices, and other stakeholders. We focus our efforts in areas that support financing to farmers' goals and business objectives, as well as programs that can maximize potential impact by delivering multiple benefits across other priorities, such as climate action, sustainable land use, and diversity, equity, and inclusion in our supply chains.



Profitability

One of the ways we are increasing profitability for farmers is by improving market opportunities and providing avenues for income diversification. The Hatching Hope Global Initiative, co-founded by Cargill and Heifer International, aims to do that by providing small- and mid-size farmers, many of whom are women, with the necessary training and resources to feed and care for chickens and help bring poultry products to local markets. Globally, the goal of Hatching Hope is to improve nutrition and economic livelihoods by reaching 100 million people by 2030 through the production, promotion, and consumption of poultry. Since launching Hatching Hope in 2018, the program has reached 21 million people.

Another avenue for improving farmers' profitability is providing access to finance. Cargill extends its support to farmers of all scales by providing financing to help them grow their businesses, including prepayments and other types of credit. This year in North America, we provided \$17 million in financing to U.S. corn and soybean farmers, and also partnered with Farm Credit Canada to provide financing to Canadian farmers for crop inputs. See more examples of our approach in the [Strategy](#) section of this report.



Inclusion

Building more diverse supply chains requires educating and empowering community leaders. Through initiatives like the Coop Academy, Cargill provides on-the-job development for cocoa cooperative managers – many of whom are women. Launched in 2013 in partnership with TechnoServe, the program has graduated 700 leaders from 70 cooperatives, with an additional 700 expected to receive diplomas by the end of 2023. The program also focuses on gender equity through a community development program, which has helped more than 2,000 women establish income-generating activities – 93% of whom saw their incomes increase as a result.

Our commitment to inclusion also extends to increasing the participation, profitability and productivity of farmers who face barriers due to racial inequity in agriculture. The Black Farmer Equity Initiative, launched by Cargill in 2021, is working to connect Black farmers in the U.S. to markets, capital, information and technology across a number of supply chains – from beef and poultry to cotton and corn. See [Diversity, equity, and inclusion](#) to learn more about the actions we are taking.

Resilience

Regenerative agriculture is a way of farming that builds climate resiliency into farm operations. As we move forward in our vision to make regenerative agriculture commonplace across our global supply chains, one initiative we are drawing key learnings from is our 1000 Farmers Endless Prosperity program in Türkiye. Now in its fifth year, the program has grown well beyond its name, engaging more than 5,000 corn, sunflower, and canola farmers, and covering more than 50,000 hectares. The program equips farmers with training, digital agriculture tools, and consultancy services focused on regenerative agriculture. Farmers are employing practices that improve climate resiliency and have also seen their yields increase by up to 20%.

Cargill also leads a consortium of public-private partners through **TRANSFORM** ², a USAID-funded activity working to strengthen the global health security agenda. More than 70% of emerging infectious diseases are zoonotic, which means they are transmitted from animals to humans, while transboundary diseases can spread among animals and decimate flocks and herds. Through TRANSFORM, Cargill is working to reduce the global risk and impact of emerging infectious disease threats by preventing avoidable outbreaks across four value chains in Kenya, India, and Vietnam. By taking a systems-based approach to addressing diseases at the source, conducting research to optimize health of local animal species, and partnering with farmers to increase biosecurity and farm management practices, Cargill is building farmer resilience and improving public health. Since March 2021, TRANSFORM has trained more than 29,000 farmers on biosecurity measures and reached more than 400,000 farmers through Social Behavior Change Communications (SBCC) campaigns.



“I’m glad that I participated in this program because there are serious differences between the farming I did before and the farming I did after. We were able to understand how important sustainable agriculture is in all senses.”

İlker Sigo

*Clover and sunflower farmer in the Balıkesir neighborhood in Türkiye and **1000 Farmers Endless Prosperity** ² program participant*

Women play a central role in farming communities, connecting food to tables worldwide, but many lack access to sufficient income, job opportunities, and education.

Cargill recognizes the importance of empowering women and girls, and by investing in gender-focused initiatives, we have witnessed positive impacts on agricultural productivity, income, food security, and education within communities. For example, through the Cargill and CARE program Nourishing the Future in Central America, we saw diversification and improvement in household income, and stronger market linkages. Over the last three years, the program reached more than 1.4 million people directly and indirectly, including more than 900,000 women. As a result, market participation for women increased at a regional level by 16.8%.

Also, through the Awale Program, we are partnering with TechnoServe with the aim of fostering entrepreneurship skills and creating income-generating opportunities for women and youth surrounding the SOCABB cocoa cooperative in Côte d'Ivoire. These efforts resulted in a 56% increase in income compared to the baseline for participants and a more than \$6 return on investment for every dollar invested in each beneficiary by the program.

Ely's restaurant



Elisa "Ely" Alvarado, a small business owner from Honduras, was able to achieve her dream of opening a restaurant through the Nourishing the Future initiative.

Photo credit: CARE



Spotlight

Advancing
gender equity
and women's
empowerment

This work cuts across our focus areas contributing to:





Community Impact

Cargill has deep roots in the communities in which we live and work. Our efforts to build a more equitable, inclusive, and resilient food system include supporting local communities around the world, leveraging the strength of our partnerships, expertise, and resources.

Our approach

Cargill is strengthening communities through economic development, partnerships, philanthropy, and employee volunteerism.

We recognize the magnitude of the challenges facing our world – food insecurity, climate change, poverty, and human rights issues.

Working hand-in-hand with our partners and other key stakeholders, we harness the power of our global reach, expertise, and resources to address these challenges and strengthen local communities.

We align our philanthropic and impact investments with our sustainability strategy and key focus areas of **Climate**, **Land and Water**, and **People**. Our community impact initiatives are embedded throughout this report, and many of our programs and partnerships deliver multiple benefits across all three of these focus areas. They also work to improve access to safe, nutritious, and affordable food.



Our work contributes to the following SDGs:



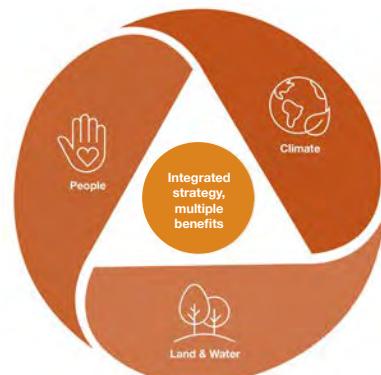
Guided by
our purpose

led by our
strategic focus areas

enabled and amplified by our
impact partners

to nourish and empower
local communities

To nourish the world
in a safe, responsible,
and sustainable way



Strategic partners



For more than 60 years, Cargill and CARE have collaborated to improve agricultural productivity and market access, increase food security and nutrition, and strengthen education and economic opportunities, especially for women and girls. In the last 15 years, the partnership has reached more than 4.6 million people through 34 projects in 12 countries.



Earthworm Foundation has been working with Cargill since 2010 to drive community-based, integrated sustainability approaches. Our collaboration began with a customer-focused, supply chain solution to make palm production more sustainable. Today we are working together to address land use, farmer livelihoods, food security, human rights, and other issues in cocoa, soy, and other supply chains.



Cargill and Global Water Challenge launched Cargill Currents in 2021 to address water challenges faced by local communities in priority regions. By tailoring interventions to the specific needs of the target communities, the program supports access to safe drinking water and sanitation and promotes sustainable water management practices. Our work delivers benefits beyond water access, including supporting farmer livelihoods, empowering women and youth, and addressing climate impacts.



Cargill partners with Save the Children globally with a focus on human rights, food security, and water and sanitation access in rural communities. Whether in Southeast Asia or Côte d'Ivoire, we are working to improve food security for young people, reduce child labor, create livelihood opportunities for youth in cocoa farming, and provide better health outcomes through access to safe water and sanitation.



Cargill has worked with World Food Program USA (WFP USA) and the United Nations World Food Programme (WFP) since 2001. Together, we are focused on building global and local food security solutions that help people respond to hunger and build stronger, more resilient food systems. We have worked together to connect farmers to local supply chains, advance school meal solutions, purchase local food in the midst of crisis, and provide emergency food assistance where it is needed and welcomed.

Nourishing the world requires us to deepen relationships with local communities. Through our extensive collaborations with leading civil society partners across regions and supply chains, we are proactively addressing the needs of individual communities – providing them with access, representation, and a voice. The following list is representative of the breadth and depth of our partnerships with global NGOs:



We work with TechnoServe to build strong market-based solutions that create more resilient, profitable, and inclusive food systems. Partnering with supply chain teams around the world, TechnoServe focuses on strategies and on-the-ground work with farmers in Latin America, Africa, and Asia. The scope of our work includes Coop Academy, an on-the-job development program for cocoa cooperative managers.



We work with World Resources Institute (WRI) to advance more environmentally sustainable agricultural approaches. With a focus on integrated approaches across climate, land use, water, and farmer livelihoods, we have collaborated on analytical tools like WRI's Aqueduct Water Risk Atlas, Aqueduct Food, and Global Forest Watch Pro. Cargill supported WRI and partners in the development of industry guidance to help companies set contextual water targets across their enterprise.

Partnerships in action



Strengthening financial literacy in Indonesia

Cargill collaborated with Save the Children to identify opportunities to strengthen financial literacy among independent palm producers in Indonesia. Working with palm producing households we learned nearly 80% do not have an emergency fund.

Our support for Save the Children, in partnership with local organization Gapemasda, enabled the implementation of a program focused on youth development and business promotion. We also launched 27 Village Savings and Loan Association (VSLA) groups to strengthen the economic resilience of oil palm farming families. In VSLAs, community members cooperate and work together more, and share information to issue loans, make future plans, and understand financial agreements.

“Before this program, young people like me were running out of money.”

Benyamin Umang
Palm producer in Indonesia

Empowering women in agricultural communities

This year, Cargill and CARE embarked on the next chapter of our partnership with a focus on women farmers and entrepreneurs, who produce up to 80% of the world's food in developing countries, according to the UN Food and Agriculture Organization. The expanded phase of the partnership will support 12 projects spanning 11 countries, including Côte d'Ivoire, Guatemala, and Vietnam. The program's focus areas include enabling women's access to inclusive markets to unlock greater production, expanding profits on small-scale agriculture, and ensuring food security. The program will also work to increase women's access and agency to productive agricultural resources by improving access to information, land, water, inputs, information, technology, extension and climate services, and finance.

We will invest \$14 million in this program over the next three years with a goal of reaching more than 1.6 million people.

Maria Magdalena Rivera (pictured right) is a tilapia farmer in a women-run cooperative called Achiotl Aquaculture Association, located in rural Honduras. [Read her story ↗](#)



With more than 700 million people affected by hunger globally,³⁰ ensuring food security requires decisive, short-term action and long-term investments to build more resilient food systems that can address shocks like the war in Ukraine, inflation, and natural disasters.

Advancing food security requires partners working together across borders, areas of expertise, and interests. We are focused on responding to crises and building long-term solutions. We prioritize investments in improving farmer incomes and productivity, helping producers adapt to climate change, and more effectively responding to shocks and feeding a rapidly growing, global population.

Long-term view: Building resilient supply chains

Hatching Hope: The goal of the global initiative is to improve nutrition and economic livelihoods by reaching 100 million people by 2030 through the production, promotion, and consumption of poultry. To date, we have reached 21 million people and are continuing to expand with new partners in new geographies. See [People: Farmer Livelihoods](#) for more on this and other programs.

Urgent food needs: Responding in times of crises

Amid the conflict in Ukraine, our teams are working to keep food supply chains running through the Black Sea corridor. We're also supporting humanitarian relief efforts in the region and others around the world impacted by the crisis. See "[Responding in times of crisis](#)" for more details on our emergency response efforts.

³⁰ United Nations Food and Agriculture Organization (FAO)

“Our employees are real-life examples of our purpose in action. They are helping to nourish the world by keeping the food system working even in the most challenging circumstances.”

Roger Watchorn

Leader of Agricultural Supply Chain and Corporate Trading at Cargill

Spotlight

Increasing global food security

Photo credit: WFP/Giulio d'Adamo

This work cuts across our focus areas contributing to



Global philanthropy and volunteerism

Cargill has a long history of corporate, business, and foundation giving to support strategic partnerships that advance our social and environmental priorities. We also leverage the passion and talent of our global workforce by providing them opportunities to contribute their time and expertise. This approach maximizes our monetary donations and talent, and provides our local, regional, and global partners with the resources needed to sustain, grow, and deliver impactful programming.

Our investments and impact

This year, we contributed more than \$115.5 million globally to support our partners and local communities. Some of our most significant impacts included:

57% average increase

in farmer income among our partners reporting

114,000 people

with improved access to water, sanitation, and hygiene

3.4 million people

with increased access to food

This year, we met our global annual goal to invest 2% of our global pre-tax earnings with NGOs and other partners to advance our social and environmental priorities and support local communities.³¹ Our funding is managed and distributed through both corporate and business giving, as well as through Cargill foundations in select countries.

Bolstering food security around the world

A key pillar of our food security strategy is supporting food banks, which are often a vital lifeline for those in need. Cargill has deep local ties with many community food banks, providing financial support and volunteer assistance over many years. For example, we contributed nearly \$5 million to Feeding America to support hunger relief and address the shortage of fresh protein at food banks throughout the U.S.

We also scale up our support in times of crisis. Our donation to the European Food Banks Federation assisted hunger relief efforts for refugees in Poland and directly in Ukraine. Additionally, we partnered with the World Food Program (WFP) USA to provide the equivalent of 2 million meals in Yemen and Somalia. We also partnered with our suppliers to provide rice to 4,000 red seaweed producers in Tanzania and Madagascar to address short-term food shortages.

This year, our contributions resulted in more than 20 million meals.



Investing in our hometown youth

The Cargill Foundation partners with nonprofit organizations in our headquarters community of Minneapolis/St. Paul, Minnesota, U.S., to nourish and educate children so they can succeed in school, work, and life. Our focus is on supporting low-income and Black, Indigenous, and other youth of color through investments in programs that improve access to nutritious food, expand education in Science, Technology, Engineering, and Mathematics (STEM), and prepare students for college and careers.

This year, the Cargill Foundation provided 20,000 children with access to STEM curriculum and served more than 12 million nutritious meals and snacks.

³¹ Based on global, consolidated pre-tax earnings over a three-year trailing average

Responding in times of crisis

From natural disasters like the earthquakes in Türkiye and Syria, to the ongoing war in Ukraine, we are committed to supporting communities around the globe in times of crisis.

Providing relief in Ukraine

Since the full-scale invasion of Ukraine more than a year ago, we have remained committed to the safety of our employees and continue to provide humanitarian relief to communities impacted by the war. At its peak, more than 13 million Ukrainians were displaced by the war,³² and the nation has suffered more than \$28.3 billion in agricultural losses.³³

We are committed to helping Ukrainian farmers produce the food the world depends on while also re-establishing their livelihoods, which have been torn apart by the war. Farmers in the region face a growing risk posed by landmine contamination, which is estimated at 174,000 square kilometers – or approximately half the territory of Japan or double the territory of Austria.³⁴ We are working with a global landmine clearance NGO, The HALO Trust, to provide mine risk education to farmers and safely remove mines from farmland. Our farmer risk education campaign has reached more than 5.3 million farmers and agricultural workers in the country's most at-risk regions.

Through employee-led Cargill Cares Councils, we also provide support to dozens of local organizations and projects in Ukraine and Eastern Europe, spanning emergency relief, medical assistance, food, housing, and



education for Ukrainians, including those displaced by the war. For example, we partnered with Ukrainian NGO CF Blagomay to build container houses for refugees who have lost their homes, as well as a multi-functional shelter space, including a children's room and center for psychological support. We also support the charity foundation Superhumans Center, which opened a state-of-the-art rehabilitation center in mid-2023 for Ukrainians injured during the war. The center will treat 2,800 patients per year who have been partially or permanently impaired.

We also continue to provide monetary support to our global humanitarian partners, such as WFP USA. With Cargill's support, WFP USA was able to provide 55,000 people in Kharkiv with food assistance for two months, as well as provide cash-based transfers to 35,000 people for one month.

To date, we've committed more than \$40 million in humanitarian relief to Ukraine and the broader region.



Supporting humanitarian efforts in Türkiye

In February of this year, two powerful earthquakes struck a wide area of southeastern Türkiye and Syria, which had a devastating effect on communities, including limiting access to food.

In response, we committed \$1 million to support humanitarian efforts through local organizations; under the coordination of the governmental organization AFAD (Türkiye's Disaster and Emergency Management Authority), we supported local organizations like TIDER, other local NGOs, and World Central Kitchen, whose team was on the ground providing meals for families impacted and relief workers. In the immediate aftermath of the disaster, we purchased and prepared a total of 2,400 ready-to-go food bags to distribute to children living in the disaster area.

Our next steps include working with TIDER to open a food bank in Adiyaman in fall 2023. This project will run for two years and support approximately 1,500 families every month with food as well as cleaning and hygiene products. The food bank will also provide animal feed products and will have four employees, an office, a storage area, and various transportation vehicles for daily use to manage the food bank.



Ethics and Compliance

Cargill is committed to doing business in an ethical manner. Our customers, shareholders, employees, and communities count on us to uphold this commitment, and we know that Cargill's continued success depends on it.

Our approach

Since we were founded in 1865, Cargill has acted on the belief that doing the right thing sets the foundation for long-term success.

We work to foster a culture of respect and cooperation, focusing on shared ethical standards and strong compliance programs that enable our customers to succeed and our communities to thrive.

Our ethical culture

Our shared ethical standards along with our corporate values – do the right thing, put people first, and reach higher – shape our decisions and behaviors at all levels of the organization.

Guiding Principles

Cargill's seven [Guiding Principles](#) are ingrained in our culture and serve as the foundation for the behaviors expected from all our employees around the globe:

1. We obey the law.
2. We conduct our business with integrity.
3. We keep accurate and honest records.
4. We honor our business obligations.
5. We treat people with dignity and respect.
6. We protect Cargill's information, assets, and interests.
7. We are committed to being a responsible global citizen.

Code of Conduct

Our [Code of Conduct](#) is grounded in our Guiding Principles and outlines the shared ethical standards and critical compliance policies that apply to all employees worldwide.

The Code of Conduct is shared with new employees during onboarding and reinforced through annual training, and it has been translated into 24 languages for our global colleagues. Every employee must comply with and report known or suspected violations of the Code of Conduct and Cargill's compliance policies. Employees have many options for reporting ethics and compliance concerns. Managers set the tone for their teams and are often the first place employees turn. In addition, employees can reach out to the company's Ethics and Compliance Office or their Human Resources representative. Employees and external parties can also contact our confidential helpline, the [Ethics Open Line](#), which is available 24 hours a day, seven days a week for employees, contractors, and external stakeholders anywhere in the world.

Cargill does not tolerate retaliation against anyone who reports concerns or violations in good faith or participates in an investigation. Any employee who does not comply with our Code of Conduct, fails to report violations, or participates in retaliation against someone who reported suspected misconduct may face disciplinary action, up to and including termination.

Celebrating our commitment

In February 2023, we celebrated our third global Ethics Week. This year's theme focused on respecting others. Throughout Ethics Week, employees worldwide shared what respect means to them and we experienced tremendous employee engagement. Participants spanning 37 countries shared photos, videos, quotes, and more, underscoring our collective commitment to fostering an ethical culture and creating a respectful workplace for everyone, every day.

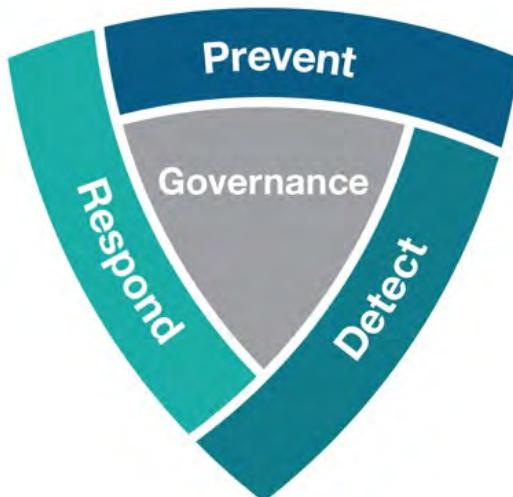
Supplier Code of Conduct

Given the role our suppliers play in our business, ethics and compliance are also critically important within our supply chain. That's why we established Cargill's [Supplier Code of Conduct](#), which complements our Code of Conduct for employees and is grounded in the same seven Guiding Principles. This reflects our belief that a shared commitment to ethical conduct and integrity is the foundation of trusted business relationships that create shared value.

We work very closely with our supplier partners, and we routinely request information, certifications, and/or audit access from them. Through our Continuous Risk Management Process, we work on a regular basis with our supplier base on managing ESG risks and improving our overall responsible sourcing framework. When a concern is raised, we work to identify possible improvements. However, when an issue cannot be corrected or a supplier partner is unwilling to engage, we reserve the right to end our business relationship. Like our employees, suppliers have access to our confidential, third-party hotline, [Ethics Open Line](#), for reporting ethics and compliance concerns.

Promoting risk management and compliance

As an organization privileged to do business all over the world, Cargill is constantly looking at our environment to understand our risks and comply with the laws that are applicable to our businesses.



Risk management

Assessing and managing compliance risks is a shared responsibility – from the Audit Committee of Cargill's Board of Directors to our businesses and functions.

Cargill prevents risks through policies, procedures, controls, communications, training, and due diligence; detects ethics and compliance risks through monitoring and auditing; and responds to concerns of misconduct through internal reporting, investigations, and enforcement.

Compliance programs and governance

Our Ethics and Compliance Office connects business groups and functions across Cargill to deliver effective and efficient global programs. Below are highlights of three of those programs.

- Cargill is committed to avoiding corruption in all forms and promotes awareness about anti-corruption laws through communication and training. Our Anti-Bribery program focuses on Cargill's most important risks including vendor due diligence, oversight of government donations, and gift and entertainment monitoring. Anti-bribery due diligence has also been embedded in our vendor onboarding process to streamline compliance and to broaden the scope of our screening.
- With operations worldwide, Cargill is obligated to comply with all applicable laws, including those regulating competition and sanctions, in all countries where we operate. Our Competition program supports our efforts to engage in fair and honest competition in markets where we operate.
- Cargill employees are expected to avoid all conflicts of interest. Employees that find themselves in a possible conflict must disclose the situation. We also have programs to protect the confidential information of our stakeholders and ourselves.

In addition to promoting and managing our compliance programs, we maintain systems and processes to audit and monitor ongoing compliance with Cargill policies. We also report on our Ethics and Compliance programs, our helpline (Ethics Open Line) volumes and trends, material investigations, and emerging risks to senior leaders and the Audit Committee of the Board of Directors.

Compliance training and communication

We provide employees with annual training and targeted communications to improve their understanding of ethics and compliance expectations, enhance awareness of compliance risks, provide guidance on courses of action, and increase transparency into how Cargill investigates and remediates issues of concern.

Each year, employees are required to complete online courses covering topics such as Cargill's Code of Conduct, our ethical culture, conflicts of interest, competition, anti-bribery, information security, and data privacy. Additionally, we send out advisory emails reminding employees about our compliance policies and our commitment to ethical conduct.



“Cargill’s legacy, combined with the strength of our ethical culture, continues to play a pivotal role in helping fulfill our purpose – to nourish the world in a safe, responsible, and sustainable way.”

Anna Richo

General Counsel, Chief Compliance Officer, and Corporate Secretary, Cargill



Delivering Impact

As a key connector of the food system, Cargill has a unique ability to drive sustainable impact at scale - from farm to fork. We're delivering impact across our focus areas of Climate, Land & Water, and People - here are a few highlights.



The Cargill Cocoa Promise: Celebrating more than 10 years of progress

The [Cargill Cocoa Promise](#) is indicative of how our strategy works to maximize our impact. We created the Cargill Cocoa Promise in 2012 with the goal of enabling farmers and their communities to achieve better incomes and living standards while growing cocoa sustainably. Over the past 10 years, the program has delivered myriad benefits for cocoa farmers and their communities as well as positive environmental outcomes for the natural ecosystems that reside in cocoa-growing regions. For example:

- Through farmer training and coaching, we've helped build farmers' capacity to increase their yields – which has improved farmer livelihoods – without encroaching on new land.
- With a focus on supply chain transparency and the development of innovative solutions like digital traceability platform [CocoaWise™](#), we've given customers greater confidence in their sourcing and assurances that their cocoa was produced sustainably.
- By helping cocoa farmers adopt agroforestry practices, we help support enhanced biodiversity, improved water quality, and carbon sequestration – all while supplementing cocoa farmers' income.

See [Sustainable Supply Chains: Cocoa & Chocolate](#) to learn more about the Cargill Cocoa Promise and the multiple benefits the program has and will continue to deliver.

“The best sustainability solutions don’t just solve one problem - they allow us to tackle several at once. That’s why our sustainability strategy prioritizes programs and projects that cut across our focus areas to amplify our impact.”

Heather Tansey
Vice President, Environmental Sustainability, Cargill

Cargill provides financing solutions that are driving sector-wide transformation to build a more sustainable and resilient future. Working closely with our customers and suppliers, we integrate sustainability into financing agreements that mitigate risks while delivering impact at scale – helping to reduce emissions, protect forests, improve soil health, enhance biodiversity, reduce water consumption, and improve farmer livelihoods.



Expanding supplier capacity for cage-free eggs

To help meet our customers' demand for cage-free eggs, Cargill has provided nearly \$850 million in financing since 2019 – including \$230 million during fiscal 2023 – to egg suppliers so they can transition their facilities to be cage-free, expand operations, and invest in biosecurity measures to guard against avian influenza. As part of financing the costs for the cage-free conversion process, Cargill is also providing long-term contracts for the eggs. This financing is helping McDonald's meet its cage-free egg commitment in the U.S.

Financing innovative bio-based packaging solutions

Cargill structures financing solutions that support a range of customer needs, such as helping suppliers grow so they can meet our customers' demand for more sustainable products. We deployed \$15 million in fiscal year 2022 and approved an additional \$10 million this year to fuel the expansion of packaging and retail products provider NatureStar, which makes bio-fiber- and bio-polymer-based products that are certified biodegradable, compostable, and recyclable, and can replace fossil-based plastics, polystyrene, and molded fiber packaging. These products reduce waste, deforestation risks, and carbon emissions – helping our customers limit single-use plastics and reduce their packaging footprint.

Helping farmers access water-saving technologies

In Mexico, Cargill initiated a pilot program this year to help corn farmers conserve water – providing long-term financing for the implementation of drip irrigation systems. Early results suggest that the systems can help farmers reduce water consumption up to 39% and increase their yields as well, leading to improved profitability. To validate the model, the pilot program is currently running with two producers located in Sonora and Sinaloa – among the areas most affected by water scarcity in Mexico. This precision equipment also has the potential to lower carbon emissions by reducing fertilizer use through fertigation – the application of fertilizer with drip irrigation – which can help reduce the need for soil tillage while improving soil health, biodiversity, and crop productivity.

“Given the large size and scale of McDonald’s egg supply chain, our goal to move to 100% cage-free eggs by 2025 is a huge undertaking. Partnering with our suppliers and farmers on this journey is essential to meeting our ambitious goal. The financing Cargill provided to our farmer partners was a key step to support their transition to cage-free facilities. We are proud of the progress we have made together.”

Bob Stewart

Chief Supply Chain Officer, McDonald's North America



Across all of our BeefUp Sustainability projects, we expect to reduce the intensity of our North American beef supply chain by an estimated **2.4 million metric tons of CO₂e by 2030**.

“This partnership is activating the work needed in our supply chains to help create a regenerative, healthy food system. Working together as an industry leverages expertise and helps achieve the scale that is critical to accelerating the shift to regenerative farming.”

Emily Johannes
Director, Diverse and Sustainable Sourcing at Nestlé USA



In May, we announced an additional partnership with NFWF to support Taco Bell parent company Yum! Brands' efforts to reduce greenhouse gas emissions by nearly 50% by 2030. The commitment from Cargill and Taco Bell will allocate \$2 million and leverage an additional \$2 million in federal funds over the next four years to help beef producers increase use of regenerative ranching practices, sequestering up to an estimated 44,000 metric tons of CO₂ annually.

Building a more sustainable beef supply chain in North America

As part of our **BeefUp Sustainability™** initiative, this year Cargill formed a partnership with Nestlé and the National Fish and Wildlife Foundation (NFWF) to advance voluntary conservation practices that combat climate change. With a combined investment of \$15 million, this program represents one of the largest corporate commitments to regenerative ranching in the United States.

By bringing together private landowners and conservation organizations, the project will promote land management practices, enhance water quality, and restore wildlife habitats across more than 15 states with a goal of reaching 1.7 million acres. Through NFWF-awarded grants, farmers and ranchers will receive technical and financial assistance to implement regenerative practices on their lands. Leveraging up to an additional \$15 million in federal funds, the partnership's investment is expected to activate total funding of up to \$30 million over the next five years.

“Collaboration with ranchers and other supply chain partners is needed now more than ever, especially with food and farming being critical avenues for positive climate solutions. We’re proud to have partners in the National Fish and Wildlife Foundation and Cargill that acknowledge the great responsibility we carry to both Taco Bell fans and the environment.”

Jon Hixson
Chief Sustainability Officer at Yum! Brands

Cargill is leveraging our position at the heart of the agricultural supply chain to accelerate innovation, helping to address critical climate challenges.



Accelerating our impact with leading climate start-ups

Cargill joined Greentown Labs, the world's largest climate tech incubator, to help foster meaningful connections and stay at the forefront of sustainability technology innovation in the food and agriculture, manufacturing, transportation, and energy sectors. This membership has enabled Cargill to develop and deepen relationships with start-ups and emerging leaders and identify solutions that have the potential to advance our climate and water commitments.



Investing in product sustainability capabilities

As we work to provide greater transparency to our customers, we are expanding and harmonizing our capabilities in quantifying the potential environmental impacts of our products through tools like Life Cycle Assessment (LCA). While we started our development of at-scale solutions, we also worked across our enterprises on strategic projects to better understand opportunities to reduce the footprint of our products.



Advancing the measurement of sustainability in alternative protein

Cargill is committed to measuring and accelerating the sustainability of both animal-based and plant-based proteins through science-driven investments. This year, we completed a project to help us understand the carbon footprint of our plant-based meat alternative products. In addition to helping us analyze the current footprint of these products, this project was fundamental in creating a carbon calculator for our product development team to use as a dynamic, decision-support tool to evaluate the climate impact of changing ingredients, sourcing regions, energy sources, and processing techniques. With the carbon footprint measurement behind our line of plant-based meat alternative products now established, we will be better able to support our customers' climate goals and maintain greater visibility into the environmental impact of these products.

This year, we launched Reach4Reduction™ - a sustainability initiative offering an innovative, holistic approach to reducing methane emissions while supporting individual producers' production goals.

Reach4TM Reduction↓



³⁵ Product availability and approved claims vary by region. Specific feeds that reduce methane emissions are not available in the United States.



Addressing methane emissions through Reach4Reduction

Helping beef and dairy producers reduce methane emissions is an important priority in our partnerships. We are committed to working with customers as they adopt and scale sustainable practices that support the long-term viability of their businesses and drive lasting change for the future of our industry.

With the launch of Reach4Reduction this year, we are empowering farmers on their journey to reduce methane emissions directly and indirectly by improving animal performance and efficiency. Direct reduction solutions and products, such as SilvAir™, aim to alter or inhibit the process of cattle's methane production while chewing their cud.³⁵ Indirect solutions include products, such as the feed additive Diamond V™ XPC™, that improve animal performance and health - which can lead to lower methane emissions per measure of production output.



Developing new asphalt solutions

The deepening climate crisis requires companies across all sectors, including the road construction industry, to redesign products and materials with a lower carbon footprint while maintaining or improving performance.

Cargill has created a suite of Anova® Asphalt additives, which are made from engineered vegetable oils. The Anova® rejuvenator enables the use of up to 100% recycled asphalt pavement (RAP) while providing multiple benefits for improving pavement performance, including enhanced durability, lower costs, and reduced energy use. The Anova® warm mix additive is used to reduce manufacturing temperatures of asphalt pavement. This year, the asphalt solutions team completed a verified LCA and Environmental Product Declaration (EPD) for both Anova® rejuvenator and warm mix additive. This provides customers with validated product-specific carbon footprint values that can be included in the carbon emissions calculators required for many asphalt project bids and tenders, especially in the U.K., Europe, and the U.S. These calculators demonstrate that by increasing RAP by 20%, our customers can save 10% or more on the total GHG emissions of their asphalt mix.

Expanding WASH access to Indonesian cocoa and palm communities

For many communities in Indonesia, water sources are distant, contaminated, and too costly to maintain.

This year, Cargill completed a three-year initiative with CARE to improve sanitation and food safety in 10 schools across the Indonesian districts of Serang and Bone. Together, Cargill and CARE built new, safe, and private toilet facilities at 10 schools and trained a WASH committee at each school on how to properly maintain them, reaching more than 3,500 people directly and almost 14,000 indirectly.

Through the development of a virtual instruction manual and nutrition and hand-washing trainings for more than 150 elementary school students, Cargill and CARE contributed to a three-fold reduction in student absenteeism due to diarrhea. The program also included education for local government authorities and manuals on how to build and maintain WASH facilities. As a result of the program, the Serang government invested \$650,000 to replicate it in an additional 80 schools, demonstrating how these programs can advocate for broader systemic change and local ownership.

As a result of the program, the Serang government invested \$650,000 to replicate it in an additional 80 schools, demonstrating how these programs can advocate for broader systemic change and local ownership.





Celebrating 50 years of giving back in Brazil

This year, we celebrated the 50th anniversary of the Cargill Foundation in Brazil. Over the past five decades, the foundation has contributed to the social transformation of Brazil by supporting initiatives that promote inclusion, equity, and innovation. Since its establishment, the foundation has grown its impact by engaging more than 1,400 volunteers, supported by 101 local Cargill Cares Councils with a presence in 19 Brazilian states and the Federal District. Today, the foundation leads more than 40 active projects that directly benefit 80,000 people every year.

“All around the world, Cargill employees can be counted on to share their expertise and serve their local communities. We’re proud of the leadership of our Cargill Cares Councils and their work organizing volunteers to make a positive impact in their communities.”

Michelle Grogg
Vice President, Corporate Responsibility, Cargill

Volunteering around the globe

Employee volunteers are at the helm of 480 local Cargill Cares Councils around the world, which provide support for local nonprofits and civic programs. These organizations represent a wide range of causes important to Cargill and our employees, such as hunger relief, disaster relief, school and youth programs, and environmental projects. Along with donations and investments made by Cargill businesses and local facilities, members of the Cargill Cares Councils contribute their time to volunteer initiatives that make a tangible impact where we live and work.

Cargill employees also actively participate in skills-based volunteer programs, such as 4 Access Partners (4AP), an organization dedicated to ensuring that entrepreneurs in the food manufacturing industry have the expertise, training, capital, and scale needed to succeed. This year, working with our partners at the Northside Economic Opportunity Network (NEON) in Minneapolis, Cargill employees provided more than 100 hours of skills-based training to underrepresented food entrepreneurs through the 4AP program.





Investing in education in Vietnam

Cargill invests in educational opportunities in our communities around the world. In Vietnam, Cargill has been pursuing a unique school-building program for underserved communities since 1996. To date, we have built 111 schools across 53 of the 63 provinces in the country – allowing us to serve around 17,000 children per year.

After completing the 100th school in 2020, Cargill set a new milestone to construct 50 additional educational facilities to reach a goal of 150 schools in the country by 2030. In working towards this goal, we will continue to serve the need for better school facilities across rural communities in Vietnam. This year, Cargill was honored with Vietnam's Top 50 Corporate Sustainability Awards 2023, voted by Nhip Cau Dau Tu magazine, in recognition of the school-building program.



Improving children's nutrition in Mexico

Three years ago, Cargill, in collaboration with the association Nutre a un Niño A.C., initiated a community project in the Mexican state of Veracruz to improve children's health and nutrition. Through a holistic care model implemented with 30 families from the community of Villa Hermosa, Municipality of La Perla, the project tracked the diagnosis and timely follow-up of each child under the age of six who participated in the program.

The intervention included programs in family health education, environmental health, and community participation. The program's impact included the distribution of more than 400 nutritional packages per year to 36 children, who all received access to medical care and additional dietary supplements. Forty-seven percent of infants who were below their height at the beginning of the program recovered their height according to their age, and 28% of infants who presented iron deficiency anemia recovered.



Spearheading digital connectivity in Argentina

Inspired by one of our IT team members in Argentina, Cargill worked with NANUM Project, led by Fundación Gran Chaco, to develop the infrastructure to bring internet connectivity to isolated communities in the Gran Chaco area. The collaboration enabled the implementation of infrastructure between towers, cabling, and equipment to build out a network that reached 19 rural communities in the territory. Of the approximately 3,000 people who have benefited, almost a quarter are from indigenous groups who support livestock and agricultural production. The digital network will facilitate communication between organizations, open new markets, and provide access to information on rights that would strengthen their community.

“After eight months of work, video calls, emails, and site preparation, we visited two of those sites where two of the antennas that we dream of so much were already installed. I feel lucky for every show of affection, for every smile, for every hug.”

María Laura Tomé
Cargill IT team member in Argentina



Sustainable Supply Chains

Each supply chain is unique, and Cargill leverages our size, expertise, and supply chain capabilities in a variety of ways to create a more sustainable, food-secure future. The following chapters provide a deep dive into the sustainability initiatives of several critical supply chains.



Aqua Nutrition

Table of contents

70 Supply chain overview

73 Focus areas

78 Programs and partnerships

About this chapter

We report the progress of our Aqua Nutrition business on a calendar-year basis. The data in this report cover our sustainability performance from 1 January 2022 to 31 December 2022.

Combining strengths for greater impact

At Cargill Aqua Nutrition, we find ourselves at the center of our industry's value chain, interacting every day with numerous stakeholders. We know their challenges, and we understand we are in a unique position to help them work more profitably and reduce their social and environmental impacts.

Our impact on sustainability topics is much greater when we design our programs with our partners at the forefront. Working together, we can combine their strengths with Cargill's technical know-how, market insights and global reach, and devise the sustainable practices and products the global market desires.

One example of that principle is our signature SeaFurther Sustainability™ program. Aiming to help reduce carbon emissions from salmon farming by 30% by 2030, we work with salmon farmers as well as ingredient suppliers to reduce greenhouse gas sources embedded in the value chain.

In a 2022 pilot, we teamed with eight United Kingdom crop farms to pilot a 1,000 tonne reduction through using regenerative agriculture practices. Our goal is to sign up more farmers, get to 10,000 tonnes in avoided emissions in 2023, and scale up further from there.

Most recently, World Wildlife Fund (WWF) and Finance Earth announced that Cargill Aqua Nutrition and other partners are bringing their expertise and unique insights to the development

of a new blue financing model, the Fisheries Improvement Fund. This is a crucial step. To reduce supply chain volatility, mitigate supply risk and enhance business value across the sector, the industry must support sourcing from sustainable fisheries through active engagement.

Additionally, we are expanding our range of next-generation feeds and technologies that help increase yields while minimizing environmental impacts. We're extensively using alternative ingredients like insect meal and algae oil, for instance, as well as using packaging that keeps many tonnes of plastic out of the environment.

In a world that is increasingly hungry for protein, aquaculture products must be a growing, healthy and sustainable part of the solution. With the help of our partners, we know that we are getting there.

I am delighted to invite you to read about our progress. Thank you!



Helene Ziv-Douki
Cargill Aqua Nutrition
President and Group Leader

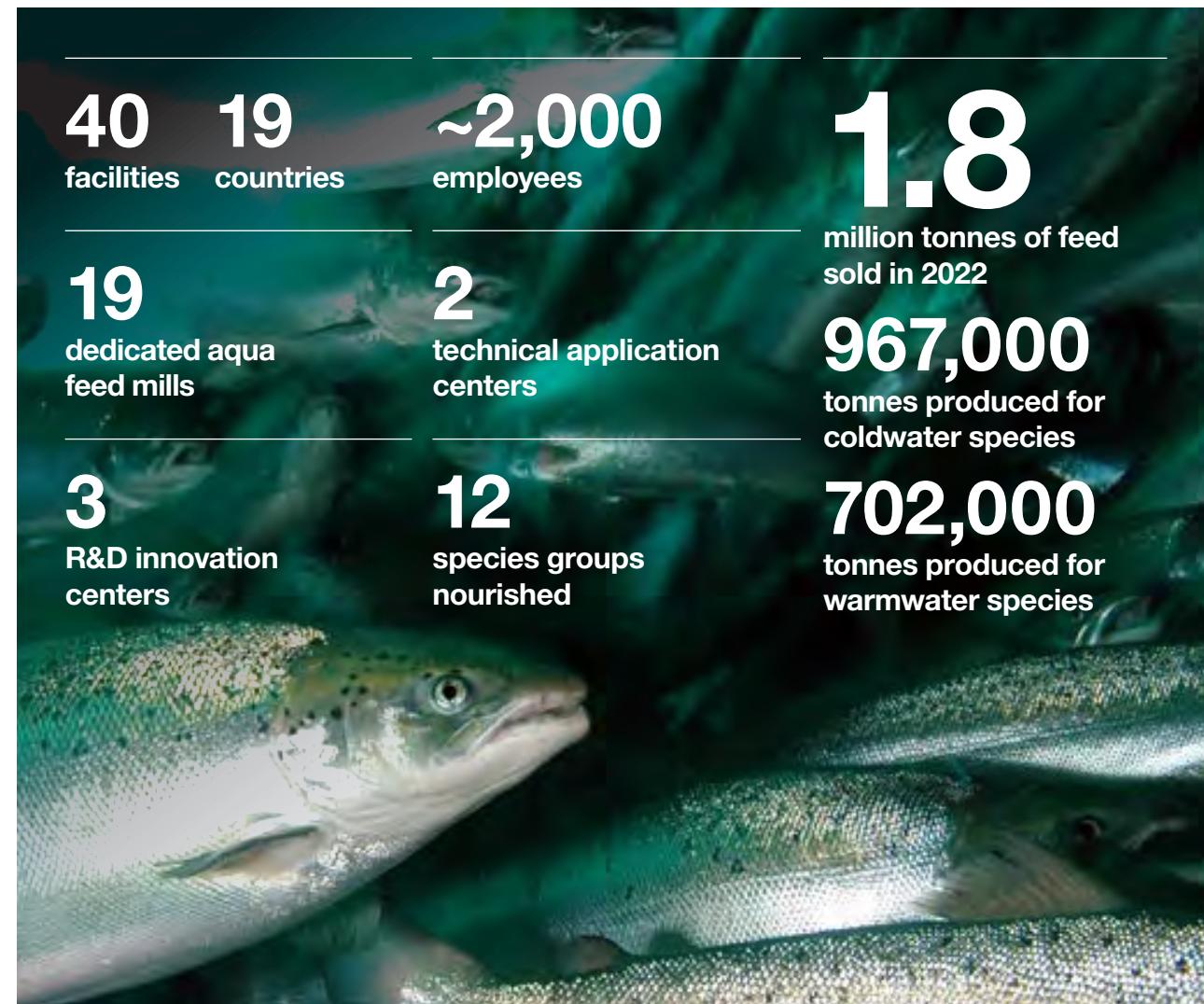
Supply chain overview

What we do

At Cargill Aqua Nutrition (CQN), we help our customers meet the world's growing demand for sustainably grown fish and seafood with high-quality feeds that are tailored to each species' nutritional needs, account for variation in environments, and address specific market requirements and ESG goals of our customers.

Cargill produces aquaculture feeds at 40 facilities. Nineteen of these facilities, across 12 countries, are dedicated to aquafeed production and are the focus of this report. The remaining 21 facilities are outside the scope of this report. They are primarily livestock feed or premix production sites, and their total aquafeed output accounts for less than 5% of our total aquafeed produced. Find out more in our [detailed report](#).

Throughout this report, we reference cold- and warmwater mills. Coldwater mills produce feed for salmonid species. Warmwater mills serve shrimp, tilapia, and other species. See [p. 71](#) for the categorization of each of our 19 aquafeed mills.

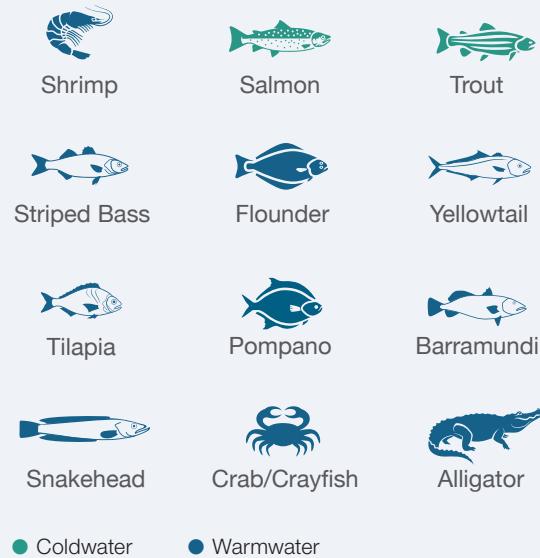


Our feed mills



Our species

Cargill Aqua Nutrition has 12 key species groups



Our brands



Our products embody the deep knowledge and expertise built over many years across Cargill, Purina and EWOS brands. As a trusted supplier to the international aquaculture industry, we provide producers with distinctive, proven products and services that drive productivity, sustainability and business growth.

Cargill® offers a full range of animal nutrition and management solutions for producers, feed retailers and feed manufacturers. Our global reach allows us to source the ingredients needed for high-quality aquafeed. Our feed formulation and mill management systems are recognized as the best in the industry.



EWOS® is a longtime leading brand in the aquaculture industry, with a well-earned reputation as a trusted feed provider in all major salmon farming regions, as well as in Vietnam with feed for tropical fish species.



Purina® brings more than 100 years of experience, providing a full program of easily digestible, high-energy nutrition for shrimp and fish.

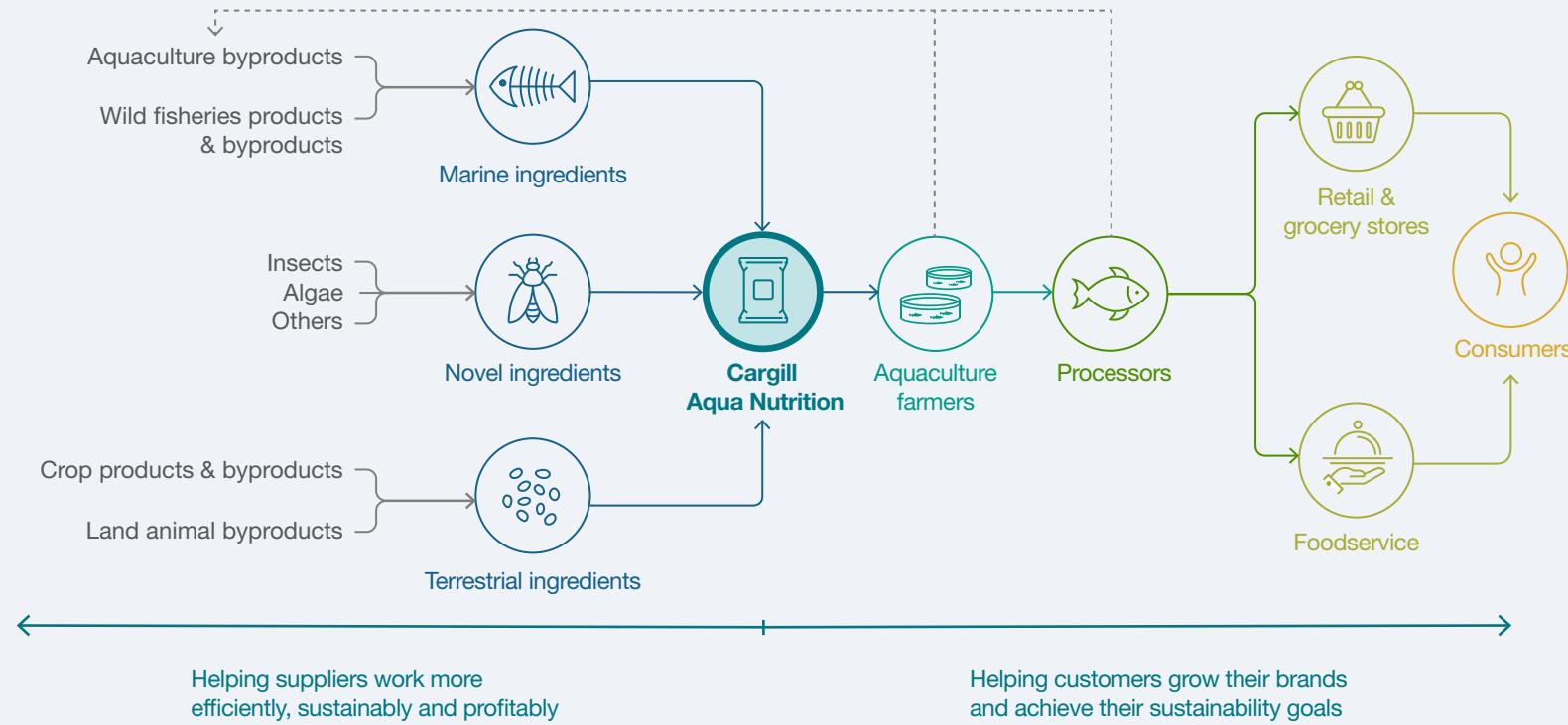


AQUAXCEL® starter feeds give young shrimp a great start in life and support farmer success with superior nutrition and modern extrusion technology.



LIQUALIFE® engineered for shrimp post-larvae, uses microencapsulation technology that keeps nutrients intact until consumed. It increases feed availability and nutrient delivery while reducing water quality impacts.

Making a positive impact from the center of the value chain



Cargill Aqua Nutrition sources upstream ingredients, transforms them into nutrient-rich feed for global aquaculture production, and delivers it to our downstream farming customers, who produce the seafood that nourishes people around the world.

Thanks to the scale of our operations and our central position in the supply chain, we can impact the food system positively in all directions.

Backed by our decades of experience and Cargill's technical and market expertise, we are uniquely positioned to connect supply and demand, facilitate the exchange of best practices and information, and help our partners up and down the value chain work profitably while producing more food and using fewer resources.

Focus areas

Making progress that counts

Sustainability is a journey. Every day, we drive steady progress in the three core areas for our Aqua Nutrition business: product, people, and planet. Whether it's promoting the circular economy in our feeds, increasing the number of women in our leadership, or bringing down our greenhouse gas emissions, we're always working to do better.

Product

1.67 million tonnes of feed produced in 2022

Reused fish byproducts make up 59.7% of marine ingredients in our warmwater feeds, and 36.1% of marine ingredients in our coldwater feeds

33.4% sourcing from Fishery Improvement Projects

People

2,000+ employees in 19 countries

1/3 of our managers are women

100% of senior leadership hired from local communities

Planet

10.1% reduction in total energy use for coldwater feeds

11.8% reduction in absolute Scope 1 & 2 GHG coldwater feed emissions

1,000 tonnes of carbon saved using regenerative agriculture

Our 2023 goal: 10,000 tonnes of carbon saved

Product

Optimizing our raw material use

Whether it's using byproduct ingredients or steadily reducing the use of ingredients with higher environmental impacts — we're always working to achieve maximal efficiency for our customers with minimal resource use.

We are committed to reducing food systems waste and reusing byproducts. In 2022, our warmwater feeds contained 68% ingredients from co-products. Co-products made up 49% of our coldwater feeds. Compared to 2021, our use of fish trimmings for oil and meal increased to 60% (up 6.5%) for oil and 36% (up 0.2%) for meal in 2022. These shifts happened against the backdrop of the Ukraine conflict, which caused a sharp rise in raw material prices.

We are steadily working to increase our engagement with Fishery Improvement Projects (FIPs), our mechanism to mitigate fisheries' impacts and build more sustainable marine ingredient supply chains.

We are at the forefront of innovation in sustainable terrestrial raw materials. Through our SeaFurther™ Sustainability program, we are pioneering the use of regenerative agriculture practices in raw materials for global aquaculture. Pilot programs started in recent years have yielded positive results and are being scaled up as of 2023 ([p. 79](#)).



Promoting fish health to lower aquaculture's environmental footprint

Keeping farmed fish and shrimp stocks healthy lowers environmental impacts. Helping as many animals as possible reach harvest preserves resources and drives sustainable growth for our customers and their communities. Cargill supports fish health and welfare with functional feeds that support animals' immune systems and deliver medication as necessary.

In 2022, functional feed sales reached their highest level since 2017. Functional feeds aim to keep the fish healthy under stressful conditions, reducing the need for medication which is used if the fish become sick. At the same time, antiparasitic and antibiotic feed sales fell significantly across the board (by 43% and 71% respectively since 2017), except for Scotland. No antibiotic feeds were used by our customers in Norway.

We use antibiotics only on an as-needed basis. Antibiotics are only added to our feeds on demand from customers with a prescription for the treatment.

Driving responsible reductions in packaging

Cargill Aqua Nutrition is working toward the systematic reduction of packaging waste. We are reviewing our packaging practices and taking initiatives to reduce, reuse and recycle our packaging materials.

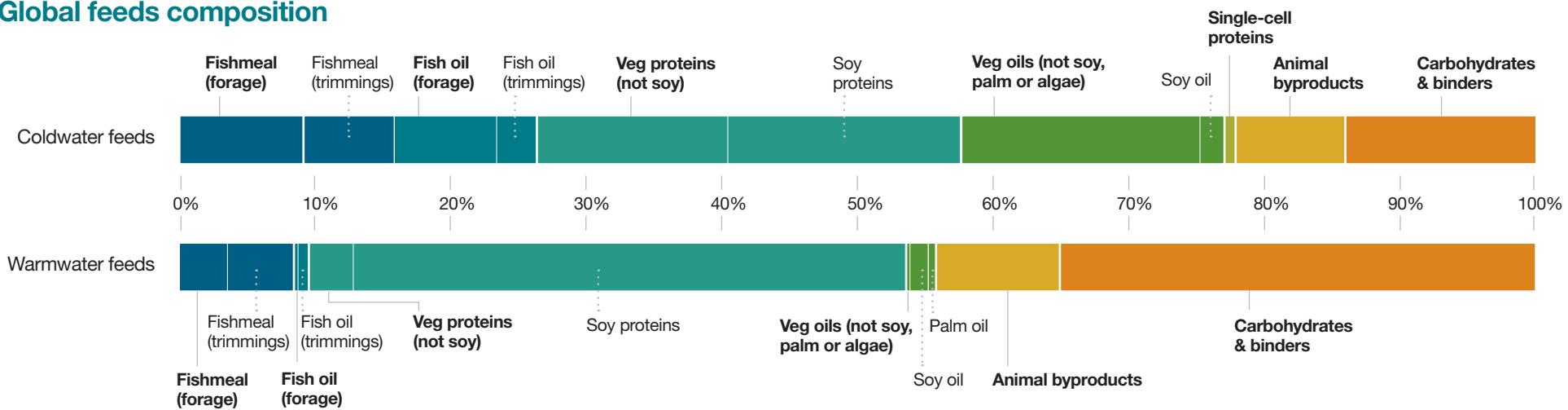
We mainly use plastic in packaging for finished goods. We can collect a limited amount from our customers for recycling. Due to risk of contamination, it is not good practice to use this packaging.

We have started using bags that contain 15% less plastic in Vietnam. These bags, used for our Nurcare and Aquaxcel brands, will keep tens of tonnes of plastic waste and thousands of tonnes of carbon out of the environment over the next few years. Each bag contains 15% less plastic. The move will save 72 tonnes of plastic in 2023 and 144 tonnes per year by 2030. And because making plastic bags takes energy, we'll contribute to prevent 2,500 tonnes of GHG emissions from all Cargill feed bags in Vietnam. We will continue to bring our plastic use down through similar initiatives for other brands and markets.

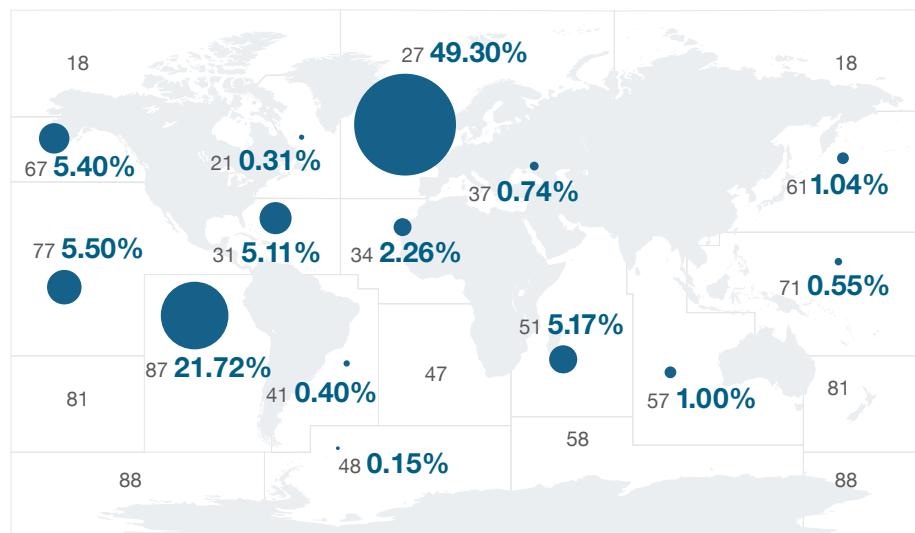


Our raw materials and their origins

Global feeds composition



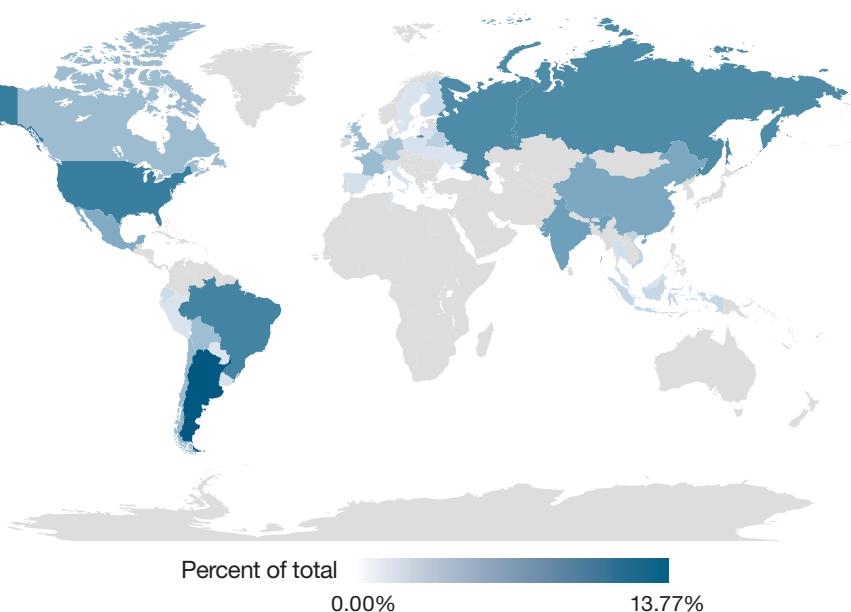
Origins of marine materials



* Country of origin is known, but as many countries transgress multiple fishing areas, the Major Fishing Area is not always defined.

FAO Major Fishing Areas

Origins of terrestrial materials



People

Creating equitable workplaces for our people in our aqua nutrition business

We offer our employees a safe, supportive working environment. We believe our purpose begins with our people. They deliver the quality goods and services our customers expect, and help us advance our sustainability goals.

2022 marked another year of progress toward gender parity. Women representation in our overall workforce, in management and administration, and in senior management increased significantly. The number of women on our global aqua leadership team (4 of 11) remained unchanged.

We have seen a significant increase in the number of women in our North Sea Supply Chain team, defying stereotypes about logistics-oriented businesses.

All of our leadership hires in 2022 came from local communities. There were no instances of child labor reported. We are working to have all of our suppliers sign our Supplier Code of Conduct, which addresses child labor. Ethics and anti-corruption training was completed by 78.8% of our employees.



20.2%
of our employees are women

30.4%
of our management and administration team are women

36.4%
of our global aqua leadership team are women

100%
of senior leadership hired from local communities

67%
women in North Sea Supply Chain team

Planet

Reducing our carbon emissions and embracing accountability



Managing our climate impact

- Cargill Aqua Nutrition has been reporting on climate metrics and water usage since 2017.** During this time, we have improved our supplier data and made some emissions reductions in our own operations. This gives us a strong baseline to drive real GHG reductions throughout our value chains.
- To date, our focus for emissions management has been on coldwater feeds.** This reflects the challenges of building up the data across complex supply chains. We are now in a position to reduce those emissions, while we start to improve our data for warmwater feeds.

Our impact should be understood holistically.

We seek assurances at the factory and ingredient levels.

Our certifications cover both our marine and terrestrial raw materials, along with our processes and partnerships. We are actively engaging with NGOs, governments, academic institutions, technical partners and other companies to build a thriving, sustainable global aquaculture sector.

Standards, certifications and assurances

- Where appropriate, we apply International Organization for Standardization (ISO) standards for quality, environmental and food safety management, as well as Best Aquaculture Practices (BAP), Global G.A.P., and organic standards for industry-specific assurances as required by our markets.
- At the ingredient level, we prefer Marine Stewardship Council (MSC) and MarinTrust certifications for marine ingredients and ProTerra, the Roundtable for

Responsible Soy, and organic certifications for soy and palm ingredients.

- In 2022, 91% of our marine ingredients for coldwater feeds were certified or classified as improving in a recognized FIP, down slightly from 2021. We saw improvement in our warmwater feeds, with uncertified ingredients down to 33% of the total, compared to 40% in 2021. To increase the amount of certified sustainable marine ingredients available for our feeds, we are increasing our work with FIPs.
- We have been supplying our customers with feed that complies with the ASC Farm Standards since their launch for salmon, shrimp, and yellowtail. With the launch of the ASC Feed Standard in January 2023, our factory and sourcing teams are working to be ready for audits as soon as they can occur. We will start with our coldwater factories, and our warmwater factories will follow according to customer demand.

- Energy use in coldwater feed production continues to decrease compared to 2017.** This is true for energy used per tonne of feed produced and in total. It has enabled a 10.1% reduction in Scope 1 & 2 emissions, ahead of Cargill's corporate 2025 goal.
- We have stabilized warmwater feed energy use per tonne, as well as Scope 1 & 2 emissions.** However, there was still a large increase since 2017. This has mainly been driven by significant process changes that led to higher energy use and emissions. Our teams are working to identify solutions.
- So far, Scope 3 emissions have only been calculated for coldwater feeds.** We have been developing our supplier data for several years. Based on the best supplier database available for 2022, we report an

average Scope 3 footprint of 1.96 tCO2e/t feed, compared to 2.54 tCO2e/t in 2017. We do not claim this as an emissions reduction, but rather a reflection of better data calculations from our supply chain. We will seek to recalculate our 2017 baseline based on these improved data sets.

- The SeaFurther initiative will be our focus for reducing Scope 3 emissions going forward.** We also aim to get Scope 3 data on warmwater feeds for 2023, and report on those results next year.
- Water use in our factories has slowly increased over time since 2017.** This has mainly occurred in warmwater feed factories, but since 2022 also in coldwater factories. We are focusing our efforts on enabling a water-positive impact in our operations.

Programs and partnerships

Driving change across the value chain

What makes Cargill unique is our combination of global scale, technical expertise and more than 150 years of experience in many different supply chains. Whether it's supporting our suppliers with best practices, helping farmers produce the sustainable fish and seafood the market demands, or building coalitions with NGOs and industry associations—at Cargill Aqua Nutrition, we feel equally at home with all our partners and stakeholders. It's what allows us to make a positive impact across the value chain: upstream, downstream and in our own operations.



SeaFurther Sustainability

Scaling up early wins with an eye on 2030

Our goal: Help salmon farmers chart a path to lower emissions, with a program aiming to reduce their carbon emissions by at least 30% by 2030.

[Learn more](#)

Feed and its use on farms can account for up to 90% of farmed salmon's carbon footprint. Applying our leverage as a leading global feed producer, we created SeaFurther™ Sustainability, our signature program for the sector. Taking advantage of our long-term expertise, wide-ranging network and privileged position at the heart of the value chain, our aim is to build a collaborative aquaculture supply chain that supports our customers in their sustainability goals.

Launched in 2021, SeaFurther takes a systematic approach to decarbonization. Making vital connections between suppliers and customers, and adding our own market insights and technical expertise, we work with our partners to track greenhouse gas emissions per kilogram of harvested fish, identify carbon "hotspots" and find ways to reduce or eliminate them.

2022 was a pivotal year for the program. We piloted SeaFurther with customers in Norway, Scotland and Chile, collaborating closely to come up with a tailored approach to fit the needs of each company.

SeaFurther's three pillars

Source

We work with our suppliers to develop and design our feed to minimize its carbon footprint while delivering optimized nutrition.

Optimize

We work with our customers to reduce energy use in feed production and farming, streamline transportation and logistics, and tailor our feeds to the fish and environments for which they are destined.

Care

We develop fish nutrition that promotes and enhances the health and welfare of farmed fish, keeping them healthier and growing more efficiently.



Regenerative agriculture pilot saves 1,000 tonnes of carbon

In 2022, we tested the concept of reducing feed emissions through regenerative agriculture practices. Our pilot program with eight U.K. farms, representing 1,500 hectares of rapeseed and wheat fields, achieved a 1,000-tonne carbon reduction. In 2023, we aim to expand the program, sign up more farmers and save 10,000 tonnes of carbon, while supporting the farmers' profitability.

Regenerative agriculture aims to restore the soil's health and resilience, using techniques like low- or no-tilling, planting cover crops to prevent runoff and oxidation, crop diversity, and pollinator strips. As a result, the soil can sequester more carbon, instead of being a source of emissions. Reducing the carbon footprint of crops grown in it. Healthy soil also holds more water, which makes it drought-resilient and supports more biodiversity, both above and below ground.

Scaling up the regenerative agriculture approach is also key to lowering the aquaculture sector's overall carbon footprint, said Dave Robb, Cargill's Program Lead for SeaFurther Sustainability. "This is a practice we believe in as a key part of decarbonization of aquaculture value chains. The point now is to build longer-term relationships with suppliers and customers and expand our network, so that together, we can generate more benefits at scale along the value chain."

**Our goal for 2023:
Save 10,000
tonnes of GHG**

Kames Fish Farming: Producing more, emitting less

Located in Kilmelford, Scotland, Kames Fish Farming, Ltd. is known for its omega-3-rich steelhead trout. The 50-year-old family business was one of the first two companies to pilot Cargill's SeaFurther Sustainability program.

"We are proud to lead the way," said Cate Cannon, Sustainability Manager at Kames. "Carbon efficiency will only be fully achieved if we work together across the whole supply chain, so it's fantastic that this initiative—and open communication—are happening rapidly and at scale."

After compiling a comprehensive carbon footprint inventory together, we identified raw materials for feed conversions (the amount of feed required to grow the fish) and energy use on the farm as hotspots that were ripe for action. In the first year, Kames focused on energy use, optimizing boat use on the farm and reducing diesel emissions. Along with improving feed conversion rates, it was a choice that, in a year with high fuel costs, would make an immediate financial impact.

Working through SeaFurther, Kames saw a 3.3% reduction in absolute greenhouse gas emissions (GHG) in 2021-22, despite a 60% production increase compared to 2020.

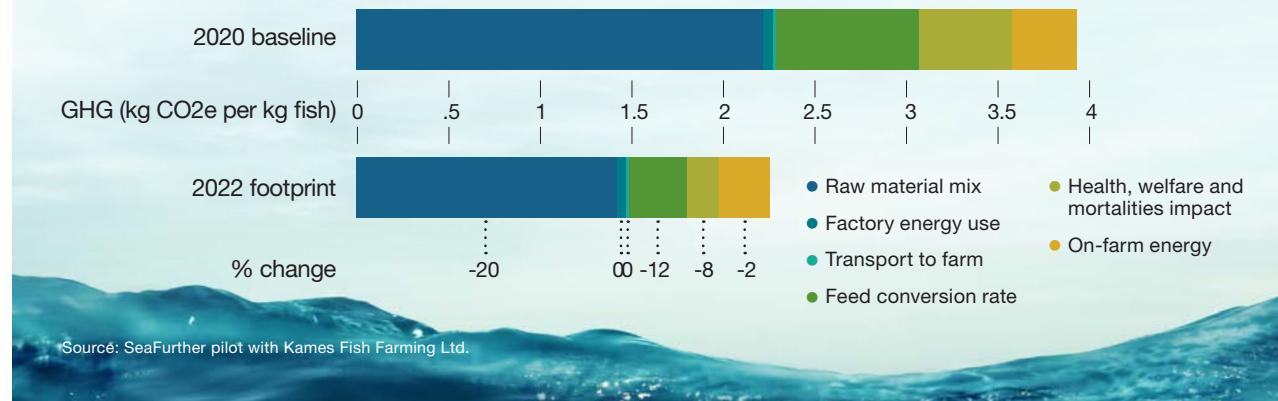
As a next step, Cargill and Kames are working to identify suppliers in Kames' supply chain who can start working with regenerative- agriculture-based feed sources, so that we can make a five-year plan for reductions.

Reducing aquaculture's carbon footprint

Although most carbon emissions from farmed fish and seafood stem from the raw materials mix, several other factors can be addressed to reduce its carbon footprint. Improved reporting can help identify and remedy

emissions hotspots. The example below shows reductions achieved by one of our SeaFurther pilot customers in their 2022 production.

Example of harvested fish emissions



"This is not a one-solution-fits-all program, but more of a personalized journey plan with a thoughtful and conscientious team providing tailored guidance. They have helped us make a substantial difference in our emissions without impacting our overall business."

Cate Cannon Sustainability Manager at Kames



**3.3%
reduction in GHG emissions
while production increased by
60%**

New feeds to deliver lower footprint

In the past, marine ingredients—like fishmeal and fish oil derived from wild-caught fish—were a big component of aquaculture feed. But as the industry grows, aquaculture will need more than the finite supply of marine ingredients to produce enough seafood.

Cargill is helping supplement those marine ingredients with novel inputs like insects and algae oil. Why? Those alternatives offer essential nutrients without further impacting ocean ecosystems.

Take, for example, the recent expansion of our [partnership with Innovafeed](#), a growing producer of insect meal. This increases the options we can offer customers across novel ingredients and sustainable feeds. Through this collaboration, Innovafeed continues to produce insect meals for salmon feeds, and we are able to add more of their products to our feeds. Beyond being a high-quality feed offering, Innovafeed's insect meal can save up to 16,000 tons of CO₂e for every 10,000 tons of insect protein, depending on the composition of the feed. Our long-term commitment to this partnership has enabled Innovafeed to invest and scale up its production, which will further enable us to incorporate even greater volumes going forward.



For algal oils, we work with the major suppliers to the aquaculture sector and our customers to find ways to include these supplies of long-chain omega-3 fatty acids in our aquafeeds, helping to reduce the reliance on fish oil and increasing the omega-3 content in harvested farmed fish. In early 2022, we committed to incorporating algal oil in all our Norwegian feeds effective almost immediately.

This gave a clear signal of our commitments to this ingredient, which is important to our suppliers and our customers to develop the markets.

We are continuing to work further with our customers and their customers to build the market signal for greater novel ingredient use, encouraging increased production and expanding availability. With a combination of conventional and novel ingredients, we will grow our raw material basket sustainably, to support the continued growth of sustainable aquaculture globally.

“A contract of this size and scope for insect ingredients in aquafeed is a first in our industry and marks a major milestone in favour of more sustainable and efficient animal feed, thanks to novel ingredients and insects, more specifically.”

Clément Ray
Innovafeed's co-founder and CEO

Fishery Improvement Projects

Promoting ocean stewardship

We are on a journey to source our marine ingredients produced from wild-caught fish from fisheries that are third-party certified as responsibly or sustainably managed. This is important because according to the Food and Agriculture Organization (FAO), the world is close to its maximum sustainable wild-caught fish production. As it stands today, 35% of the world's fisheries are overexploited and many others are at their maximum sustainable limits.³⁶

At Cargill, we help protect wild fish stocks. We do this by substituting marine ingredients with terrestrial ones, by prioritizing trimmings and byproduct material over whole forage fish material as much as possible, and by maximizing the proportion of responsibly produced marine ingredients certified by organizations such as MarinTrust and Marine Stewardship Council (MSC).

Over the last 20 years, we reduced our use of marine ingredients for the average global salmon feed composition by 80%. In 2022, 41% of our total marine ingredients by volume were sourced from trimmings, as opposed to forage fish. In 2022, 91.4% of the marine



ingredients for our coldwater feeds were from certified or improver program sources. At the same time, 32.7% of the marine ingredients for our warmwater feeds were not certified. The latter is a significant improvement over 2021, but a wide margin for progress remains.

But we don't just want to improve our own supply chain. Our ambition is to use our leverage as a large global feed producer to improve ocean health overall, and to support the sustainable growth of the aquaculture industry. To achieve that goal, we must engage fisheries that are not yet sustainable. We do this by directly supporting credible Fishery Improvement Projects (FIPs) around the world.

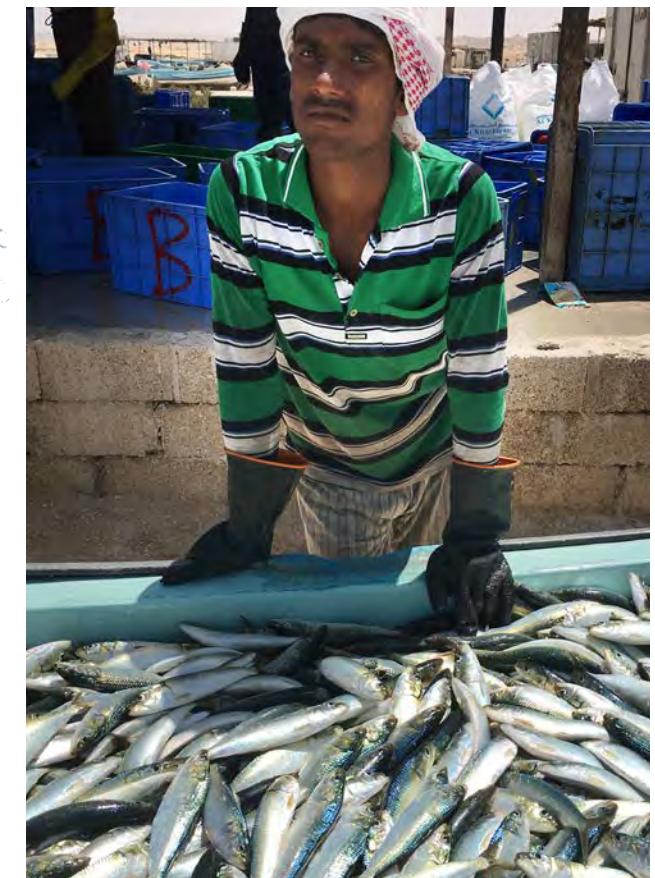
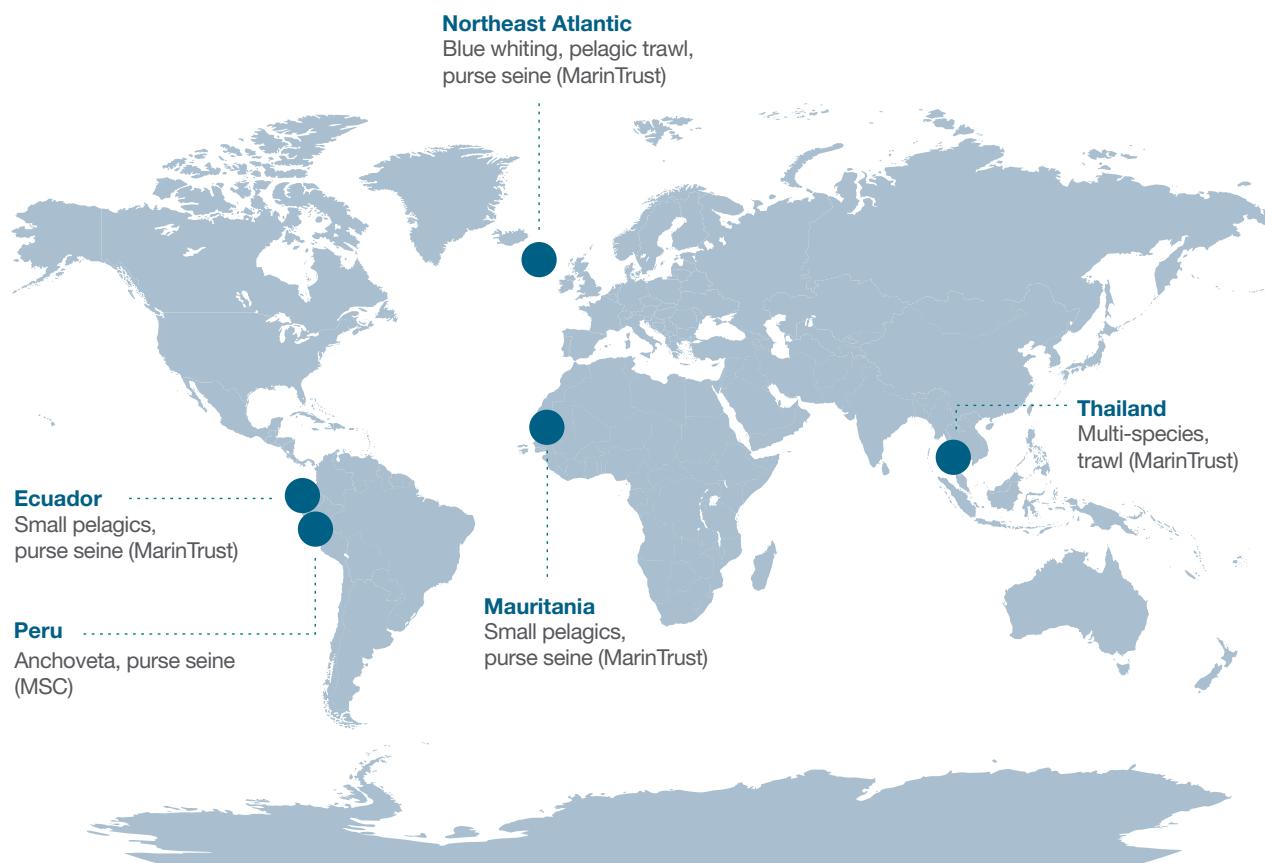
By working with FIPs, we help our customers produce the sustainable products the market demands, while also helping drive progress for the fisheries sector as a whole. FIPs reduce fisheries' impact on ecosystems and generate increased benefits for the local communities that rely on them. Over time, FIPs can help restore fish stocks in the areas where they operate, ensuring a long-term supply of fish for food and livelihoods.

Each FIP is different, but what they all have in common is collaboration. Working with NGOs including the Sustainable Fisheries Partnership (SFP) and the World Wildlife Fund (WWF), local government agencies, industry associations, and often even retailers and our competitors, we create tailored solutions to suit the environmental and socio-economic needs of places as diverse as Peru, Mauritania, and Thailand. In each case, we convene stakeholders, analyze the baseline situation, formulate remedial actions, and create timebound pathways toward sustainable operations and, ultimately, certification.

"The support-not-avoid approach is something we take seriously. By actively engaging fisheries in credible improvement programs, we're simultaneously advancing ocean health while securing a long-term supply of material for a growing aquaculture industry."

Taylor Voorhees
CQN Sustainability Leader

FIPs we supported in 2022 and their certification goals



Cargill joins WWF and Finance Earth in new Fisheries Improvement Fund

At the 2023 Global Seafood Expo in Barcelona, World Wildlife Fund (WWF) and Finance Earth (FE) announced the launch of an innovative blue finance mechanism, known as the Fisheries Improvement Fund (FIF), to fund the implementation of FIPs. We are proud to be part of this initiative, along with other major companies

including Skretting, Mars Incorporated, Costco Wholesale, Sodexo and philanthropic partners such as the Walmart Foundation.

The FIF will combat the worldwide decline of fisheries by providing support for FIPs in collaboration with

experienced partners on the ground. The new fund aims to spur more than \$100 million in new investments by 2030. Read more about [Fisheries Improvement Fund - Finance Earth](#).

How we innovate

Maximizing performance, minimizing environmental impact

Driving incremental progress to create sustainable aquaculture. Whether it is at our own R&D facilities or in the field with our farmer partners and suppliers, we are always working on new ways to optimize our feeds, save resources, and support our customers and the animals in their care.

In testing alone, over **40,000 fishes** and almost **400 tonnes of GHG emissions** have been saved in live salmon sampling



Digital scanner revolutionizes salmon sampling

Salmon farmers need to know how their fish are performing during their growth process. In the past, that meant sacrificing animals for chemical analysis, which could take weeks and was costly in terms of wasted resources and lost revenue. That is no longer necessary because Cargill launched SalmoNIR, a handheld scanner designed to analyze live salmon samples for important quality parameters, including fat content, omega 3, and color. The device provides two great advantages:

- Samples can be taken from live fish, which reduces the need for sacrifice and preserves biomass.
- Scans provide immediate answers about conditions in the cages, enabling farmers to track fish quality in real-time. This raises efficiency and saves resources.

Developed by the Cargill Innovation Center in Dirdal, Norway, SalmoNIR can contribute greatly to fish health, revenue and lowering a farm's environmental footprint. In testing, we took more than 40,000 samples of live salmon, representing approximately 140 tonnes in wet weight. Preserving these animals saved almost 400 tonnes of GHG emissions.



Innovation in the field

Micro-pellet shrimp feed keeps water cleaner

For shrimp farmers, water quality can be the difference between success and failure. The same is true for feed quality. Good feed not only helps shrimp grow quickly but also helps keep the water clean.

Thanks to advanced extrusion technology, Cargill's new shrimp feed comes in micro-pellets as small as 0.5 millimeters in Indonesia. Made from high-quality raw materials and fortified with health-boosting vitamins and minerals, the pellets help shrimp grow quickly and support their immune systems—especially in the crucial early development stages when mortality is high.

Because the pellets leach less and take longer to dissolve, it is easier to control—and reduce—the amount of feed delivered to ponds. This, in turn, means cleaner water, less need for water treatment, healthier shrimp, and more revenue.

Sustainable solutions for land-based salmon

As the demand for seafood increases, land-based aquaculture is one of the ways to ensure sustainable growth, and feed is a critical component. Cargill is expanding our tailor-made, sustainable feed options for land-based salmon production.

Working with Norwegian farming company **Salmon Evolution**, we developed a custom-designed feed for salmon grown in tanks. Based on continuous data analysis during production, we updated our models for growth and feed optimization for use in partially recycled water. As a

result, we saw excellent production results along with minimal impacts on water quality.

Lessons learned from our collaboration with Salmon Evolution are ready to be applied at scale in the growing land-based aquaculture sector. In 2022, we also teamed up with another Norwegian customer, **Havlandet**, to pilot the same approach with cod, trialing several varieties of our feed products. Initial results were promising.

Another new feed, **EWOS CLEAR™** is formulated for land-based salmon hatcheries. Because water quality is crucial during salmon's early life stages, CLEAR was designed to reduce pellet degradation and maximize nutrition, allowing growers to produce more smolt using less

feed. The raw materials were carefully selected to ensure good, safe and sustainable nutrition, so that smolts are robust and ready to perform well when transferred to sea.



Innovation inside our own operations

Expanding our sea sites in Dirdal

Oltesvik and Gråtnes, our sea sites in Dirdal, Norway, are used to run verification trials for nutritional models and full-scale ingredient documentation. As we expand our R&D activities, the Oltesvik site has been upgraded from 4 to 12 cages. As a result of our increased trial capacity, fish production is projected to increase to 1,400 tonnes in fiscal year 2024 and 3,000 tonnes in fiscal year 2025, with stocking of new fish slated for September 2023. Investing in increased feed efficiency reduces our products' environmental footprint because it helps farmers produce more fish with less feed.

Driving yields and saving resources with Essential Nitrogen

Not all proteins are created equal. Some are vital to growth, others are not. In many cases, the difference-maker is nitrogen which is central to amino acids, the building blocks of protein. Nitrogen also fills other digestive needs for aquafeed. Getting nitrogen right can mean optimizing the nutrient balance and helping fish stay healthy and grow quickly.

Cargill Aqua Nutrition has long been at the forefront of nutritional modeling and feed design. Since the 1990s, our precursor company EWOS, acquired by Cargill in 2015, used advanced data to track our products' performance. Efficiency in aquafeeds not only means higher yields and revenue for the grower, but also growing more biomass with less feed, which reduces resource and energy use, and cuts down on waste and carbon emissions.

By integrating Essential Nitrogen in our formulations, we're creating the next generation of feeds. It's how we drive

even more efficiency, increase productivity and decrease aquaculture's environmental footprint.

Supporting aquaculture startups

Since 2018, Cargill has supported HATCH Blue, the world's first accelerator program for climate-smart aquaculture startups. So far, Hatch has funded 39 companies, 40% of which are female led. These companies have raised more than \$100 million.

How we manage sustainability

Cargill Aqua Nutrition has our own dedicated sustainability management.

We are aligned with corporate strategies. Cargill Aqua Nutrition is part of Cargill's animal nutrition and health enterprise. A group sustainability lead and a sustainability signature program lead centralize sustainability management. Together with sustainability staff embedded in local and regional businesses, they collaborate on implementation with commercial teams. This structure allows us to address global priorities as well as local issues, including customer and stakeholder engagement, market and ecosystem conditions, raw material impacts and other relevant topics. We continue to build capacity and expand our capabilities to address sustainability issues and accomplish our goals.

Where our most salient risks occur

The matrix below indicates where the most salient risks from our material sustainability topics occur in our value chain, from supplies of raw materials (upstream),

through our mills and operations (production) and to end use at farming facilities through the fish to the ultimate consumer (downstream).

	Upstream	Production	Downstream
Business ethics	●	●	●
Food safety	●	●	●
Health and safety	●	●	●
Over-fishing	●		
Deforestation	●		
Plant raw materials	●		
Human rights	●	●	
Labor practices	●	●	
Emissions to air and water		●	●
Energy		●	
Water		●	●
Waste		●	●
Local communities		●	●
Feed efficiencies			●
Animal health			●
Antibiotics and medicines			●
Animal husbandry and welfare			●
Farmer livelihoods			●
Human health and nutrition			●

Accountability through policy and certification

It is Cargill Aqua Nutrition's ambition to have the most sustainable aquafeed supply chain in the world. Among our primary tools toward that goal is our Supplier Policy, which stipulates that those who sell raw materials to us must abide by our sustainability principles and have environmental and social risk management procedures in place. The policy sets out our expectations on environmental and social performance, aligned with third-party standards where applicable. Each year, we conduct audits to ensure our suppliers meet the requirements.

We use the power of certifications to demonstrate compliance, both for our own products and suppliers. We set the same clear and consistent standards internally, for our sourcing teams, and externally, for our suppliers.

- We work toward compliance with emerging human rights legislation such as the UK Modern Slavery Act (2015) and the Norwegian Transparency Act.
- Our feed mills are certified to a variety of international standards. We have multi-sector certifications for environmental management, food safety and occupational health and safety, and certifications tailored specifically to the seafood industry. The majority of our feed mills are certified under the Best Aquaculture Practices (BAP) Feed Mill Standard. We are preparing for certification under the Aquaculture Stewardship Council (ASC) Feed Standard, launched in January 2023.
- For our marine ingredients, we source preferentially from fisheries that are already managed responsibly. An increasing share of our marine ingredients is certified by MSC and/or MarinTrust. We also support Fishery

Improvement Projects (FIPs) that are working toward those same certifications in the Northeast Atlantic, Mauritania, Peru, Ecuador and Thailand. In 2023, we joined the launch of the Finance Earth Fisheries Improvement Fund with WWF, Mars and Skretting, with the goal of generating \$100 million fund for FIPs.

- Our terrestrial ingredients fall under Cargill's broader sustainability policies, goals and commitments on climate, land, water and people.
- As demand grows for novel ingredients such as insect meals and algal oils, which can alleviate pressure on fisheries and terrestrial biomes, we are forming partnerships to facilitate their commercialization. We work with our customers, research institutions, ingredients makers and retailers to shape the market conditions for greater novel ingredient use.



Progress through partnerships

Stakeholder engagement is key to any successful sustainability program. That's why, to achieve maximum global impact, we partner with our diverse stakeholders and often with others in the industry. We are proud of our membership in initiatives that bring together NGOs, governments, academic researchers, standards holders, and other industry members.

Full membership



Global Roundtable on
Marine Ingredients [↗](#)



North Atlantic Pelagic
Advocacy Group [↗](#)



SeaBOS [↗](#)

Committee representation



Task Force I CEO-level sponsor [↗](#)



Task force III leader [↗](#)



Sustainability Committee [↗](#)



Governing Body Committee [↗](#)



Social and Ethical Committee [↗](#)



Stakeholders Council [↗](#)



Feed Standard
Steering Committee [↗](#)



BAP Vanguard Feed
and GHG Working Groups [↗](#)

Associate membership and general partnership and participation



Global Salmon Initiative
(GSI) [↗](#)



Ocean Disclosure
Project (ODP) [↗](#)



GLOBAL DIALOGUE
on Seafood Traceability



Sustainable Fisheries
Partnership (SFP) [↗](#)



OCEAN STEWARDSHIP
COALITION [↗](#)



United Nations Global Compact
(UNGP) [↗](#)



Millennial Salmon project [↗](#)



Cocoa & Chocolate

Table of contents

- 91 Supply chain overview**
- 92 Dashboard**
- 94 Focus areas**
- 96 Programs and partnerships**
- 109 Assurance report**

About this chapter

This chapter refers to the crop year 2021-22 as well as 2022-23 up to and including June 2023. Information in this chapter is for that time period unless otherwise noted. For previous progress reports, visit [our website](#).

In 2012, when we launched our comprehensive sustainability program, the Cargill Cocoa Promise, we hoped that path would take us to the top of a hill, where we'd look back at a job well done. Little did we know, we were setting out to scale Mount Everest, we were doing it without a map, and behind every ridge, we'd find a series of new hills to climb.

It's been a decade since those early days, and we've learned an enormous amount. Today, we manage a holistic program, built on the understanding that the sector's issues are multifaceted, and that Cargill is uniquely positioned to connect the dots and apply smart solutions.

Throughout this chapter, you can learn about how we are working to close gaps and drive positive change. As we step up our effort going forward, two axes for action stand out: gender and technology.

As a signatory to the U.N. Women's Empowerment Principles, we adopted our cocoa-specific [Gender Equity & Women's Empowerment Strategy](#). Through training and financing, we are helping women increase their earning power and become community role models. As incomes go up, kids are more likely to stay in school and households grow more resilient.

Meanwhile, in parts of Ghana and Côte d'Ivoire where GPS polygon mapping of farms is largely complete, we observed less than 0.01% gross primary forest loss since 2014, showing that, with the appropriate technologies and farmer engagement, we can leverage digital tools to help accelerate transparency and target interventions for impact.

We are proud of what we have achieved, but there's much more to do. We will continue to go deeper, expand due diligence measures across our sourcing regions, intensify our focus on learning, and bringing everyone along on the journey. We know we haven't yet reached the top of the mountain, but working with our valued partners, we now know that we have the map, the tools, and the team to get there.



Emiel van Dijk
Managing Director
Cocoa & Chocolate Europe & West Africa

Supply chain overview

We create cocoa and chocolate products to meet the global market's growing demand for quality, innovation, transparency, and sustainability.

Our customers are chocolate, confectionery, and manufacturers across the globe.

Our products include cocoa powder, cocoa butter, and cocoa liquor as well as chocolate, coatings, and derivatives for cosmetics and personal care products.

Our operations span five continents. We directly source, trade and implement the [Cargill Cocoa Promise](#) in Brazil, Cameroon, Côte d'Ivoire, Ecuador, Ghana and Indonesia.

43
years of experience in
cocoa and chocolate

64
locations across
the globe

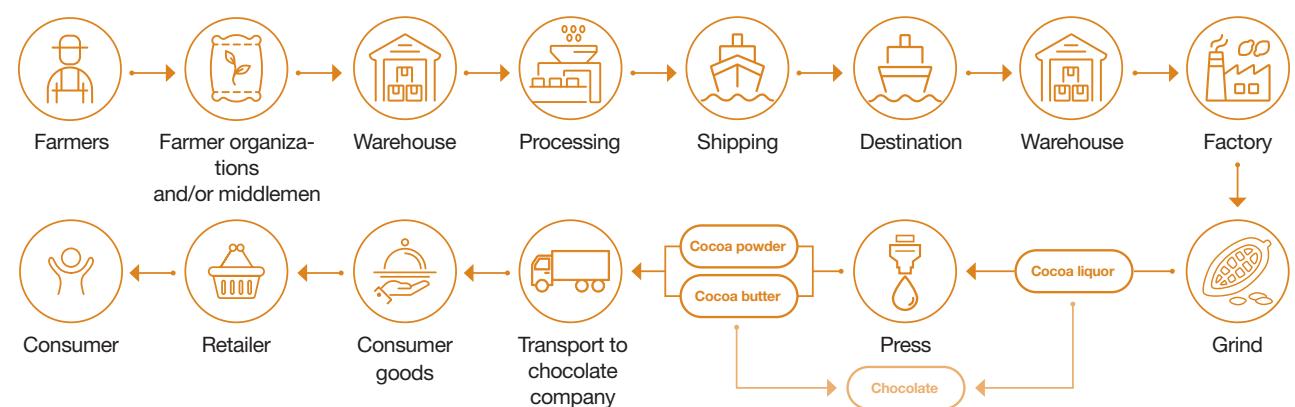
31
processing plants

6
origins from which we
source cocoa directly

4,700
employees

Creating delight: The journey from bean to bar

How we make our products



Dashboard

Each year, we report on our sustainability progress. We have been reporting on this for several years, in accordance with our [theory of change](#)³⁷. In the sections following this dashboard (“Programs and partnerships”), we detail the efforts we made toward achieving these goals.

We work with an external assurance provider, KPMG, to provide limited assurance on the selected sustainability KPIs in the table below. KPMG’s assurance report is included on [pages 109-110](#).

The assured datapoints in the chapter are listed below:

Sustainability goals	Assured KPIs	Definition	Scope of assurance: country of origin					
			Côte d'Ivoire		Ghana		Cameroon	
			2021-22	2022-23	2021-22	2022-23	2021-22	2022-23
	1. # of farmers supported through Cargill Cocoa Promise activities ³⁷	The number of farmers that are sustainability certified and take part in at least one Cargill Cocoa Promise activity, such as training or coaching.	107,572	127,595	25,818	32,582	38,055	40,237
	2. # of farmer organizations, districts, and buying stations in Cargill Cocoa Promise	The number of farmer organizations in Ivory Coast, districts in Ghana, and buying stations in Cameroon defined as organized associations of farmers in CCP.	131	147	10	13	12	12
Farmer livelihoods	3. # and % of farmers coached ³⁸	The number and percentage of farmers that received one-on-one coaching on Good Agricultural Practices (GAPs).	75,921 71%	94,993 20%	11,720 45%	1,635 5%	12,559 33%	17,425 43%
	4. # and % of farmers GAP compliant ³⁹	The number and percentage of farmers that are successfully implementing the Pruning GAP, as well as 3 out of the other 4 GAPs.	5,315 7%	10,011 39%	7,180 61%	761 47%	4,492 36%	5,410 31%
	5. Average yields ⁴⁰	Amount of cocoa beans produced per area, an indicator of productivity of a cocoa farm.	574	742	547	715	695	715

(continued)

³⁷ Certified/verified farmers are considered farmers that are in various stages of the sustainability certification/verification cycle of Rainforest Alliance, Fairtrade or Promise Cocoa Verified: Cargill's independent verification scheme.

³⁸ % farmers coached in Ghana for CY22/23 is lower because coaching started later in the year, and this was the figure at time of assurance. It is expected to reach YoY consistent figures during the full implementation cycle.

³⁹ All indicators involved in the GAP compliant show an enhancement in Côte d'Ivoire for the current crop year (22/23). There is a significant difference in the pruning and the pest & disease GAPs. This explains the large increase between CY21/22 and CY22/23 numbers.

⁴⁰ Yield calculation relies on what farmers report as cocoa production of prior year (for 22/23 farmers reply with 20/21 production).

Sustainability goals	Assured KPIs	Definition	Scope of assurance: country of origin					
			Côte d'Ivoire 2021-22 2022-23		Ghana 2021-22 2022-23		Cameroon 2021-22 2022-23	
Farmer livelihoods	6. % of farmers using crop protection	The percentage of coached farmers that have reported to use either fungicide or insecticide.	75%	73%	62%	67%	94%	95%
	7. % of farmers reporting to do composting and applying it on farms	The percentage of coached farmers that have reported to apply compost on their farms.	9%	16%	11%	22%	3%	10%
Community wellbeing	8. # of farmers monitored through Child Labor Monitoring and Remediation Systems (CLMRS)	The number of households that received a CLMRS monitoring visit.	24,835	55,475	9,235	21,557	6,843	6,792
Protect our planet	9. # of farms GPS/polygon mapped	The number of plots that have been GPS/polygon mapped.	104,979	134,791	61,532	73,844	20,458	32,190
	10. # and % of farmers GPS/polygon mapped	The number of mapped farmers that do not have duplicate polygons or polygons that overlap by at least 20% with one or more polygons.	94,586 88%	122,238 96%	24,873 96%	30,529 94%	16,971 45%	28,130 70%
	# and % of farmers that do not have duplicate polygons and/or >20% overlap		77,179 72%	94,000 74%	19,176 74%	24,780 76%	14,792 39%	21,234 53%
Consumer confidence	11. # and % of farmers delivering volume through first-mile traceability system ⁴¹	The number and percentage of farmers who have delivered cocoa beans through either Cooperative Management Systems or digital first-mile traceability.	97,178 90%	122,684 96%	13,632 100%	19,458 100%	5,857 15%	11,364 28%
	12. % of sustainable volume in first-mile traceability	The percentage of Rainforest Alliance or Promise Verified beans that were delivered through digital traceability solutions such as the Cooperative Management System in Côte d'Ivoire and the barcode system in Ghana to trace cocoa from the farm level to the first purchase point.	98%	95%	100%	100%	15%	38%
	13. # and % of farmers paid via mobile banking	The number and percentage of farmers that have received premium payments through a mobile money solution.	4,168 4%	10,582 8%	13,632 100%	19,458 100%	Not in scope	Not in scope
	14. % of sustainable volume sold ⁴²	The percentage of cocoa and chocolate products in bean equivalent sold as sustainable (Rainforest Alliance, Fairtrade, Promise Verified, or customers' own programs.)	49% globally	48% globally	49% globally	48% globally	49% globally	48% globally

⁴¹ For Ghana the % of farmers delivering volume through first-mile traceability is smaller than the farmers supported through CCP, but the percentage is still 100%. This is because we are looking only into farmers who chose to deliver and sell volume to Cargill.

⁴² For KPIs 1 through 13, the timeframe for assurance is Crop Year 2021-2022 as well as Crop Year 2022-2023 up to and including June 2023. These KPIs refer to our direct supply chain. For KPI 14, the timeframe is Calendar Year 2022 and Calendar Year 2023 up to and including June 2023. It covers our entire supply chain (direct and indirect).

Focus areas

Delivering on our commitment to a thriving cocoa sector

Our vision

At Cargill, we take a holistic approach to sustainability within the cocoa sector, recognizing that many challenges are deeply intertwined. We are in a unique position to help connect the dots and spur progress across the value chain. We work with partners from ground level to government, advancing best practices and deploying cutting-edge technologies for full transparency. Our shared goal: a thriving cocoa sector for generations to come.

Our program

Since 2012, the [Cargill Cocoa Promise](#) has been the cornerstone of our sustainability approach. Our goals are aligned with the UN Sustainable Development Goals (SDGs) and our [theory of change](#). Following our [results framework](#), we continuously monitor and evaluate our programs, so that we can maximize our positive impact.

Cargill Cocoa & Chocolate goals



Farmer livelihoods

We will champion professional cocoa farming practices, to strengthen the socio-economic resilience of cocoa farmers and their communities.

[Read more](#)



Community wellbeing

We will enhance the safety and wellbeing of children and families in cocoa farming areas.

[Read more](#)



Protect our planet

We will promote environmental best practices in our business and across our supply chain.

[Read more](#)



Consumer confidence

We will help consumers around the world choose sustainable cocoa and chocolate products with confidence.

[Read more](#)



Transformation, together

We will use the power of partnerships to accelerate and magnify our efforts to achieve a level of sector transformation that cannot be accomplished alone.

[Read more](#)



Responsible business

Across our business operations and supply chain we increase efficiency, maximize safety, and minimize our environmental footprint.

[Read more](#)

Our approach



Farmer livelihoods

We empower farmers who manage their farms as businesses, maximizing profitability, and growing prosperous. We do this through a holistic approach that goes beyond productivity to diversify farmers' incomes and strengthen their resilience.

[\(+ Read more\)](#)



Community wellbeing

To meet specific community needs with the Cargill Cocoa Promise, we work with partners to implement concrete solutions related to accessing quality healthcare, nutrition, and education, addressing child labor, and improving access to economic opportunities for women and youth.

[\(+ Read more\)](#)



Protect our planet

Cargill's "Protect Our Planet" strategic action plan details the steps we are taking to make our supply chain deforestation-free. It outlines concrete actions to achieve 100% cocoa bean traceability, programs to grow more cocoa on less land, and support for farmers to adopt agroforestry and conservation practices. This also contributes to reducing our supply chain carbon footprint in line with Cargill's science-based targets and the Paris Agreement.

[\(+ Read more\)](#)



Transformation, together

Farmers and farmer organizations are our key partners to ensure a sustainable supply of cocoa well into the future. Our success is linked to theirs. To create a more sustainable cocoa supply chain globally, we work with a multitude of stakeholders across the industry, using individual strengths and abilities to drive lasting and transformational change.

[\(+ Read more\)](#)



Consumer confidence

We seek to provide clear, robust, and transparent information powered by technology, and to partner with independent parties to ensure our data is accurate and assured. This applies both to our direct supply chain, which is covered by the Cargill Cocoa Promise and accounts for about half of the cocoa we source, and to our indirect supply chain.

[\(+ Read more\)](#)

Programs and partnerships

Farmer livelihoods

We empower cocoa farmers to grow their incomes in sustainable ways. With our partners, we help them optimize their businesses while improving access to education and financing, and enabling women to become successful entrepreneurs.

Want to know more?

- Learn how we aim to [expand our reach](#) with the [Cargill Cocoa Promise](#) by 2030.
- Explore the [Living Income Roadmap](#) developed by our partner IDH.
- Backgrounder: Why closing gender gaps is [crucial to closing income gaps](#)

Farmers deemed to be benefiting from the Cargill Cocoa Promise are sustainable-certified and participate in Cargill Cocoa Promise activities. Our impact measurement is not limited to farmers in our direct supply chain. Although farmers are not obligated to sell their cocoa to Cargill they can always participate in Cargill Cocoa Promise activities. We also cover our indirect supply chain in our impact measurement.

At a glance

222,000+

Farmers reached by the Cargill Cocoa Promise from January 2022 through June 2023.

This includes: **810** in Brazil, **40,237** in Cameroon, **127,595** in Côte d'Ivoire, **32,582** in Ghana and **21,041** in Indonesia benefiting from training on sustainable agriculture, business management, and gender equity.

Key progress

In Côte d'Ivoire, we reached 80,000 farmers with our long-term Farm Development Plans. To create these plans, we work with farmers through one-on-one coaching, and formulate tailored sets of recommendations to help improve farm productivity and profitability, including pruning, the smart use of inputs, and other best practices.

In Côte d'Ivoire, we helped our customer Nestlé expand its [Income Accelerator Program](#), which delivers mobile cash payments to help cocoa farming families close the living income gap and reduce child labor risks by encouraging changes in behavior and rewarding positive practices. Participants are rewarded for keeping kids in school, and receive support to adopt GAPs and participate in additional income-generating activities.

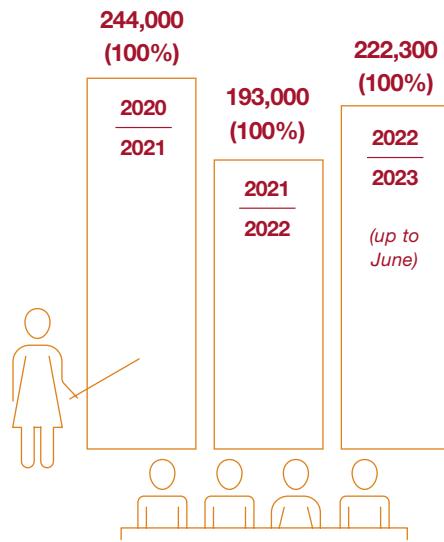
To deliver on our gourmet brand Veliche's [sustainability promise](#), we collaborated with TechnoServe on the Awalé project, supporting 1,400 women and youth in Côte d'Ivoire. [The program](#) helps build entrepreneurship skills and has invested \$40,000 in income-generating activities. Participants' incomes increased by an average of 56%.

Our Ghana Chillies project, which helps farmers boost their incomes by growing hot peppers, expanded from 1,800 to 5,000 participants. With [Unilever](#), through its AWA by Magnum female empowerment program, and [100WEEKS](#), we co-funded digital cash transfers to 400 women in Côte d'Ivoire, promoting financial literacy and gender equity. In Ghana and Côte d'Ivoire, we helped cocoa cooperatives set up shared services to increase yields and incomes.

Learnings and next steps

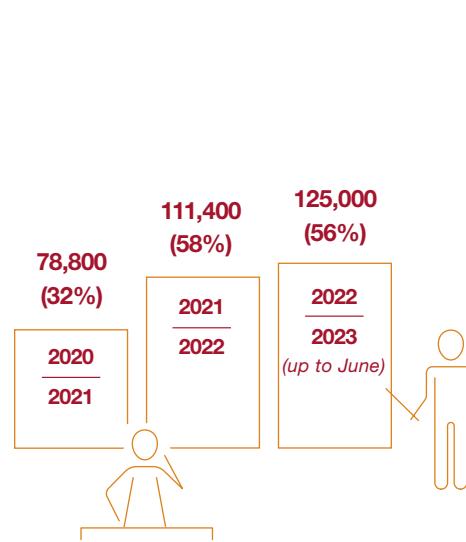
We will continue to partner with farmers and farmer organizations to expand our farm service delivery models, providing producers with access to the tools and support they need to implement Farm Development Plans, maximize profitability, and sustainably increase their incomes.

Through a new strategic collaboration with [IDH The Sustainable Trade Initiative](#), we will determine the most effective methods to close the living income gap across the Cargill Cocoa Promise network and use that information to help customers contribute to closing this gap.



CCP farmers trained

Farmer training, offered in group setting, builds foundational knowledge of GAPs and key social and environmental topics.



CCP farmers coached

Farmer coaching provides individualized support, including on-farm diagnostic surveys and tailored Farm Development Plans addressing key improvement priorities.

CCP farmers using crop protection

	Côte d'Ivoire	Ghana	Cameroon
2022 - June 2023	18,769 (73%)	1,096 (67%)	16,611 (95%)
2021-2022	57,222 (75%)	7,309 (62%)	11,743 (94%)
2020-2021	31,575 (69%)	5,583 (62%)	6,893 (92%)

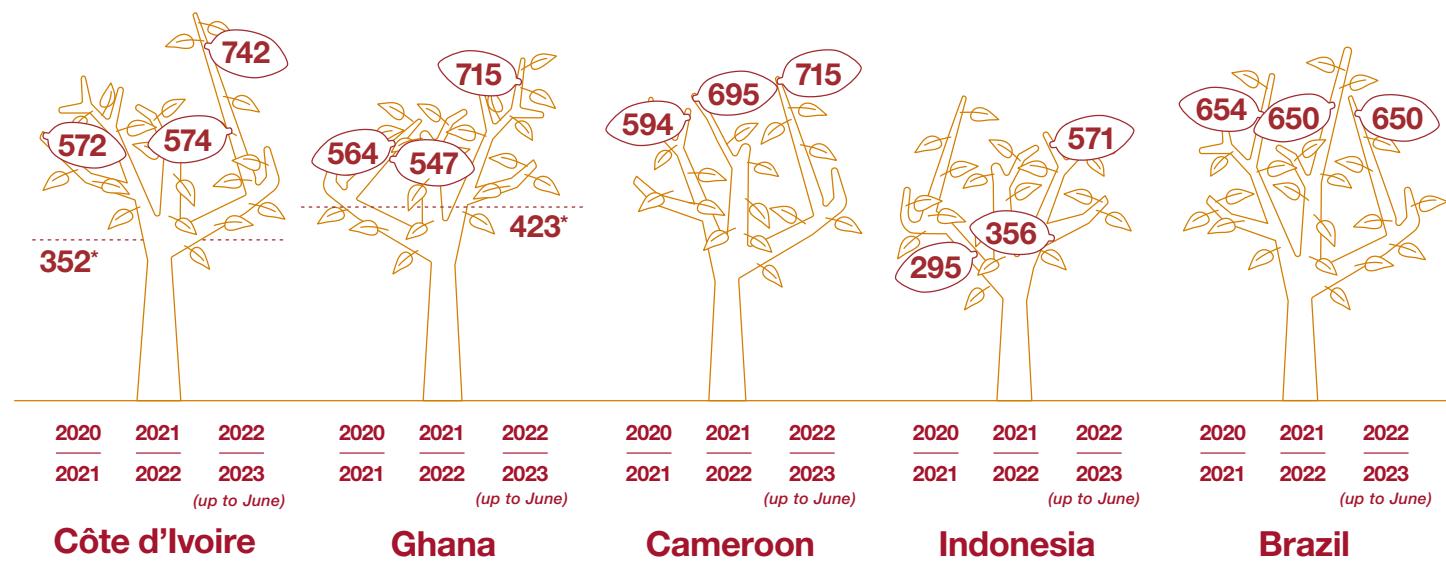
CCP farmers composting and applying it on farms

	Côte d'Ivoire	Ghana	Cameroon
2022 - June 2023	4,151 (16%)	353 (22%)	1,683 (10%)
2021-2022	6,978 (9%)	1,323 (11%)	396 (3%)
2020-2021	1,812 (4%)	251 (3%)	12 (0.2%)

When Good Agricultural Practices are used, yields increase

Over the years, results show that when cocoa growers implement GAPs, they see higher yields and returns. Although productivity depends on many factors and practices do not change linearly, the trend line within the CCP network is consistent.

Average yields in kilograms of cocoa per hectare, calculated as reported production divided by the mapped farm size.



* Country averages according to a study by KIT, the Dutch Royal Tropical Institute.

Community wellbeing

Over the past decade, we have addressed the links between child labor and gender equity in cocoa-growing communities.

Our Child Labor Monitoring & Remediation System (CLMRS) has evolved into a holistic community well-being approach with a strong emphasis on access to education and women's empowerment.

Want to know more?

- An [explainer video](#) from the World Cocoa Foundation lays out the challenge of child labor in the cocoa sector. Here's [what Cargill is doing about it](#).
- Watch this [video](#) to learn how Village Savings & Loans Associations (VSLAs) bolster the economic position of women in cocoa communities.

At a glance

In 2022, we launched our [Gender Equity & Women's Empowerment Strategy](#). The roadmap for implementation, set for publication in 2023, consolidates what we have learned and accelerates our impact. At the same time, we continue our effort to bring water, sanitation & hygiene (WASH) and nutrition training to cocoa communities.

Key progress

2022 saw the successful conclusion of the Promoting a Sustainable and Food Secure World Program (PROSPER) II, a three-year collaboration between Cargill and CARE. In West Africa, this partnership focused on improving the economic position of women through women-led Village Savings & Loans Associations (VSLAs), which finance small, non-cocoa businesses that improve families' resilience and resulted in an overall 31% decrease in poverty, and a 27% reduction in food insecurity. The next phase aligns with three change areas in the Cargill-CARE framework: access to inclusive markets, access to productive resources and agency, and strategic partnerships and advocacy.

Doubling down on what works, we are expanding other partnerships that support closing gender gaps, including income generation and diversification activities for women. With our partner Empow'Her and the International Finance Corporation (IFC), we are offering financial literacy and entrepreneurship training through the Cargill Coop Academy. Our collaboration with LadyAgri focuses on high-potential members of women's groups, provides them with financing and technology, and connects them with professional women from Africa and elsewhere for coaching and mentorship.

Throughout our cocoa sourcing countries, we continue to advance our integrated approach to child labor and community wellbeing. To address the root causes of child labor, we are combining CLMRS with preventative measures such as community development, women's empowerment, and opportunities for youth. We continue to refine our current CLMRS approach by rolling out a risk-based CLMRS approach across all origins, which allows us to target tailored remediation steps where they have the greatest impact. This approach has been in place in Cameroon since 2022. Implementation is underway for Côte d'Ivoire, with other origins to follow.

Learnings and next steps

When women can act on an equal footing with men, become entrepreneurs, and raise their incomes, families are more resilient and children are more likely to stay in school. For that reason, we aim to strengthen our efforts to break inequitable gender patterns and empower women. We will continue to drive change and intensify our impact, using an integrated approach to child labor and gender equity, and concentrating resources in high-risk areas to achieve the best results.



Expanding CLMRS

By June 2023, more than 93,000 farming households were monitored through CLMRS in Côte d'Ivoire, Ghana, Cameroon, Indonesia, and Brazil, up from nearly 52,000 in 2020-2021.*

*The proportion of farmers monitored by CLMRS increased significantly across our sourcing sites, with most of the country results doubled since the last report. Varying results across origins can be explained by level of maturity of CLMRS programs and farmer turnover rate.

We are rolling out a risk-based CLMRS approach across all origins, which allows us to target tailored remediation steps where they have the greatest impact. We will continue to expand our scope of regions covered and improve the model where possible. We are also in the process of aligning all origins to a shared approach consistent with ICI guidance.

Broadening access to education

With our partner CARE, we built six schools in Ghana, benefiting 730 students from kindergarten to junior high school.

More communities, greater impact

Our reach has grown along with our expertise. Our programs and partnerships are present in more communities than ever, promoting health, nutrition and gender equity.

Community action plans

2020-2021

613

2021-2022

841

Changing lives with WASH

Working with Global Water Challenge, Cargill financed and installed water wells in cocoa-growing communities. One community hadn't had access to a well since 1992.

In total:
67,000
people benefiting from improved WASH

+36
boreholes giving access to clean and potable water

+83
water committees established

We apply an integrated approach to WASH. For instance, at one school, we installed a well that also irrigates vegetables growing in an adjacent field. Furthermore, we built separate sanitation spaces for girls, so they no longer have to stay home during their periods.

Nearly 48,000 people in Cameroon, Côte d'Ivoire and Ghana benefited from improved WASH thanks to Cargill Currents, in partnership with the Global Water Challenge. This includes 17 communities, 12 schools, and four health facilities. An estimated 17,000 women were empowered through time savings and other project activities, and more than 28,000 people were educated on safe water and hygiene.



Empowering women, inspiring men

While we're helping women grow, we're bringing men along and including both women and men in gender awareness programs. The benefits are shared by all.

Understanding

By June 2023 all 222,265 farmers took gender awareness training. Furthermore, more than 50% of women reported improved participation in decision-making.

Financing

In Crop Year 2021/2022, 1,012 Village Saving & Loan Associations (VSLAs) helped 17,318 women boost their incomes, up from 11,359 last year.

Training

2,040 women received entrepreneurial training through the Coop Academy.

Protect our planet

We aim to drive lasting change across the cocoa sector. Grounded in the belief that sustainable cocoa farming and forests can and must flourish together, we pursue a holistic approach, combining digital traceability tools with hands-on collaboration on the ground.

Want to know more?

- Our [2022 Cocoa & Forests Initiative \(CFI\) report](#)  highlights our progress in Côte d'Ivoire and Ghana, where most of the world's cocoa is grown, and presents a detailed plan for future efforts.
- Read our broader [Protect Our Planet Strategic Action Plan](#)  to learn how we will help transform the cocoa supply chain.
- As public regulation increasingly drives sustainable development, the new EU Regulation on Deforestation-Free Supply Chains ([EUDR](#) ) will be transformative for the sector.

Progress at a glance

1,400,000+
non-cocoa trees planted in West Africa in 2022.

Agroforestry helps promote biodiversity, climate resilience, and stable yields and incomes for cocoa farmers. Planting shade trees also sequesters additional carbon in above-ground biomass.

Key progress

Land use change represents 66% of CO₂ emissions from our cocoa and chocolate supply chain. Based on an assessment by sustainability consultant Quantis, we developed a strategy to eliminate deforestation-related emissions. (Learn more on [p.105](#))

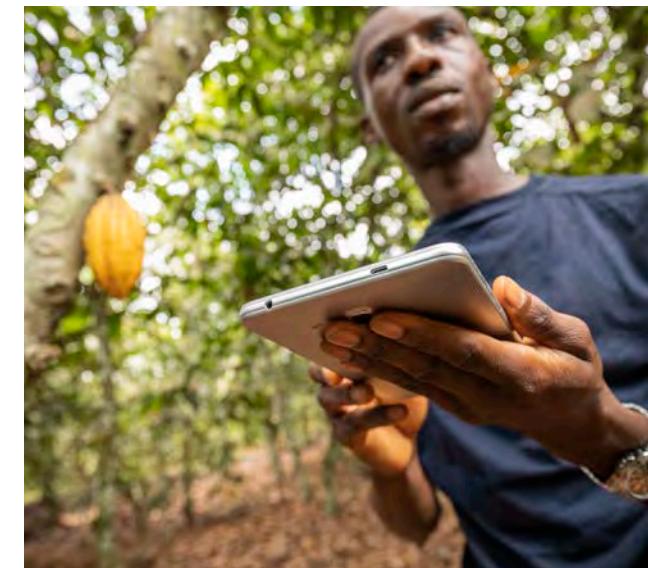
We identify deforestation hot spots intersecting with our supply chain through the use of GPS polygon maps of cocoa farms. Once we know farms' exact locations and perimeters, we can determine whether they operate on recently deforested lands or in proximity to still intact forests. Through on-site audits, we can mitigate issues and provide farmers with tailored training, and other support for sustainable practices.

Land rights issues are among the most prominent risk factors for deforestation. Working with government, industry, and our partner Meridia through the Côte d'Ivoire Land Partnership Program (CLAP), we aim to participate in delivering more than 10,000 land rights documents to farmers by 2024. With their rights secured, farmers are more likely to intensify production within property lines rather than deforest new areas.

We have significantly expanded the number of farmers we have trained in agroforestry and planted more than 1.4 million non-cocoa trees in 2022 alone. These extra trees sequester carbon, promote biodiversity, improve climate resilience, and protect the cocoa trees, which grow better in the shade. When GAPs are applied, shade trees can help stabilize cocoa yields. Fruit- and nut-bearing varieties can also provide additional income.

Learnings and next steps

Scaling up digital mapping and monitoring will allow us to focus and optimize our on-site engagement practices, and offer our farmer partners the best ways to work profitably and sustainably. The new CFI 2.0 action plan guides our efforts along these lines in Côte d'Ivoire and Ghana. It will serve as a model for other countries. We also continue to support emerging regulations, driving transformative action on issues including deforestation, decarbonization, and human rights.



Mapping farms to protect forests

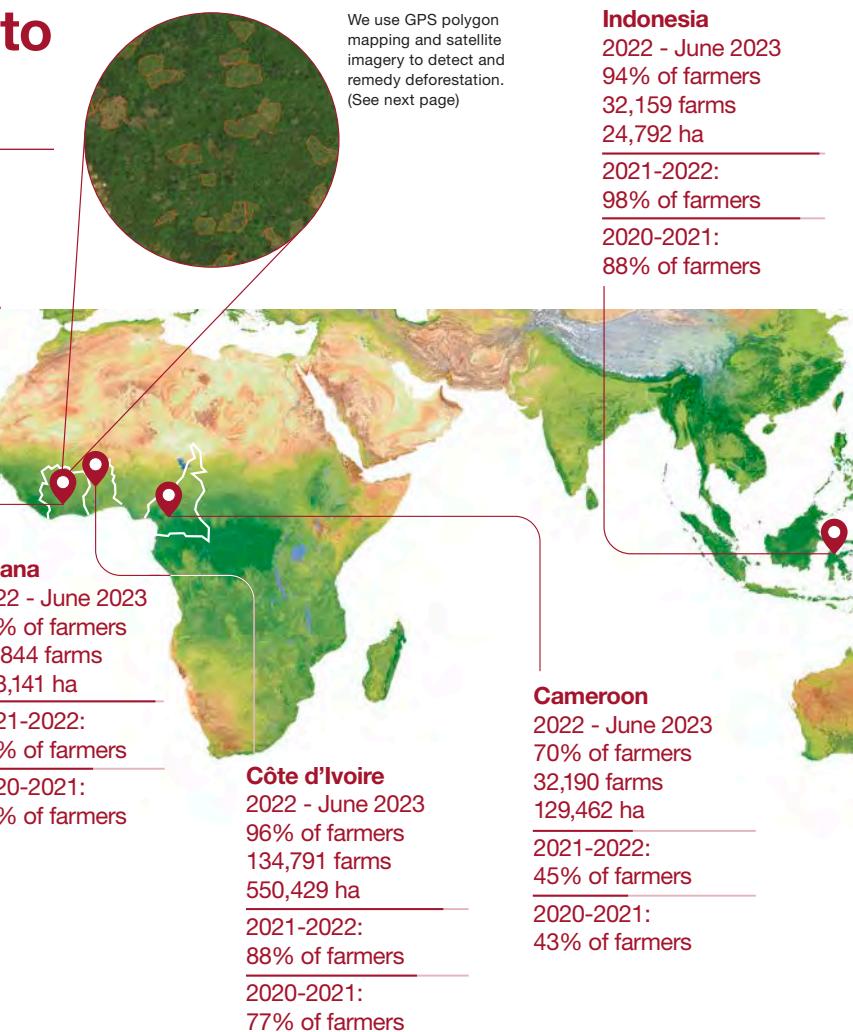
2022 - June 2023: **72%**
of farmers in our direct supply
chain have been fully GPS-poly-
gon-mapped.



Brazil
2022 - June 2023
60% of farmers
522 farms
15,814 ha

2021-2022:
75% of farmers

2020-2021:
95% of farmers



- We source more than 60% of our cocoa beans directly from farms or farmer groups and implement direct supply chain action within our direct sustainable supply chain. We install the traceability tools ourselves, in partnership with farmer groups and technology service providers such as Farmforce and Koltiva.
- For indirect volumes, we rely on intermediaries. Knowing that supply chain transparency may vary, we perform due diligence to assess risk and provide traceability information. Due to local regulatory environments, sourcing 100% of our volumes directly is not possible everywhere. Furthermore, we value working with local partners.

Through our supplier engagement efforts, we support them in creating value, improving transparency, and building domestic sustainable supply chain capacity.

- We assess deforestation risk by overlaying farm mapping data with geospatial satellite data made available by the World Resources Institute (WRI)'s Global Forest Watch Pro platform. We also assess legality of production. Production in protected areas is primarily measured using data from national governments on Protected Area boundaries. Where this is not possible, we rely on IUCN and UNEP-WCMC's World Database on Protected Areas.

More community and landscape-level restoration initiatives

16,600+

Farmers in West-Africa adopted high-intensity agroforestry systems in 2021-2022.

Since 2017, we have reached 22,024 farmers, based on deforestation risk at jurisdictional and cooperative levels.

2.6+ million

Trees distributed since 2017-2018. It takes an estimated 3.3 trees planted in a cocoa agroforestry setting to sequester 1 metric ton of CO₂e over a twenty-year period.

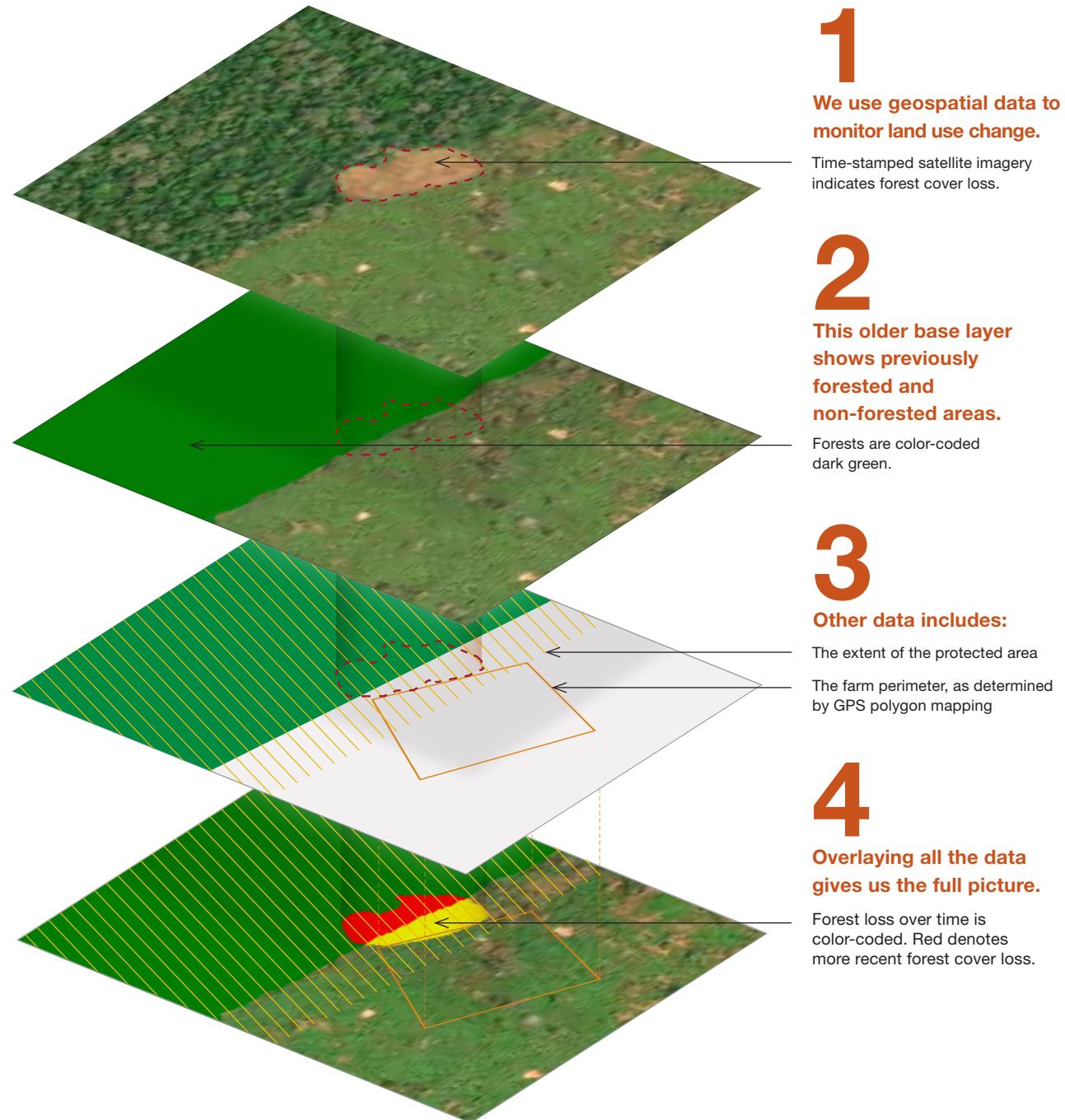
- We refer with GPS polygon mapped farms to all farms of certified farmers that have been mapped in either 2021-2022 or 2022-2023. Farm maps reported here may include geometry issues. We found that, depending on the country, 6% - 22% of our mapped farmers have duplicate polygons or polygons that overlap by at least 20% with one or more other polygons. Solving these issues is among our key priorities in the coming years.
- In Brazil, the number of farmers participating in the Cocoa Promise has more than doubled since 2020-2021 (203 farms). Because our mapping effort has much more ground to cover, the overall mapped percentage has decreased.

GPS polygon mapping explained

Overlaying satellite imagery with GPS polygon maps, we can detect forest cover changes on our suppliers' farms and in nearby forests and protected areas. Creating a GPS polygon map requires walking around a farm's perimeter with a smartphone or another small GPS-equipped device.

Once we know each farm's shape, location, and ownership, we can engage directly with farmers to remedy existing issues or mitigate future deforestation risk. Action steps can include training on sustainable practices like agroforestry and the correct use of inputs, solving land rights issues, and income diversification.

While cocoa cultivation is an important driver of deforestation, it is not the only factor. In many cases, deforestation is driven by third-party wood extraction, mining, or conversion for other crops, such as rubber.



Consumer confidence

Global demand for responsibly and sustainably sourced cocoa is rising. Customers and consumers expect transparency. Government regulations are growing more ambitious. As we expand our use of digital traceability technology, we are increasing our capacity to provide the sustainable products the market expects.

Want to know more?

- Learn what the new EU Regulation on Deforestation-Free Supply Chains (EUDR) [means for the cocoa sector](#) 
- Read this [Environmental Research Letters article](#)  on why full farm-level traceability is a prerequisite for deforestation-free cocoa.
- Find out how Cargill's [CocoaWise™ portal](#)  helps our customers access sustainability data for our supply chain directly.

Progress at a glance

100%

of our partner cooperatives in Côte d'Ivoire have implemented digital traceability.

Key progress

The way forward is best illustrated in Côte d'Ivoire, where we are approaching our goal of 100% verified traceable cocoa. As of October 2022, all 147 of our partner cooperatives had implemented digital traceability measures. As of June 2023, 96% of certified farmers in our Côte d'Ivoire supply chain had their farms polygon-mapped, up from 88% in 2022. Collaborating closely with key digital technology provider Farmforce, we expect to reach 100% before the start of Crop Year 2023-24.

As a result, the cocoa delivered to our Cargill facilities as Promise Verified and Promise Rainforest Alliance in Côte d'Ivoire is now digitally traceable to the farm, and digital sustainability premium payments are growing rapidly. During the 2021-22 growing season, we paid out CFA 450M (\$750,000). Midway through the 2022-23 season, farmers had already received CFA 850M (\$1.4 million).

We are partnering with the Ivorian Conseil du Café et Cacao to implement a national traceability and digital payment system. In Ghana, we are supporting a traceability pilot launching late 2023 in the Assin Fossu district. Traceability efforts are expected to accelerate as the sector works to meet the EUDR by the end of 2024. With our NGO partners TechnoServe and Meridia, we are supporting compliance efforts throughout our direct and indirect supply chains.

Learnings and next steps

We will complete polygon mapping globally for the Cargill Cocoa Promise, and work with our farmer partners, NGOs and governments to expand the use of traceability and digital payment technology. At the same time, we will support farmers in their efforts to adapt to the EUDR's requirements. Combined, these measures will accelerate progress toward a transparent, sustainable global cocoa supply chain.

Certified sustainable cocoa volumes sold



2020-2021

49%

2021-2022

49%

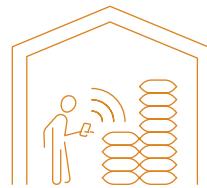
2022-June 2023

48%

Expanding traceability throughout the supply chain

2022-June 2023

Up to farmer organization / first point of purchase level



Up to farmer level



Up to farm level



100%

of cocoa in our direct supply chain is traceable up to the first point of purchase. For our indirect supply chain, through our due diligence system with suppliers, 14% of the cocoa is traceable to the first point of purchase, up from 10% in 2020-2021.

75%

of farmers in our direct sustainable supply chain, 165,768 in total, are delivering volume through first-mile digital traceability systems, up from 48% in 2020-2021.

72%

of farmers in our direct supply chain are GPS polygon mapped and monitored for deforestation risk (see Protect our planet), up from 70% in 2020-2021.

More mobile payments accelerate digitalization

2020-2021

56,700

farmers registered with mobile banking systems (23% of total)

26,200

farmers receiving mobile premium payments (11% of total)

2021-2022

66,600

farmers registered with mobile banking systems (35% of total)

19,800

farmers receiving mobile premium payments (10% of total)

2022-June 2023

73,400

farmers registered with mobile banking systems (33% of total)

36,600

farmers receiving mobile premium payments (16% of total)

Responsible business

In everything we do, we aim to save valuable resources, and minimize our environmental footprint. Across the supply chain, from bean to bar, we work around the clock to deliver delightful products in a safe, responsible, and sustainable way.

Want to know more?

- Go to our [website](#) to learn more about our approach to sustainability governance, ethics, and compliance.
- Familiarize yourself with Cargill's [CDP responses](#) and our ESG scorecard.

Progress at a glance

66%

of our carbon emissions stem from land use change.

That's why our climate action roadmap makes tackling deforestation our #1 priority, in line with Cargill's commitment to make our agricultural supply chains deforestation-free by 2030.

A climate action plan for cocoa and chocolate

In 2022, we worked with environmental consultancy firm Quantis to assess Cargill's cocoa and chocolate-related carbon footprint. Together, we determined that 4% of our emissions are linked to our manufacturing activities (scope 1 and 2) and 96% to our supply chain (scope 3). We identified four carbon hot spots – energy use, transportation, dairy ingredients, and land use change from cocoa cultivation – and formulated a plan to address them.

This roadmap identifies 32 quantifiable actions. Taken together, we estimate that the top 10 actions can help us reduce our emissions by more than 65%. Among these, eliminating deforestation is the most impactful action we can take, as it remains the supply chain's largest source of emissions.

Honoring ethical standards, every day

Cocoa & Chocolate adheres to Cargill's corporate [Code of Conduct](#) and Supplier [Code of Conduct](#).

These codes set standards for doing business around the world based on the company's seven [Guiding Principles](#).

We will intensify our effort to end deforestation within our supply chain by increasing traceability and investing in programs to protect forests and develop agroforestry approaches. For further details, see the [Protect our planet](#) and [Consumer confidence](#) sections in this chapter, as well as our [website](#).

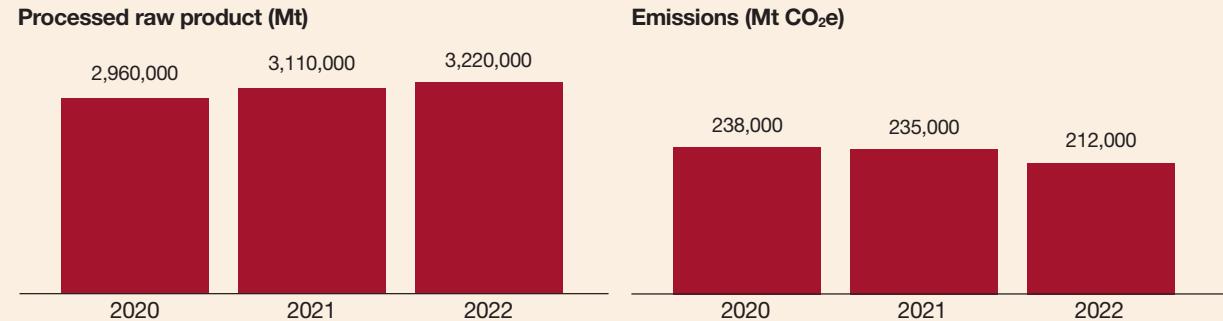


Decarbonizing our facilities

Despite growth in production volumes, emissions from our own locations (scope 1 and 2) have steadily fallen since 2020 (see chart). These results account for improved energy consumption reporting due to better data gathering, and a revision of the 2017 baseline to include facilities that were not included previously.

Cargill is working to identify opportunities for green energy use at its facilities company-wide.

As production grows, processing emissions fall



Making renewable biochar to bind carbon and boost yields

Cocoa bean shells have traditionally been discarded as waste, but that is changing. Working with the U.K. Biochar Research Centre at the University of Edinburgh and our NGO partner PUR Projet, we have launched a pilot project to convert cocoa shells into syngas, a renewable fuel, and biochar, a carbon-sequestering fertilizer.

Our pilot facility in Côte d'Ivoire is expected to start production by the end of 2024. The installation can create up to 5,000 tons of biochar per year. We will use the syngas to make steam for our processing requirements.

Pyrolysis can potentially be applied at all our cocoa processing facilities. We plan to supply the biochar to farmers free of charge, driving circularity, regenerative agriculture and higher yields and incomes.

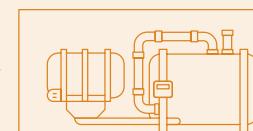
How it works



Cocoa beans grow inside cocoa pods, the fruits of the cocoa tree.



Cocoa shells are the byproduct of cocoa bean processing.



Pyrolysis is a process that heats biomass (in this case, cocoa shells) to more than 500°C. Because no oxygen is present, the biomass doesn't combust. Instead, it breaks down into biochar and syngas.



Syngas can be used as an energy source.



Biochar is a carbon sink:

- Made of stable, solid carbon, it does not enter the atmosphere and contribute to global warming
- It absorbs carbon from the atmosphere; 1 ton of biochar can bind 2.5 tons of CO₂

Biochar can be used as a **soil conditioner** and **fertilizer**. It helps cocoa trees grow and produce more cocoa beans, turning carbon from the atmosphere into new biomass. **This creates a renewable, circular and regenerative cycle for our cocoa farmers.**

Transformation together

One of the most important things we learned in the decade since we launched the Cargill Cocoa Promise is that issues facing the cocoa sector are interlinked. Creating lasting, industry-wide progress requires holistic solutions that connect the dots and benefit all people, organizations, and ecosystems involved.

Want to know more?

- Learn how we apply the power of partnerships to [deliver systemic change](#).
- Follow the stories on [Cargill Cocoa Promise website](#) to find out how our partnerships make a positive difference for the people and communities who grow our cocoa.
- As new E.U. sustainability regulations take effect, the [European Cocoa Association](#) (ECA) acts as the voice of the industry.

Progress at a glance

More than
60 partnerships

26 NGOs and foundations, 5 producing governments, 11 multi-stakeholder initiatives, 7 social enterprises, 4 knowledge institutes, 5 technology providers, and 4 financial institutions.



Key progress

At Cargill, we use our position at the center of the supply chain to bring stakeholders together and accelerate our combined impact. That is especially true in the cocoa sector, with its many interwoven issues facing the many tens of thousands of smallholders across our six origin countries. In response, we have developed an equally tightly woven web of partner organizations, providing hands-on expertise with farm mapping, land rights, digital payments, agroforestry, child labor prevention, and many other issues.

The last two years saw the successful renewal of several key partnerships, for instance with CARE, Empow'Her and LadyAgri ([p. 98](#)). As we move forward together, we will continue to combine practical, cutting-edge technology with time-tested relationships on the ground, making a tangible difference for our farmer-partners and their communities.

At the same time, we are involved in several industry associations and public-private partnerships, collaborating across borders with government agencies, NGOs, customers, and even our competitors to address the big issues facing the sector. Among the most notable example is our CFI 2.0 Action Plan ([p. 100](#)).

Learnings and next steps

Our goals remain as relevant as ever. Through new and existing partnerships, we aim to accelerate progress toward a truly sustainable cocoa supply chain. We will strengthen our focus on gender equity and scale up successful partnerships in support of food security and living incomes. Working with our partners from the farm level to the international forums, we will advance compliance with the EUDR, which we see as a strong impetus for sustainable cocoa.

Making a difference for real people



Photo credit: Sandrine Bénitah

When her husband's cocoa-buying business fell on hard times, **Marie Adjehi Nanou Bla** from Côte d'Ivoire worked with her local Village Savings and Loan Association (VSLA) to start her own venture, selling fish, chicken, and eggs. "I am completely financially independent and I am the one who provides for all my family's expenses," she said soon after.

Beyond the project charters, acronyms and abstractions that come with the daily realities of ESG, we never forget that the work is about human beings and their communities. Farmers are always the focal point of our efforts. In the 2021-2023 period, we have steadily expanded our reach



Photo credit: LadyAgri

Farmer **Dorothee Messina** supports a household of 11. Starting with trainings to grow her management skills – from food safety to social entrepreneurship – she worked her way up to become a leader in her local farming cooperative, representing the voice of women. "We are the heart of the Cameroon food system," she said.

and worked with our farmer-partners to promote sustainable agriculture, advanced management skills, and gender equity, and supporting women as economic actors and community leaders. Here are just some of the remarkable individuals we are privileged to know.



If there's one thing that breaks **Ouatara Shaka's** heart, it's the sight of trees going down. That's why this Ivorian cocoa farmer became a champion of agroforestry. "I am replanting trees for my children, to keep living from cocoa and provide a livelihood for my family. Trees are our common heritage, that's why we must take care of them."



Assurance report of the independent auditor

To: the Executive Team of Cargill B.V.

Our conclusion

We have reviewed the selected sustainability indicators as included in the Sustainability chapter of the Global ESG report 2023 (hereafter: 'the Report') of Cargill B.V. (hereafter: Cargill) at Schiphol for the crop-years 2021-2022 and 2022-2023 (2022-2023 ending at 30th June) (hereafter: the sustainability indicators). A review is aimed at obtaining a limited level of assurance.

Based on the procedures performed nothing has come to our attention that causes us to believe that the sustainability indicators are not prepared, in all material respects, in accordance with the reporting criteria as described in the 'Reporting criteria' section of our report.

The sustainability indicators in scope consist of the indicators included in the report in the table at pages 92 and 93.

Basis for our conclusion

We performed our review in accordance with Dutch law, including Dutch Standard 3000A 'Assurance-opdrachten anders dan opdrachten tot controle of beoordeling van historische financiële informatie (attest-opdrachten)' (assurance engagements other than audits or reviews of historical financial information (attestation engagements)). This engagement is aimed to obtain limited assurance. Our responsibilities in this regard are further described in the 'Auditor's responsibilities' section of our report.

We are independent of Cargill B.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence). Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics). We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Reporting Criteria

The sustainability indicators need to be read and understood together with the reporting criteria. Cargill is solely responsible for selecting and applying these reporting criteria, taking into account applicable law and regulations related to reporting.

The reporting criteria used for the preparation of the sustainability indicators are the applied internally developed reporting criteria as disclosed in the section 'Dashboard' on pages 92 and 93 of the Report.



Materiality

Based on our professional judgement we determined materiality levels for each relevant part of the Report / the sustainability indicators and for the sustainability information as a whole. When evaluating our materiality levels, we have taken into account quantitative and qualitative considerations as well as the relevance of information for both stakeholders and Cargill.

Limitations to the scope of our review

The sustainability indicators includes prospective information such as ambitions, strategy, plans, expectations and estimates. Inherently the actual future results are uncertain. We do not provide any assurance on the assumptions and achievability of prospective information of the sustainability indicators.

References to external sources or websites related to the sustainability indicators are not part of the sustainability indicators itself as reviewed by us. Therefore, we do not provide assurance on this information.

Our conclusion is not modified in respect to these matters

The Executive Team Responsibilities

The Executive Team of Cargill is responsible for the preparation of the sustainability indicators in accordance with the applicable criteria as described in the 'Reporting criteria' section of our report, including the identification of stakeholders and the definition of material matters. The choices made by Management regarding the scope of the Sustainability chapter and the reporting policy are summarized on pages 92 and 93 of the Report.

Furthermore, The Executive Team of Cargill is responsible for such internal control as it determines is necessary to enable the preparation of the sustainability indicators that is free from material misstatement, whether due to fraud or error.



Auditor's responsibilities

Our responsibility is to plan and perform our review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

Procedures performed to obtain a limited level of assurance are aimed to determine the plausibility of information and vary in nature and timing, and are less in extent, compared to a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We apply the 'Nadere Voorschriften Kwaliteitssystemen' (NVKS, Regulations for Quality management systems) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have exercised professional judgement and have maintained professional skepticism throughout the review, in accordance with the Dutch Standard 3000A, ethical requirements and independence requirements.

Our review included among others:

- Performing an analysis of the external environment and obtaining an understanding of relevant societal themes and issues, and the characteristics of the company;
- Evaluating the appropriateness of the reporting criteria used, their consistent application and related disclosures in the sustainability indicators;
- Obtaining an understanding of the reporting processes for the sustainability indicators, including obtaining a general understanding of internal control relevant to our review;
- Identifying areas of the sustainability indicators where a material misstatement, whether due to fraud or error, are most likely to occur, designing and performing assurance procedures responsive to these areas, and obtaining assurance information that is sufficient and appropriate to provide a basis for our conclusion. These procedures included, amongst others:
 - Interviewing management and relevant staff at corporate level responsible for the strategy, policy and results;
 - Interviewing relevant staff responsible for providing the information for, carrying out internal control procedures over, and consolidating the data in the sustainability indicators;



- Determining the nature and extent of the review procedures for reporting countries. For this, the nature, extent and/or risk profile of these reporting countries are decisive. Based thereon we selected countries to visit. The visits to 2 countries, Ghana and Cameroon, are aimed at, on a local level, validating source and registration data by evaluating the design and implementation of internal controls and validation procedures;
- Obtaining assurance information that the sustainability indicators reconciles with underlying records of Cargill;
- Reviewing, on a limited test basis, relevant internal and external documentation;
- Performing an analytical review of the data and trends.
- Evaluating the consistency of the sustainability indicators with the information in the report which is not included in the scope of our review;
- Evaluating the presentation, structure and content of the sustainability indicators;
- Considering whether the sustainability indicators as a whole, including the disclosures, reflects the purpose of the reporting criteria used.

We have communicated with the Executive Team of Cargill regarding, among other matters, the planned scope and timing of the review and significant findings that we identify during our review.

Amstelveen, 31 October 2023
KPMG Accountants N.V.

D.A.C.A.J. Landesz Campen RA
Partner



Palm Oil

Table of contents

- 113 Supply chain overview**
- 116 Sustainability roadmap**
- 117 Dashboard**
- 118 Focus areas**
- 126 Programs and partnerships**

About this chapter

Unless stated otherwise, the content in this chapter covers calendar year 2022, including KPI progress metrics.

Cargill's palm oil supply chain extends from our own plantations and mills to trading and refining palm oil around the world. In 2022, we took tangible steps toward meeting our No Deforestation, No Peat, and No Exploitation (NDPE) commitments in our global supply chain.

In addition to signing the [Agriculture Sector Roadmap to 1.5°C](#), we revised our 2025 palm roadmap to accelerate our commitment to be deforestation-free in our palm oil supply chain by 2025. We continue our active role as co-conveners of the [Palm Oil Collaboration Group](#) and we advocate for adoption of the [NDPE Implementation Reporting Framework \(IRF\)](#) across the palm industry. In 2022, 54% of our global refinery volumes achieved the NDPE IRF highest category of "Delivering." We are closing the gap on our goal to achieve 100% traceability to plantation by 2025, reaching 72% globally in 2022 compared to 65% in 2021.

We are preparing for the implementation of new regulations affecting the palm supply chain, such as the [European regulation](#) impacting products associated with deforestation and forest degradation. In 2022, we accelerated our engagement with suppliers focused on collecting polygon maps of plantations to improve analysis and detection of deforestation activity. We also developed new platforms to improve due diligence processes.

Cargill continues our active role in multistakeholder platforms, organizations and working groups, such as representing traders and processors on the Roundtable on Sustainable Palm Oil (RSPO) Board of Governors, participating in the RSPO North America Sustainable Palm Oil Network, and sponsoring the first RSPO Interamerican Conference in May 2023. In Colombia, Cargill has been elected to the steering committee of the Alliance for Sustainable Palm Oil of Colombia (APSCO), the main initiative to produce sustainable palm oil in the region.

We will continue to transform our palm oil supply chain—and the industry—in the years ahead.



Natalia Orlova
Managing Director,
Cargill Edible Oils
North America



Daniel Stregels
Managing Director,
Cargill Edible Oils
Europe

Supply chain overview

Cargill palm oil operations

Cargill operates a global palm oil supply chain with physical assets in the form of plantations, palm oil mills, kernel crushing plants, and refineries. As a trader of major commodities around the world, our key activities in the palm supply chain include sourcing, trading, and refining oil from third-party mill suppliers.⁴³ We buy some of the oil directly from mills; the majority of the oil is sourced indirectly via traders and refiners on the open market. We also purchase from smallholders through cooperatives and indirectly from independent smallholders.

⁴³ Our mill list can be found on our [Palm Sustainability Dashboard](#).



Origin countries

Predominantly Brazil, Colombia, Ecuador, Guatemala, Honduras, Indonesia, Malaysia, Mexico, Papua New Guinea, Peru, and Thailand

Destination regions and countries

Australia, Brazil, China, Europe, India, Indonesia, Malaysia, Mexico, Pakistan, and United States

 **19** Refineries

 **12** Mills
Includes palm oil mills and kernel crush plants

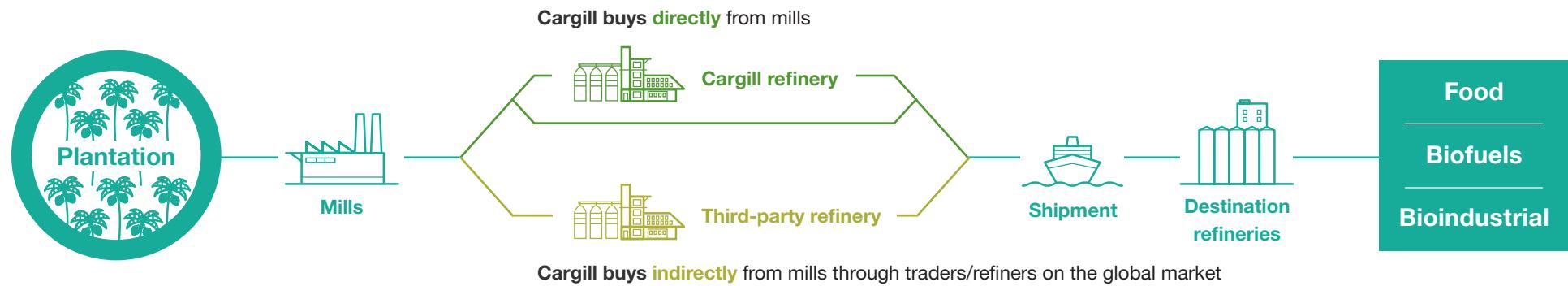
 **9** Plantations

 **24,000** Smallholders
Smallholders we partner with in our own operations

Not part of Cargill's operations

 **1,640** Third-party mills

Our palm oil supply chain



29%

of all Cargill volumes physically certified (RSPO SG & MB)

Direct and indirect mills sourcing

1,366
Indirect mills

283
Direct mills



Our commitments

Protect forests

We are taking steps to protect forests in our palm oil supply chain in line with the High Carbon Stock Approach (HCSA) and consistent with Cargill's companywide commitment detailed in our [Forest Policy](#).



Respect human rights

We treat people with dignity and respect, provide equitable, safe and supportive workplaces and take action to promote human rights in our supply chains as described in our [Human Rights Policy](#).



Help ensure a traceable, transparent and sustainable palm oil supply chain

Cargill's commitment to producing and sourcing palm oil in an economical, environmentally sustainable, and socially responsible manner is detailed in our [Policy on Sustainable Palm Oil](#). In accordance with NDPE practices, Cargill commits to a supply chain that:

- Protects high conservation value (HCV) areas, high carbon stock (HCS) forests, and peatlands regardless of depth
- Respects and upholds the rights of workers, indigenous peoples, and local communities
- Enables smallholders to become successful businesspeople, improving their livelihoods through responsible production, maximizing yields, and improving quality
- Upholds high standards of transparency through reporting of traceability, time-bound implementation plans, resolving grievances, and achieving third-party verified policy compliance

Cargill palm oil sustainability roadmap

Purpose	Nourish the world in a safe, responsible and sustainable way				
Priorities					
Goals	Climate Change	Land Use	Water	Farmer Livelihoods	Human Rights
2025	Support our Science Based Targets initiative (SBTi) ⁴³ goal to reduce Scope 1 and 2 absolute greenhouse gas (GHG) emissions in our operations by 10% against a 2017 baseline	100% traceable to plantation (TTP) All palm oil volumes are in the “Delivering” category of the NDPE IRF (Implementation Reporting Framework) ⁴⁴			Human Rights due diligence (HRDD) processes activated at 100% of Cargill-owned palm plantations 100% of direct suppliers have human rights commitments in their NDPE policy
2030	Support our Science Based Targets initiative (SBTi) ⁴³ goal to reduce our Scope 3 GHG emissions from our extended supply chain by 30% per ton of product, against a 2017 baseline		Enable improved access to safe drinking water in our priority communities in Indonesia for 25,000 beneficiaries Enable a water positive impact in priority regions	60,000 farmers supported through services and partnerships	100% of direct and indirect suppliers have human rights commitments in their NDPE policy HRDD processes activated at 100% of direct suppliers’ operations 100% of indirect suppliers have been trained on how to create and implement a HRDD action plan

⁴⁴ We updated our palm sustainability roadmap in 2022 with a commitment to be deforestation-free by 2025. We are measuring our progress using the NDPE IRF for the percentage of our refinery volume on the “Delivering” category.

Dashboard

This dashboard aligns with our current palm oil sustainability roadmap and includes the key performance indicators (KPIs) we are using to track and share progress toward our 2025 and 2030 goals.⁴⁵

Roadmap pillar	Goal/KPI			2022 progress
 Climate	Climate Change	2025	Support our Science Based Targets initiative ⁴⁵ goal to reduce scope 1 and 2 emissions by 10% against a 2017 baseline	Please refer to the Climate section
		2030	Support our Science Based Targets initiative ⁴⁵ goal to reduce scope 3 GHG emissions by 30% per ton of product against a 2017 baseline	Please refer to the Climate section
 Land & Water	Land Use	2025	100% TTP All palm oil volumes are in the “Delivering” category of the NDPE IRF ⁴⁶	72% 54% Delivering
	Water	2030	Enable improved access to safe drinking water in our priority communities in Indonesia for 25,000 beneficiaries	1,193 beneficiaries
 People	Farmer Livelihoods⁴⁷	2030	60,000 farmers supported through services and partnerships by 2030	27,167
			Number of farmers who received training	23,149
			Number of farmers who are certified/verified under a sustainability program	9,837
			Number of landscape programs in which Cargill participates	9
Human Rights	2025	100% of Cargill-owned palm operations have implemented our HRDD process	100%	
		100% of direct suppliers have human rights commitments in their NDPE policy	72%	

⁴⁵ As communicated in last year’s report, 2022 was the final year of reporting on the previous KPIs that corresponded with our earlier roadmap. Going forward, we expect to track year-over-year progress using the new KPIs shown here.

⁴⁶ We updated our palm sustainability roadmap in 2022 with a commitment to be deforestation-free by 2025. We are measuring our progress using the NDPE IRF for the percentage of our refinery volume on the “Delivering” category.

⁴⁷ Referring to all programs registered up to the end of December 2022.

Focus areas

Cargill plantations

Cargill has been advancing sustainable practices in our palm plantations in Indonesia since joining the RSPO in 2004, including working directly with smallholders in the surrounding communities. At our nine plantations across Indonesia, located in South Sumatra and West Kalimantan, we maintain new developments in line with the High Carbon Stock Approach (HCSA) and peat conservation commitments and we continue to protect human rights.

2022 Progress

Certification

In 2022, we maintained the RSPO certification for every mill and palm kernel crush plant in our operations. Most of our facilities are also certified under the Indonesian Sustainable Palm Oil scheme (ISPO).

Reforestation and conservation

Our efforts to restore a peat swamp forest near our Hindoli plantation in South Sumatra have been successful in reforesting the area. Careful selection, tree planting, and conservation monitoring have improved the density of flora and fauna, and maintaining surface water levels helps to prevent potential fires. After four years, the project achieved the following positive impact in 2022:

- 100% of the area is reforested
- 10,000 native trees (26 local species) have been planted
- Eight protected bird and animal species have resettled in the reforested area
- More than 50,000-ton reduction of carbon dioxide equivalent (CO₂e) and nearly 14,000 tons of carbon stock sequestered

This project has been recognized as an example of collaboration by government, private sector, and

100%
Mills RSPO certified

84%
Plantations RSPO certified

64%
Smallholders RSPO certified

100%
Fresh fruit bunches originate from NDPE-compliant sources

100%
Cargill operations and surrounding communities covered by a fire prevention and awareness program

NGO partners to preserve peat swamp forests with high conservation value and diversity.

We also continue our involvement in the Nanga Lauk community forestry conservation project in West Kalimantan. The project supports the local indigenous community in protecting biodiversity and critical ecosystems across more than 1,400 hectares of forest through sustainable land-use practices and patrolling against illegal logging. Orangutans have been returning to the area, and the project aims to expand to cover more than 9,000 additional hectares.

Methane capture

To reduce the greenhouse gas (GHG) footprint of our palm oil operations in Indonesia, we have been identifying and quantifying emissions sources and are implementing nine projects to capture methane gas emissions from wastewater treatment facilities at our mills. The collective impact of these projects is an estimated reduction of 270,000 metric tons of CO₂e, helping to meet Cargill's goal to reduce GHG emissions in our operations by 10% by 2025, against a 2017 baseline.

The captured methane is being used to generate power for use in our mill operations and housing for workers and their families. Two biogas plants in West Kalimantan are currently operational, two others are being built and five additional projects are targeted for completion by the end of 2024.

Decent Rural Living Initiative

Cargill joined the [Decent Rural Living Initiative](#) in 2022, a pre-competitive collaboration by five leading palm oil producers working together with relevant experts and stakeholders to develop long-term practical solutions that



benefit rural workers in the palm oil industry. Initially focused on Indonesia, the initiative is guided by seven principles:

- Commit to experimentation and scaling solutions
- Be worker-centric
- Provide additionality, ensuring efforts complement rather than duplicate existing programs
- Take a systemic approach, recognizing transformation requires social and structural change
- Be transparent
- Be future-oriented, considering the impact of industry trends on the well-being of rural workers
- Engage relevant experts to inform and validate solutions

Women's empowerment

To expand the role of women in palm oil plantation communities, Cargill is collaborating with [Yayasan CARE Peduli](#) and the Musi Banyuasin District Government in South Sumatra to launch a three-year women's empowerment program in 13 villages. The program aims to address challenges faced by women in the palm oil plantation sector, including limited access to financial resources, knowledge, and technology as well as sexual harassment and lower wages compared with male farmers.

Recognition

In 2022, seven of Cargill's palm oil mills were recognized with the highest level of the Indonesian Ministry of Industry's Green Industry Award for sustainable production. This award helps demonstrate the impact of Cargill's [Policy on Sustainable Palm Oil](#) and commitment to supporting the UN Sustainable Development Goals.

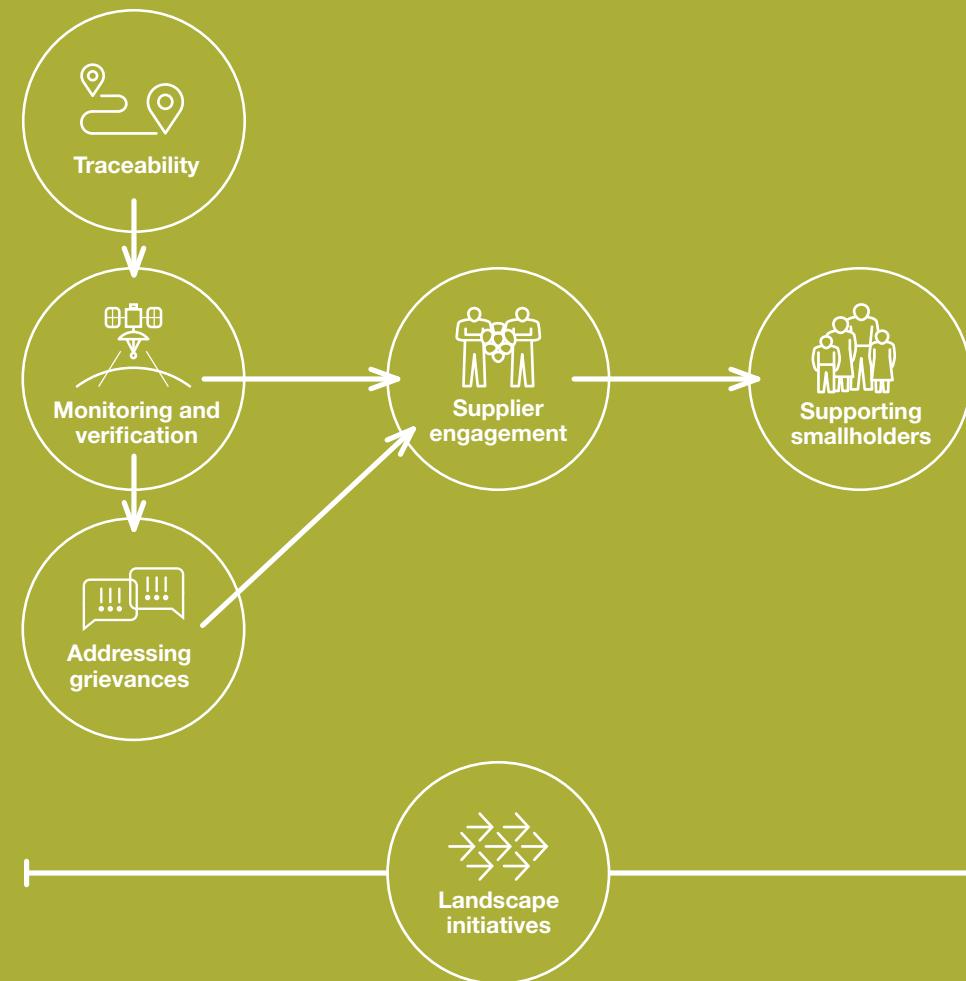
Cargill third-party supply chain

To achieve industry-wide change, we take a two-track approach focused on ensuring compliance with our Policy on Sustainable Palm Oil within our own supply chain, in addition to transforming practices beyond our supply chain.

2022 Progress

We continue advancing our efforts to improve the sustainability of our third-party supply chain, which accounts for more than 95% of Cargill's palm oil volume. We are committed to protecting forests and human rights across our entire supply chain—both within and outside of commercial palm concessions. We are working to transform our supply chain through traceability, monitoring and verification, addressing grievances, supplier engagement, landscape initiatives, and smallholder programs.

How we are protecting forests and human rights in our third-party supply chain





Traceability

Our approach

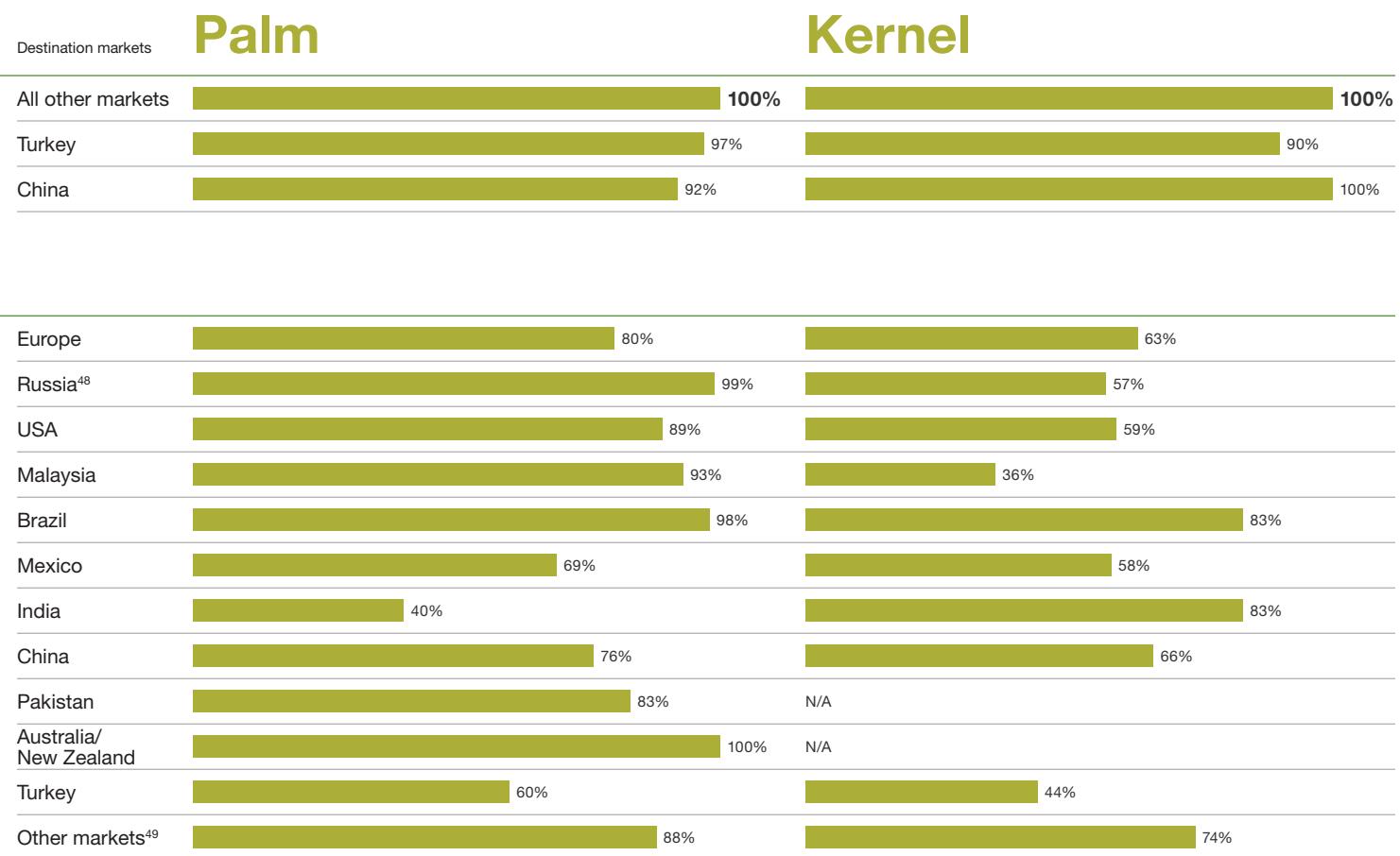
We have been using a [risk-calibrated approach](#)⁴⁷ since 2019. We map the fresh fruit bunch supply base of palm oil mills and identify areas of higher risk for not meeting NDPE criteria based on the extent of forest, protected areas, and uncultivated peat areas surrounding the mill. We prioritize high-risk mills for engagement.

In 2022, we continued to close the gap toward reaching 100% traceability.

KPI PROGRESS

Traceability to mill level
99%
Global score

Traceability to plantation level
72%
Global score



⁴⁸ Read [Cargill's statement](#)⁴⁷ about the situation in Eastern Europe.

⁴⁹ Includes Indonesia and other countries.



Monitoring and verification

Our approach

To ensure suppliers are adhering to our no-deforestation and peat commitments, we use satellite technology to remotely monitor and detect any changes to forested areas. We verify compliance with our Policy on Sustainable Palm Oil using our own guidelines and industry frameworks. (For more information, see the graphic below.) Cargill is now working with Satelligence to enhance our robust monitoring capabilities in support of our commitment to be deforestation-free in the palm oil supply chain by 2025. Due to this transition, we will include supply chain coverage metrics in subsequent ESG reports as Cargill continues to monitor our supply chain using Satelligence's system.

Verifying compliance with NDPE commitments

Using plantation location data, we conduct remote monitoring of palm plantations and adjacent areas using satellite technology to help ensure there are no signs of deforestation or planting on peat lands, then we verify the results to confirm compliance with our Policy on Sustainable Palm Oil and take action as needed.



Tracing palm to the plantations where it is grown ([learn more](#)) guides remote monitoring and verification

Radar (RADD) forest monitoring system and Global Forest Watch data
Cargill radar and satellite system supported by Satelligence

NDPE Implementation Reporting Framework Data Verification Protocol: validates environmental data
RSPO certification: on-the-ground verification of environmental and social compliance

Grievance process ([learn more](#))
Supplier engagement ([learn more](#))

PalmWise™ customer portal
Grievance reporting on [Cargill.com](#) ⓘ
Sustainability reporting



Addressing grievances

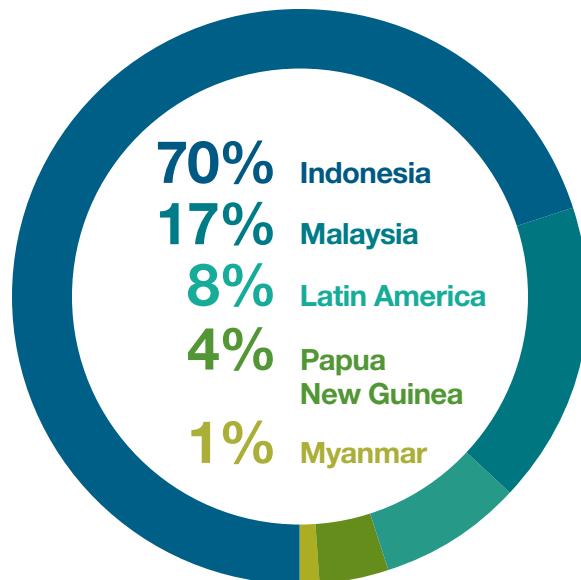
Our approach

When an issue is identified through our monitoring efforts, we immediately take action to address it. For example, when deforestation grievances are identified and validated, we immediately suspend suppliers and work with them to define an action plan with clear timelines and milestones. Our supplier suspension process is outlined in our [Palm Grievance Procedure](#)⁵⁰. To address labor and human rights issues in the palm oil supply chain, we prioritize engagement based on varying levels of severity and impact to drive long-term capability and compliance improvements. When a supplier is unable or unwilling to make progress within the agreed upon timeframe, or has repeated non-compliances, we remove the supplier from our supply chain.

We hold ourselves and our suppliers accountable to respond to grievances, set time-bound action plans to ensure progress, and close the grievance in a timely manner as agreed to by the complainant. We do not tolerate retaliation against anyone who, in good faith, raises a concern or participates in an investigation or whistleblowing.

KPI PROGRESS⁵⁰

Location of grievances



Grievances logged

27
Direct third parties

80
Indirect third parties

Addressing grievances

Deforestation⁵¹



13% Investigation
4% Verification
9% Developing action plan
26% Monitoring implementation
18% Closed
31% Suspended

Labor/human rights⁵¹



23% Investigation
0% Verification
3% Developing action plan
27% Monitoring implementation
23% Closed
23% Suspended

⁵⁰ Referring to all grievances registered up to the end of December 2022.

⁵¹ Percentages do not total 100% due to rounding of decimals.



Supplier engagement

KPI PROGRESS

Sustainability program impact

93%
Volumes covered
by NDPE policy

90%
Direct suppliers
(traders/refiners)
with NDPE policy

Direct mills

70%
have completed
self-assessments

82%
with NDPE policy

Total number of third-party suppliers

63 Third-party refineries

1,640 Third-party mills

Our approach

To ensure our suppliers are operating in compliance with our [Policy on Sustainable Palm Oil](#) ⁵¹ commitments and our [Supplier Code of Conduct](#) ⁵², we engage with them through visits, assessments, and workshops. Our risk-calibrated approach helps us prioritize the most important areas and suppliers for action. Our supplier engagement programs address both environmental and social sustainability challenges as we work to end deforestation and protect human rights in our supply chain. During 2022, working in partnership with the Consortium of Resource Experts, known as CORE (which includes Daemeter and Proforest), we updated our comprehensive due diligence process beginning with a questionnaire that suppliers must complete—followed by verification by our team—prior to our purchase of palm products. We will apply this updated due diligence process for all our suppliers globally.

Supplier engagement components

1. Due-diligence questionnaire and desk-based due diligence
2. Self-assessments
3. Field assessments
4. NDPE policy and implementation plan
5. Continuous improvement plan
6. Training

Our actions

Brazil: Through our partnership with [Earthworm Foundation](#) ⁵³, we are supporting palm oil mills in our supply chain to improve environmental, social, and labor practices so they meet the criteria of Cargill's Policy on Sustainable Palm Oil. Earthworm assesses and guides suppliers using the Aggregator Refinery Transformation (ART) action plan to help them increase sustainability, traceability, and accountability. In 2022, suppliers made progress in closing the gaps outlined in their action plans, and more than 100 supplier representatives were trained to address socio-environmental sustainability challenges during a series of sessions focused on human rights, conflict management, and [free, prior and informed consent \(FPIC\)](#) ⁵⁴ rights for indigenous peoples.

Latin America: We continued our work with suppliers in Colombia, Honduras, Guatemala, and Mexico to scale implementation of our Continuous Improvement Program focused on NDPE best practices. In 2022, we provided consulting and training to 12 high-risk suppliers to help them close gaps and comply with NDPE expectations in our Policy on Sustainable Palm Oil. Five suppliers from Colombia and Mexico completed action plan implementation during 2022, demonstrating compliance with social and environmental criteria. We also provided training to more than 320 mill assistants in Latin America through three webinars on our Connected4Change platform focused on traceability, geographic information system tools, and European regulations, including EUDR and CS3D.⁵²

Malaysia: We engaged with suppliers during 2022 to improve human rights and prevent deforestation. Working with Earthworm Foundation, we conducted an Ethical Recruitment Due Diligence Program with a mill in Masai (Johor) focused on recruitment practices, from pre-arrival of migrant workers at their country of origin to departure after completion of their work with the mill. The program included review of the supplier's standard operating procedure for recruitment, policies, and engagement with recruitment agents. (Updates on the Labor Transformation Program are provided in the human rights content under [Programs and partnerships](#).) To prevent deforestation, we engaged with three mills to review traceability, met with their

external suppliers, visited sites with deforestation alerts, and provided training about capacity building on HCV⁵³ areas. Earthworm also conducted focus group engagement with mills on NDPE capacity building, EUDR requirements and guidance on traceability using polygon maps. We partnered with Proforest to conduct a workshop for 12 fresh-fruit bunch dealers about NDPE and EUDR requirements and traceability systems. In addition, we worked with Control Union to conduct traceability audits of seven mills for one of our customers.

Indonesia: We worked with Daemeter to conduct a three-day supplier engagement workshop attended by more than 30 participants focused on sustainability trends and regulations, our risk-calibrated approach ⁵⁴ for collecting traceability data, FPIC updates, RSPO Principles and Criteria implementation best practices, and management and monitoring of HCV/HCS⁵³ areas.

Cargill continues to increase transparency in traceability through verification. We piloted the Traceability Verification

Guidance for Palm Oil Supply Chains, developed by CORE, with the objective to verify the compliance of traceability systems, processes, and outputs. The pilot, supported by CORE, was conducted at a refinery and a mill owned by one of our suppliers, Permata Group. Outcomes of the verification were shared with the supplier and Cargill will follow up on an action plan accordingly. We will continue to explore the Traceability Verification Guidance for Palm Oil Supply Chains and associated processes.

⁵³ High conservation value (HCV) / high carbon stock (HCS)



Improving labor and human rights

Our approach

Cargill is committed to protecting the human rights of workers, indigenous people, and local communities in our supply chains as detailed in our Human Rights Policy ⁵⁵ and our Policy on Sustainable Palm Oil ⁵⁶ and in line with international human rights principles and applicable local laws. We support the work being done to address labor and human rights issues by governments and organizations, including the International Labour Organization (ILO) ⁵⁷, and the United Nations Children's Fund (UNICEF) ⁵⁸, RSPO Human Rights Working Group, and Earthworm No Exploitation standard.

Our actions

Our actions to advance human rights are included in the description of our programs and partnerships, along with updates about landscape initiatives and smallholder programs.

KPI PROGRESS

72%
of direct suppliers with human rights commitments in their NDPE policy



Programs and partnerships

We collaborate with partners to support smallholders and address sustainability challenges across the palm oil supply chain. Many of these challenges, such as deforestation and human rights concerns, are not specific to a single supplier or to the palm sector alone. To tackle issues that are common within a region and across commodities, Cargill collaborates with a variety of stakeholders through interventions at the landscape level. Working together, we can better address persistent, complex social and environmental risks involving multiple mills, growers, buyers, and other stakeholders. The involvement of public institutions in these collaborations is key to achieve systemic change.

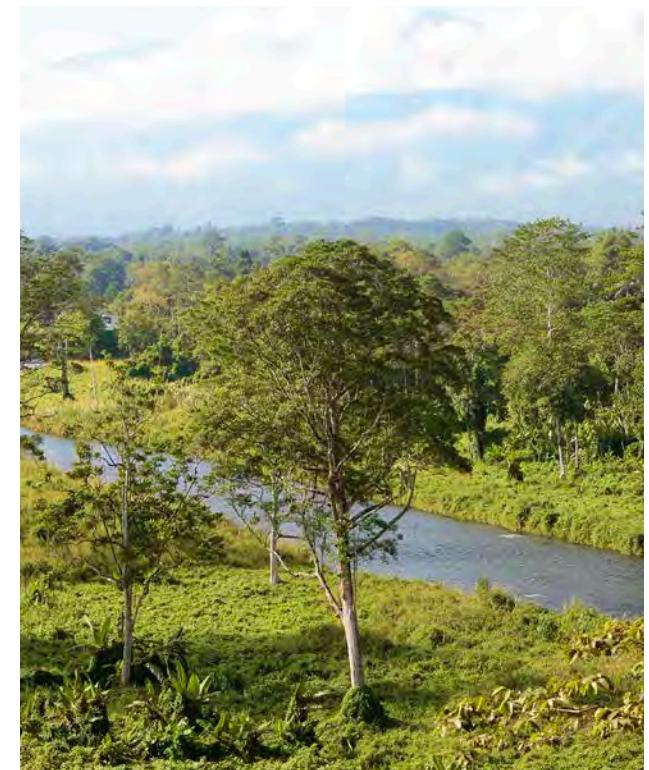
Landscape initiatives

Our approach

We collaborate through landscape-level initiatives and platforms, such as the [Tropical Forest Alliance \(TFA\)](#)², to address challenges that span physical and political boundaries and involve multiple commodities. Cargill is currently participating in nine palm-related landscape programs around the world.

Our actions

Brazil: We continue to support the [Tomé Açu landscape program](#), in partnership with Earthworm Foundation, using an integrated approach involving brands, commodity producers, smallholders, authorities, and local communities in the northeast of the state of Pará. The program includes helping to develop small palm producers while achieving positive and regenerative impacts on the landscape. In 2022, the program strengthened farmer associations and cooperatives and supported the formalization of 10 businesses—initiatives that are expected to produce a 30% increase in revenue for rural entrepreneurs. Ongoing women's empowerment efforts included interviews with 400 women and training for 120 female leaders. More than 400 families have participated in the program, six municipalities have benefited from food security initiatives, and land rights have been reinforced through property registration and access to new credit.





Colombia: We participate in three landscape programs in Colombia. Now in phase three, the Lebrija River Basin landscape program is implementing action plans focused on deforestation prevention, conservation, and farm and water management. In 2022, Cargill and Proforest conducted workshops and capacity building sessions to

build partnerships and develop the collaboration agreement with the palm oil core entities that support the project. The implementation phase commenced in 2023. So far, the program has reached:

- **67%** high-risk and **33%** low-risk mills in the Lebrija River Basin landscape
- **6 mills** in Cargill's supply chain engaged in the program

We continue to participate with Solidaridad in the **Intel4Value landscape program** to address employment and labor gaps among palm producers and workers in the Catatumbo region of Colombia. Now in its second year of implementation, the program is working to build an efficient, scalable, and sustainable palm oil value chain. The program is creating a positive social impact for nearly 3,000 workers—including nearly 1,000 women, providing environmental protection for more than 20,000 hectares of farmland, and improving livelihoods for 1,200 smallholder farmers, including more than 400 women. During 2022, more than 380 smallholders received training on sustainability issues and completed the Sustainability Index baseline to identify gaps in sustainable agriculture best practices. Furthermore, more than 100 producers completed the RSPO recertification process.

Cargill also remains a member of the **Colombia Land Initiative (CLI)**, which aims to support collaborative efforts to address land rights and tenure in two palm oil producing areas.

Malaysia: Our support for the **Southern Central Forest Spine (SCFS) landscape program** continues as the program enters its second year focused on supply chain transformation, forest protection and restoration, farmer resiliency, and workers and families. The program balances sustainable production, forest conservation,

resilient livelihoods, and good labor practices in the SCFS region—a group of forested areas and critical wildlife corridors that have experienced significant land conversion to palm plantations. The program's impact in 2022 includes:

- **42%** reduction in deforestation in the landscape's key sensitive area
- **26%** of palm mills are traceable to plantations
- **39%** of mills have action plans to address NDPE commitments
- **206** farmers engaged in livelihood improvement programs
- **274** (direct) and **1,934** (indirect) workers engaged to improve welfare and working conditions

To improve traceability, we participated in joint workshops with fresh-fruit bunch (FFB) dealers—a strategy that is expanding to include more mills across the landscape in collaboration with the Malaysia Palm Oil Board, Malaysian Palm Oil Certification Council, and other participants. Cargill also is a key partner in the development of effective grievance programs to safeguard workers' rights. We facilitated engagement with two mills to pilot the rollout of an operational grievance mechanism with management and workers at small and medium-sized palm oil companies. The need for a safe, effective, trusted grievance mechanism aligned with the United Nations Guiding Principles (UNGPs) was identified in 2021 and the collaborative response is led by Earthworm Foundation.

Indonesia: We participate in four landscape programs in Indonesia. We continue to support implementation of the **Siak and Pelalawan Landscape Program** [↗], which is focused on protecting and enhancing forest, peatland, and natural ecosystems; improving the livelihoods of smallholders; respect for labor and community rights; and sustainable oil palm production.

Through multistakeholder partnerships and consensus, the program achieved progress in several key areas during 2022, its third year of implementation. An additional 140 oil palm smallholders were mapped and identified using smallholder business registration guidelines, bringing the total to more than 1,300, and nearly 80 smallholders received plantation registry letters—a prerequisite for meeting the ISPO standard required by 2025. Training on conservation and good agricultural practices was provided to more than 2,000 people, and 18 households participated in a pilot project focused on income diversification. Farmers from more than 28 villages participate in the program, representing more than 150,000 hectares of land. Both the Siak and Pelalawan district governments have committed to natural ecosystem management and no-deforestation plans, and are moving forward with conservation regulations in eight villages and district action plans for sustainable palm oil. KPIs for this landscape program include:

- **79%** of high-risk, **15%** of medium-risk, and **6%** of low-risk mills in the landscape participating
- **47 mills** in Cargill's supply chain engaged in the program

The **Sungai Linau landscape program** in Sumatra, now in its second year of implementation, focuses on community-based land use development, long-term protection of the **Giam Siak Kecil-Bukit Batu Bioreserve**⁵⁴, GHG emissions reduction through forest and peat protection, and supporting village members' livelihoods. Progress highlights in 2022 included the completion of land tenure

assessment for Sei Linau village and an agroforestry group formed by community members to implement activity within the village forest perimeter, including the planting of crops such as rubber, coffee, and taro. Assessment of a deforestation monitoring protocol in Sungai Linau village also was conducted. The process involved engagement with various stakeholders, including the local community, government, and forest management agencies.⁵⁴ As of March 2023, smallholders from four villages had received training from program implementation partner Musim Mas about good agricultural practices, financial literacy, group dynamics, NDPE policy, and introduction to ISPO and RSPO requirements.⁵⁵

To increase use of sustainable practices by smallholders around our operations, we are implementing programs near our **Ketapang and Hindoli plantations**. In Ketapang, West Kalimantan, Cargill, IDH—The Sustainable Trade Initiative, JDE Peet's, and FORTASBI (the Indonesian Sustainable Oil Palm Smallholders Forum) are supporting independent smallholders to achieve ISPO and RSPO certification. To date, more than 5,000 independent smallholders from Ketapang are taking part in the landscape program covering nearly 12,000 hectares of palm plantations.

In the Musi Banyuasin region near our Hindoli plantation in South Sumatra, more than 2,500 independent smallholders covering nearly 7,000 hectares of plantations supplying to Cargill's Tanjung Dalam mill participated in the **Hindoli Landscape Program**. They received support for preparing to attain RSPO and ISPO certification as well as training and building their capacity to organize into cooperatives.



⁵⁴ Local community (Lembaga Pengelola Hutan Desa), Planning and Development Agency of Riau Province (BAPPEDA), Forestry Agency of Riau Province (Dinas Kehutanan Riau), Forestry Law Enforcement of Riau Province (GAKKUM Riau), and Forest Management Unit (Kesatuan Pengelola Hutan/KPH) of Bengkalis District

⁵⁵ Smallholders in Sungai Linau Landscape Villages: Tanjung Damai, Sungai Linau, Bandar Jaya, and Sumber Jaya



Smallholder programs

Our approach

We work strategically with select mills in our supply chain to help smallholders deliver on their transformation plans and participate in programs focused on building smallholder capacity and promoting responsible farm development.

Our actions

Guatemala: We continued working with our supplier, Palmas del Ixcán, to help smallholders in the company's supply base, many of whom are women, to adopt sustainable agricultural practices and build their capacity to achieve RSPO certification. During 2022, Cargill supported several key environmental and social studies, including land use analysis for nearly 30 smallholders who are in the process of becoming RSPO certified and pre-certification audits for more than 20 smallholders to identify gaps in their compliance with the RSPO standard. These producers

have received a complete action plan for moving toward certification as well as technical support from Proforest to develop key studies necessary for RSPO compliance, including Environmental and Social Impact Assessment (ESIA), FPIC, HCV evaluations, and previous Land Use Change Assessment (LUCA).

Colombia: Cargill supports smallholder implementation of the Sustainability Index in Colombia as part of the **Lebrija River Basin landscape program**.

Mexico: We participate in the **Holistic Program** [↗] for sustainable palm in Mexico—together with the RSPO, Proforest, the Mexican Federation of Palm Oil (FEMEXPAL-MA), Cargill customers, and suppliers—to help support the transformation of the Mexican palm oil supply chain. The program provides smallholders with technical support and capacity building on various sustainability issues, including human rights, land use changes, HCV land, and HCS carbon mapping. In 2022, the program helped to certify nearly 120 independent smallholders from Oleopalma, a member of the initiative, with more than 2,500 hectares of palm plantation land. The program trained nearly 20 group managers and nearly 530 professionals to build capacity around sustainability.

Malaysia: We continue to support independent smallholders under the **Wild Asia Group Scheme (WAGS) program** to attain RSPO certification. To date, 574 smallholders have been RSPO certified under the WAGS program.

"The partnership with Cargill since 2015 is very important to us as they were the first one in Malaysia to support a certification program with an independent mill. The partnership enabled us to develop the first dealer model, and since then we were able to replicate and expand to other parts of Malaysia and beyond. It is very crucial for companies wanting to support independent smallholders towards sustainable production and smallholder inclusivity to realize the complexity of the palm oil supply chain, then making the commitment and investment to make it happen. Cargill has set a precedent that others should emulate."

Dr. Reza Azmi

Executive Director and Founder of Wild Asia



Human rights programs

Our approach

We participate in programs that address labor and human rights issues across our supply chain. In 2022, we took a series of actions to help our suppliers improve their processes.

Our actions

Labor Transformation Program: In 2022, the third year of implementing this program with Earthworm in Malaysia, we engaged with three high-volume mills on key topics, including ethical recruitment, retention of travel documents, accommodation, employment contracts, working hours, and grievance mechanisms. A positive impact from these mill engagements has been the return of workers' travel documents. Observations and findings from the engagements were used to create continuous improvement plans to guide suppliers in addressing key areas within their operations.

Labor Formalization Project: Cargill signed an agreement with the International Labor Organization (ILO) to support the promotion and enforcement of labor rights in Colombia. The project includes conducting gap assessments and implementing action plans to help suppliers uphold the rights of palm oil workers. The project is providing labor formalization support through technical assistance and capacity building for small, medium, and large suppliers across four regions in Colombia.

We continue to move forward on our sustainable palm oil supply journey. This includes providing transparency around actions to remove forest loss and conversion from our supply chain, outlining how we will measure and disclose emissions from land use change, and reporting progress toward these commitments.





Soy

Table of contents

133 Supply chain overview

134 Dashboard

135 Focus areas

137 Programs and partnerships

151 References

About this chapter

This chapter covers calendar year 2022. Information in this chapter is for that time period, unless otherwise noted. All data is for soy purchased and handled by our local sourcing businesses in South America, unless otherwise noted. For our previous soy progress reports, visit our [website](#).

It is a dynamic time in the global soy supply chain, with significant developments emerging on a continuous basis to spur us toward long-lasting, sectorwide transformation.

On the one hand, key destination markets like the European Union are enacting new regulations aimed at protecting forests and ensuring due diligence in countries of origin. These are helping to reshape the demand side of the market. Meanwhile with regard to supply, new solutions and partnerships in South America are giving farmers more options than ever to use sustainable practices and build more resilient food systems.

As Cargill, we are proud to connect these two sides of the market and build supply chain solutions that work for everyone. Over the past year, we have made strong progress in mapping our direct supply chain using farm-level polygons, completing this work for all the countries in South America where we source soy ([see p. 145](#)). We have also engaged with indirect suppliers to advance due diligence. And we have co-developed numerous projects and solutions with a wide range of partners on restoring forests, certifying sustainable production and increasing supply chain traceability. Meanwhile, our system of controls to understand and mitigate risks in our supply chain has never been stronger ([see p. 146](#)).

Alongside our maturing programs for land use and climate, we are expanding efforts into interconnected areas like water and human rights in the soy supply chain that also tie back to Cargill's corporate sustainability commitments ([see p. 150](#)). This is enabling us to have a more comprehensive positive impact on the communities that grow soy in South America, so we can ensure a sustainable supply and a bright future for farming in the region.

We have achieved much over the past few years, and yet we know there is much more to do. With the support of our customers, farmers and other partners, we will continue to build the solutions the world urgently needs.



Robert Horster

*Cargill Environmental Markets Lead
and Cargill Agricultural Supply Chain
Enterprise Sustainability Lead*

Supply chain overview

Our South American business sources soy in Brazil, Argentina, Paraguay, Bolivia and Uruguay. The business stores, processes and ships soybeans and other soy products to customers in the region and around the world.

Assets in Cargill's operations

135

country elevators

9

processing plants

14

ports

26

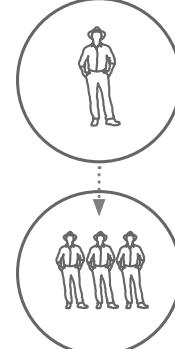
offices

How our soy supply chain operates

○ = Cargill operations

Suppliers

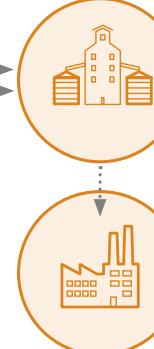
Farmers



Cooperatives and other indirect suppliers

Storage and processing

Warehouses store beans



Processing plants produce meal, oil and other soy products

Ports and transport

Ports load soy products for export



Soy products are delivered for domestic use

Customers



Customers in South America and around the world use our soybeans and soy products for animal feed, food ingredients, personal care items and fuels

Dashboard

Our business in South America buys soy both directly from farmers and indirectly from cooperatives, processors and traders. We are mapping the farms of our entire network of direct suppliers using polygon boundaries, while also engaging with indirect suppliers to drive change toward sustainable practices and end deforestation ([see p. 145](#)).

The figures below are for calendar year 2022 and are for soy purchased and handled by our local sourcing businesses in each country. Over a year ago, we completed polygon mapping of our direct suppliers in Brazil, meaning that all our directly sourced soy in that country comes from farms that have been mapped. We also recently achieved the same in Argentina, Bolivia, Paraguay and Uruguay. This data will be included in our next report, when we have been able to fully audit the mapping information for these countries.

Going forward, we need to continually update our database of polygon maps because our supplier base shifts somewhat each crop season. Still, building this database has been a significant milestone in our journey to be able to monitor, report and take action within our supply chain. It was made possible by the perseverance of our teams across the region to map and validate the operations of many thousands of suppliers.

Key performance indicators

Focus area	Metric	Progress				
		Argentina	Bolivia	Brazil	Paraguay	Uruguay
Transparency	Industrywide soy production (million tons)	43.9 ⁱ	3.0 ⁱⁱ	125.6 ⁱⁱⁱ	3.4 ^{iv}	2.8 ^v
	Approximate number of suppliers selling soy to Cargill	4,800	300	14,900	1,600	700
	Percentage of volume by type of supplier	Direct	66	74	64	45
		Indirect	34	26	36	55
						86
Traceability	Percentage of directly sourced volumes coming from suppliers whose farms have been polygon mapped	99	75	100	95	94
DCF	Percentage of volumes estimated to be DCF since 2008 (see p. 151 for our methodology)	98	73	94	96	100

Focus areas

Sustainable soy from South America

Our timebound targets

By 2025,

we will eliminate deforestation from our soy supply chain in the Amazon, Cerrado and Chaco biomes, in line with our commitment under the Agriculture Sector Roadmap to 1.5°C ↗

By 2030,

we will ensure all the soy we source in South America is DCF and all soy globally is deforestation-free, in line with our corporate commitment for all commodities

Our approach

Our businesses source soy from all the major growing regions in the world. We are focused on South America as the highest-priority region for soy sustainability because it is home to vital landscapes such as the Amazon, Cerrado and Chaco biomes that must be protected. Meanwhile, the region has grown rapidly in the last few decades to become a major source of the world's soy,

and this growth has underpinned many rural economies and communities.

Our strategic approach to soy sustainability in South America rests on three core concepts:

- Supply chain traceability and mapping efforts should be risk-calibrated
- Prioritization should direct

resources toward the highest-risk supplies from the highest-risk areas

- Inclusive sectorwide transformation – centered on farmer engagement – is necessary to truly protect vital ecosystems

Read more in our [Policy on Sustainable Soy - South American Origins ↗](#).

Our commitments



Transforming our soy supply chain to be **deforestation-free** while protecting native vegetation beyond forests



Promoting **responsible production**, which benefits farmers and surrounding communities



Respecting and upholding the **rights of workers, indigenous peoples and communities**



Upholding **high standards of transparency** through reporting of key metrics, progress and grievances

Our action plan

Since launching our first action plan in 2019, we are proud of the progress we have made to map our supply chain and build broad-reaching programs to help drive sectorwide transformation. Now that our approach has matured, we worked this year with external experts to redefine our action

plan so we can continue making progress toward our goals. This process included conducting extensive industry benchmarking and interviews with some of our stakeholders.

Our refreshed action plan is closely aligned with our commitments for sustainable soy, with activities that drive

progress on those commitments as well as our overarching target of having a DCF soy supply chain by 2030. Activities in support of these objectives in our action plan are found throughout this report.



Transforming our soy supply chain to be **deforestation-free** while protecting native vegetation beyond forests



Promoting **responsible production**, which benefits farmers and surrounding communities



Respecting and upholding the **rights of workers, indigenous peoples and communities**



Upholding **high standards of transparency** through reporting of key metrics, progress and grievances



Promoting **communication**

- Progress on engagement with indirect suppliers
- Advance deliverables for the Agriculture Sector Roadmap to 1.5°C
- Foster mechanisms to incentivize forest conservation

- Support farmers with the implementation of low-carbon practices
- Incentivize projects for recovering degraded land through restoration and through expansion over degraded pastureland
- Ensure compliance with legislation in our supply chain

- Continuously strengthen our due diligence procedures
- Train our employees and partners about our policies and tools to report concerns

- Publish regular reports about our progress
- Continuously reassess the KPIs we report based on stakeholder expectations and best practices in the sector

- Promote knowledge exchange based on experience of different commodities
- Increase internal engagement

Programs and partnerships

There is no single solution to achieve sectorwide transformation for soy in South America. That's why we have taken a portfolio approach, working with a wide range of partners on dozens of projects to incubate solutions that are effective in different local contexts. Whether we are leading the work ourselves, leaning on our technical partners for implementation, or working in broad coalitions, the goal is to give farmers the knowledge, tools and incentives they need to move to sustainable production.

Helping farmers comply with the Forest Code

Brazil's Forest Code is among the world's most rigorous legal protections. It requires that farmers conserve a certain amount of native vegetation within the property they own, with the percentage varying by region. Working with farmers to verify they are complying with the Forest Code and regularizing their overall operations within the regulatory framework will help ensure large amounts of forests and other native vegetation are protected. It also assists farmers

in maintaining their license to operate and access to financing, while providing added benefits for biodiversity, water resources and more.

To date, we have helped more than 160 farmers in the states of Maranhão and Bahia with this regularization work and our assistance has been well-received.

Defining a protocol for low-carbon soy



Alongside other companies in the soy sector, we are partnering with Embrapa, Brazil's government agency for agricultural research, to create [a new protocol for low-carbon soybeans](#). Cargill is committing \$420,000 to sponsor this three-year project, which will establish a certification protocol with science-based, verifiable and internationally accepted indicators.

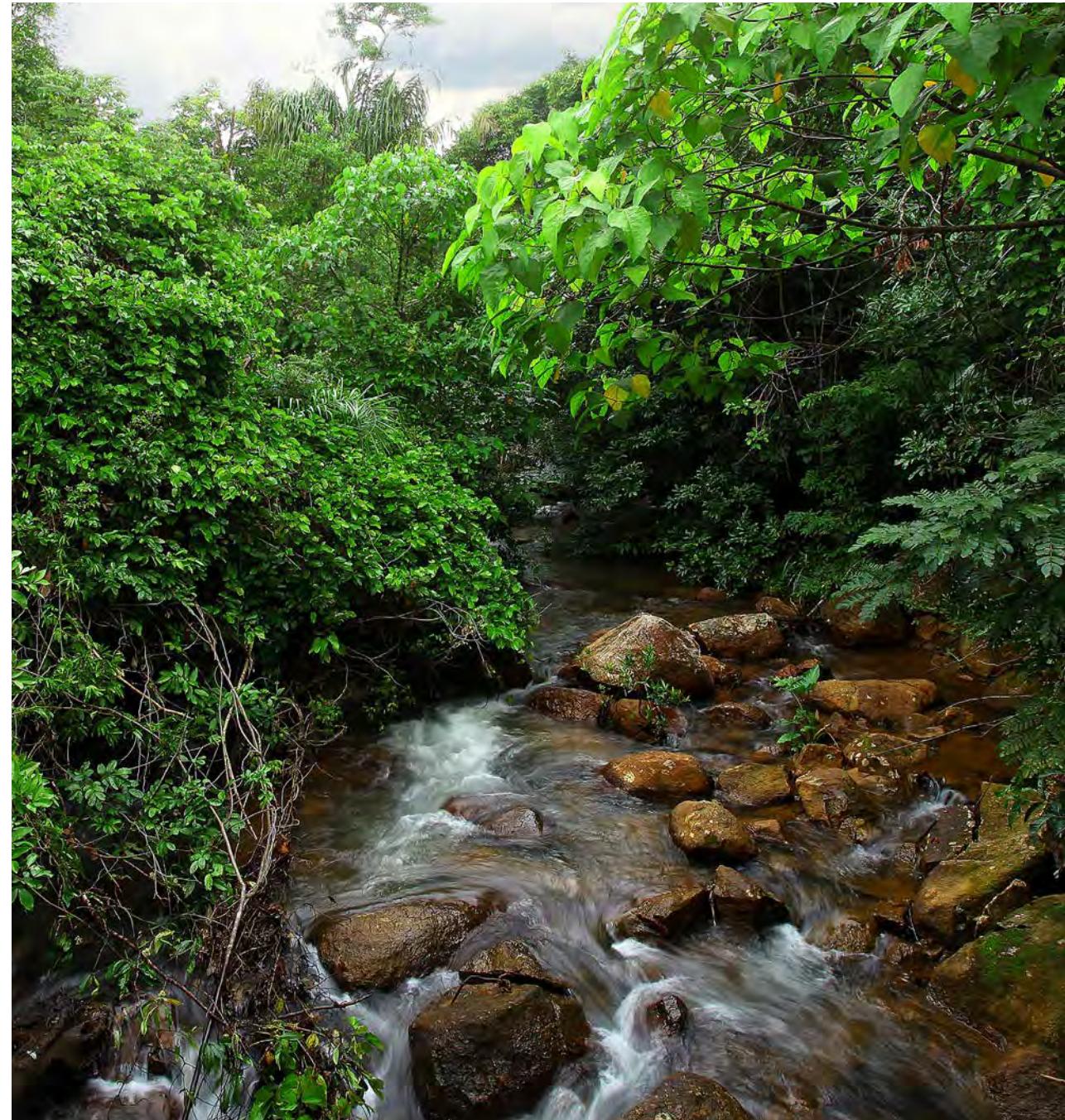
The protocol will identify what attributes of soy production will account for lower carbon compared to conventional practices used in the neighboring region. The goal will be to establish a label to go with the certification system, to differentiate low-carbon soy in the marketplace. Ultimately, the protocol will help drive an overall reduction in carbon emissions per ton of soy produced, as growers and users of soybeans adopt it as a verified system.

Recovering degraded lands across Brazil

Restoration is a key area of our work. In June 2022, we launched an initiative in Brazil with a commitment to have 100,000 hectares under restoration over five years. Thirty projects are already underway focusing on sequestering carbon, conserving biodiversity, and improving soil and water quality.

For example, in Uberlândia we are working with several partners to recover 3,000 hectares of degraded pastures and 1,500 hectares of permanent preservation areas in the Tijuco River basin. About \$4 million in funding from Cargill will help restore rangelands, conserve remaining native vegetation, protect water quality and help farmers in the area adopt low-carbon technologies.

30 projects already underway have the potential to restore
14,000 hectares
Toward a total target of
100,000 hectares





2.69 million hectares

Amount of land we are monitoring across South America as part of various certification programs

Studying regenerative agriculture in the Cerrado

Building viable economic models for sustainability and conservation will require understanding of how these models can work effectively. With this goal in mind, Cargill is investing approximately \$1 million to sponsor Regenera Cerrado, a broad environmental study that includes more than 30 scientists in various trials and research. Partners include Embrapa, Brazil's government agency for agricultural research; leading think tank Instituto Forum do Futuro; operational execution by Institute BioSistêmico (IBS); and various universities.

Regenera Cerrado is investigating the benefits of adopting regenerative agricultural practices in the Cerrado biome, examining 12 farms with various histories of using

these practices across 11 technical objectives. They include impacts to biodiversity, soil systems and water resources, as well as financial outcomes for farmers.

The three-year study launched in October 2022 and will generate scientific data around regenerative agriculture so farmers, companies and civil society institutions can make science-based decisions. This will help ensure that our programs have tangible, verifiable impact and that farmers have good options to make commercial decisions that benefit both them and the planet.

Giving farmers and customers strong options

For years, our proprietary soy certification program known as Triple S has served as a strong model for continuous improvement in sustainable production. Farmers enrolled in Triple S earn a premium for using verified criteria, while customers receive soy produced with sustainable methods, including being DCF.

Now, we are continuing to expand and deepen the program as a trusted offering. First, we expanded Triple S beyond soy to corn, canola and cotton, as well. Second, we went through a rigorous validation process to benchmark Triple S at [the Silver Level for SAI Platform's Farm Sustainability Assessment \(FSA\) 3.0](#). We are the first in South America's soy sector to achieve this milestone. It builds confidence in Triple S and makes it an even more attractive program for farmers and customers alike.

“The partnership with Cargill is very much in line with what Algar Farming seeks in the market: promoting sustainable agriculture through good practices, encouraging the regeneration of areas, and, consequently, the appreciation in the final price of commodities that these actions provide. It is a company that is in synergy with our purposes, both environmental and economic. We appreciate the possibility of activating so many projects together and we hope that we can always go further, in all our production units.”

Marlos Alves
President of Algar Farming and Triple S participant

Land Innovation Fund

Opening economic pathways to conservation

The Land Innovation Fund for Sustainable Livelihoods

was launched with a \$30 million commitment from Cargill and is managed by Chemonics International. Now in its third year of activity, the fund has enabled three rounds of projects aimed at developing innovative solutions, models and tools for supporting a

DCF soy supply chain in South America.

The fund is a demonstration of our commitment to transform the soy sector alongside our partners. With many projects now far into implementation and some already concluded, a clearer picture than ever is emerging regarding what will

be needed to help farming and forests coexist. Farmers need clear incentives and strong markets for the environmental services they can produce. Thanks to the fund, its partners, and many other organizations across the soy sector, pathways toward those economic models are appearing on the horizon.

Of the 37 projects funded to date, the following three case studies offer a good cross-section of learnings for the way forward. Meanwhile, the fund will continue to pursue its goal of sustainable agriculture that supports farmer livelihoods and a transformed landscape across the region.



Land Innovation Fund

A sustainable tool to ensure market access

The Visión Sectorial del Gran Chaco Argentino (ViSeC) is a multistakeholder effort to protect native vegetation in the Chaco biome. To help Argentine farmers demonstrate that their

soy does not come from recently deforested areas, the Land Innovation Fund (LIF) provided support and helped convene ViSeC; CIARA, Argentina's industry association for edible oils;

the Peterson Control Union; and the Rosario Stock Exchange to design a new digital traceability platform, with contributions from multiple other organizations.

This georeferencing platform is currently entering a proof-of-concept phase, with plans to scale it for broad adoption

by 2024. Once it is widely available, all producers in Argentina will be able to use it to show that their soy was grown on areas that were not deforested after December 31, 2020, which is especially important for the Chaco. The platform will be tailored to enable simple integration with private information

systems, making it easy for farmers and companies to use.

Crucially, this platform will provide traceability so that Argentine farmers can ensure their soy is compliant with both national legislation and new deforestation regulations in the European

Union. It will keep their soy eligible for export to this key market and help strengthen the linkage between sustainable practices and economic incentives.

A unified commercial solution

Building scalable solutions for farmers is key to achieving sectorwide transformation. Four different startups were developing digital platforms for farmers to measure various environmental services. They were able to combine into a single platform named HyperT – short for “HyperTransparency.” This was due to support from the Sustainable Soy in the Cerrado Program, a partnership between the fund and AgTech Garage, part of the PwC network. Additional support came from Cargill, CPQD,

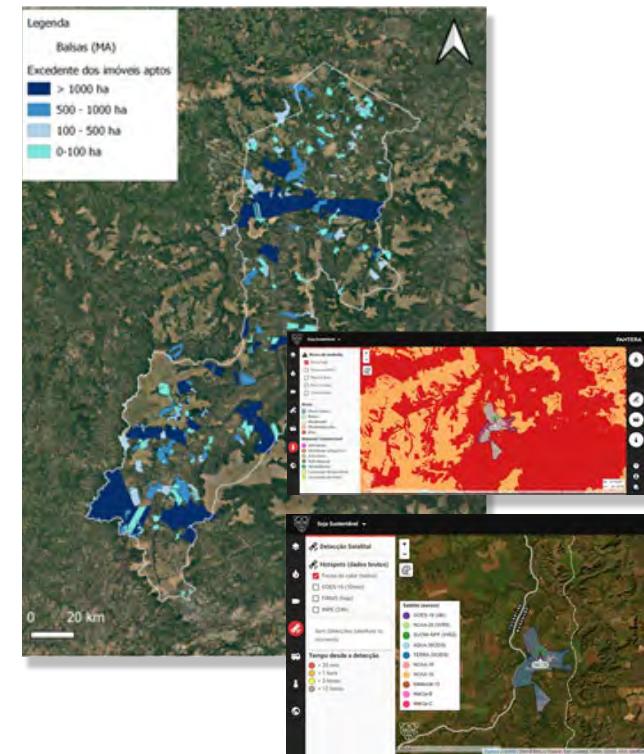
Embrapa and Embrapii. In April 2023, AgTrace, BrainAg, brCarbon and umgrauemeio used their respective areas of expertise and launched this unified platform, which can produce a complete analysis of each farm. This includes any documentation that may be missing for the farm’s socio-environmental compliance, guidance on how to prevent fires and other environmental damage, and the potential for financial returns from carbon credits earned through conservation of native vegetation – all in one platform.

HyperT is now available for commercial use. The goal is to scale it to farmers across the Cerrado biome in the coming growing seasons. Companies in the soy sector will also be able to use it to build incentive programs for farmers based on the environmental outcomes they generate.

Structured in modules, HyperT will be able to add other services in the future, making it an easy single solution for many farmers and companies.

“There is a growing global demand for farmer- and community-focused sustainable production that maintains productivity and good agricultural practices. Accordingly, we have opened our farms to prototype traceability solutions being developed by startups such as HyperT, so we can understand how startups and traders pursue solutions to add value to commodities like soy.”

Lucas Goulart
Farmer in Maranhão state



Land Innovation Fund

Understanding what drives farmers' decision-making

Recently, the fund sponsored a behavioral science field study applied to sustainability in the soy supply chain by researcher Fernanda Gomes from the International Institute for Sustainability (IIS), carried out in partnership with the Center for Conservation Sciences and Sustainability (CSRio) at the Pontifical Catholic University of Rio de Janeiro (PUC-Rio).

The goal was to speak directly with farmers and learn more about the factors that shape their decisions for land use. From September to December 2022, Gomes spoke to 69 farmers across the Matopiba region. Here are some of her reflections from this experience.

Q: You traveled in remote areas for months to meet farmers. What was your biggest takeaway from that experience?

Gomes: *Undoubtedly my biggest takeaway from this experience was to dive deeply into the farmer's reality: to learn about their past stories and the challenges they had to overcome as pioneers planting soy in new lands; their current reality dealing*

with risks related to climate change, instability in the commodities market and the political arena; and their plans and expectations about the future. Each interview had a life lesson.

Q: What do you think are the biggest hurdles to farmers adopting more sustainable practices and conserving or restoring native vegetation? How can we overcome those hurdles?



Gomes: *Agriculture in Brazil is an activity that demands high investment. Each year the producer goes into debt to buy seeds, fertilizer, new machinery and more to finance the crop, assuming all the risk with losses in the field. Every time they have to make a decision about the farm, they counterbalance*

the benefits and the costs of it. Minimizing the risks assumed by the farmers, offsetting costs or compensating them for eventual losses will definitely incentivize them to adopt more sustainable practices and set aside areas for restoration or conservation.

Q: What do you think the public most frequently misunderstands about how farmers make decisions about their production methods?

Gomes: *Most farmers are environmentally conscious and aware of the impacts of agricultural activities on nature and vice versa. They have a good understanding*

about ecosystem services and the contributions of nature to people. Sometimes, not adopting sustainable practices is only due to financial restrictions and not because they lack concern for the environment.

Read more reflections from Gomes [on the fund's website](#).

Land Innovation Fund

The next round of projects

The Land Innovation Fund will continue to work in broad coalition with many different types of partners to achieve soy sector transformation across South America. In May 2023, Chemonics announced the proposals that will receive support as part of the fund's third round of projects. They include:

Regenerative practices in Bolivia

1 The lowlands of eastern Bolivia are home to an ecosystem known as the Chiquitano Dry Forest that is under great pressure from deforestation. This project will pilot regenerative agricultural practices in different soil conditions across 53,000 hectares – aiming to influence 1 million hectares of soy and cattle farms in the region.

Implementing partners:
The Foundation for the Conservation of the Chiquitano Forest (FCBC), in partnership with the Regional Consortium for Experimental Agriculture (CREA) in Bolivia and the Conservation Strategy Fund (CSF)

Climate-smart and sustainable landscapes in western Mato Grosso

2 The aim of this project is to enable sustainable solutions that integrate easily into the current jurisdictional approach for the REDD+ system. In an area that includes some of the highest soy-producing municipalities in Brazil – and some of the highest rates of land conversion – the project will seek to drive conservation and restoration through economic incentives.

Implementing partners:
The Amazon Environmental Research Institute (IPAM), in partnership with Produzindo Certo and ProForest

SustentAgro: Crop-livestock-forest in sustainable soy chains

3 Continuing to connect farmers to viable economic models for sustainable services, this project will examine how 30 farms across 60,000 hectares can validate their environmental compliance and sustainability criteria. Uniquely, it will look at the integrated crop-livestock-forest system with the goal of connecting producers to carbon markets and other sources of revenue for environmental services.

Implementing partner:
The ILPF Network Association

Forest Carbon Incentives

4 This project will address the major gap of agricultural sector engagement in the state of Tocantins' REDD+ program, which will soon sell verified carbon credits. The project aims to develop a multi-stakeholder initiative to engage farmers in REDD+, especially soy and beef producers who wish to maintain access to international markets requiring zero land conversion or low-carbon agricultural commodities.

Implementing partners:
Earth Innovation Institute (EII), in partnership with Produzindo Certo and Taxo Agroambiental



Putting farmers at the center

We continue to support the collective action of the Soft Commodities Forum (SCF) to drive sector transformation – including putting the farmer at the center of this effort through the Farmer First Clusters initiative.

Launched in late 2022, the Farmer First Clusters focuses on the four states of Brazil's Matopiba region, employing a tailored, smart mix of solutions in different landscapes to address deforestation and conversion and encourage alternative mechanisms for conservation. This includes clusters related to restoring native vegetation; compensation for surplus legal reserve; integrated farming of livestock, crops and forests; incentives for expanding soy in existing pastureland; and technical assistance and extension services for sustainable production and compliance with the Forest Code.

The Farmer First Clusters has defined key progress indicators and is signing up implementation partners. Cargill has committed \$1.35 million over three years to the initiative, as part of our far-reaching efforts to ensure that farmers have viable economic alternatives to land conversion.

\$1.35 million

Amount Cargill is committing to the Farmer First Clusters initiative over three years



Helping farmers meet new requirements

In Paraguay, regulation of farming operations is moving the sector down a sustainable path. To help farmers comply with the country's social and environmental regulations, we worked with an industry group on a common set of recommendations.

Paraguay requires farmers to have a risk analysis done for social and environmental indicators to receive a formal license to operate. This includes ensuring farms conserve 25% of forested areas and protect waterways. It also covers proper treatment of workers and fair wages, as well as protections for indigenous lands.

We are working with our suppliers to help them understand how to comply with the requirements from the licensing process, as well as ways that they can restore forested areas if they do not meet the 25% conservation minimum. In this way, we are also helping them preserve access to key exporting markets like the European Union.

Gathering around the table to find solutions

Multi-stakeholder roundtables are an important way to drive sectorwide progress and are a good complement to the initiatives we lead individually. In addition to work with ViSeC in Argentina to advance supply chain traceability ([see page 141](#)), we participate in ongoing roundtables in Paraguay to help drive farmer regularization with regards to government licenses and social and environmental protocols. Discussions in Paraguay have also focused on common maps for polygons and other approaches that help standardize sustainable practices.

We also are working toward a soy roundtable in Bolivia. In December 2022 and again in May 2023, our team met with numerous stakeholders such as farmers and traders, financial institutions and NGOs. We discussed minimum criteria to move towards more sustainable production, measuring carbon sequestration, cutoff dates for deforestation and more. This will help move the country's soy sector toward a more sustainable future.

Building traceability across South America

We are proud to share that we have now completed mapping of polygons from all farm boundaries for all our direct suppliers in Argentina, Bolivia, Paraguay and Uruguay who delivered soy to us in our fiscal year 2022 (between June 1, 2021 and May 31, 2022). This mapping was not completed in time to use in our internal audit and DCF calculations for 2022, which is why our reported numbers on [page 134](#) are less than 100%. However, in the future, we will be able to continually update our database to account for new suppliers and stay as close to 100% mapped as possible.

This complex and rigorous achievement involved extensive work by our sustainability and commercial teams to gather information about thousands of suppliers across large areas within these four countries. To do it, commercial teams used a tool called Survey123 from ArcGIS to catalog information about each supplier and link them to polygons from public databases. Across the four countries, we identified more than 20,000 polygons connected to our thousands of suppliers, and commercial teams engaged with suppliers directly when needed to get information. We are now verifying the amount of volume produced in each farm to guarantee that we mapped all volumes received in each country (see more about this process on [p. 147](#)).

In this effort, our extensive commercial knowledge and relationships were key. It demonstrates how our broad reach and industry-leading capabilities can make crucial

connections to enable sustainable agricultural production. Going forward, not only can we monitor soy entering our direct supply chain across South America, we can also engage with farmers if we see an environmental risk and make them aware of sustainable solutions that may be available for conserving native vegetation, sequestering carbon, and other environmental outcomes.

Engaging with indirect suppliers

In Brazil, we continue to work with indirect suppliers, like farmer cooperatives, to promote sustainable practices and due diligence across the soy sector. In 2023, we worked with other peer companies to take a sectoral approach to this engagement, so that all cooperatives and intermediary suppliers have a single set of common expectations no matter who they sell to.

In June of this year, we began defining protocols for traceability and compliance that these suppliers will use. The sector worked with leading technical expert Instituto BioSistêmico (IBS) on these protocols, and indirect suppliers will have until the 2024 crop year to implement them.

In Bolivia, we began an individual engagement with all indirect suppliers to clearly define our expected protocols that align with our soy policy and our Supplier Code of Conduct. Ultimately, this work will be another form of due diligence to increase traceability in our indirectly sourced soy, protect against non-compliant soy leaking into our supply chain, and promote responsible production across the entire sector.



Ensuring due diligence

We rely on public data to connect farm polygons to the entities selling soy to us. But that public data only tells part of the story. In reality, a farmer may have many commercial relationships with family members and affiliated business entities that can make it hard to determine who exactly is selling soy to us – or reselling it from their business partners. Additionally, while land is registered to the owner, someone

else may be leasing it from that owner to grow crops, meaning that the producer's name does not appear in public databases.

But we are not letting this complexity deter us. We have developed a robust approach to solving this puzzle, creating transparency in our supply chain while also enabling

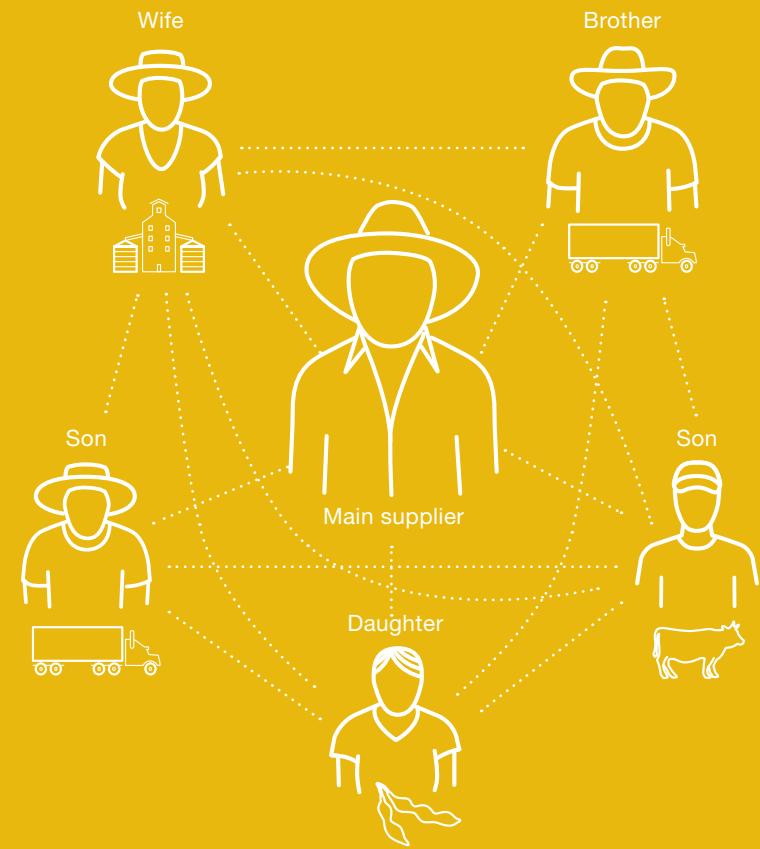
our farmer partners to show that they are doing the right thing. Our system is one of continuous improvement, and commercial relationships evolve and change continuously as well. But we are relentless in our work to keep refining it and proud of our industry-leading data and controls. It gives us good visibility to investigate and act, especially when a supplier is accused of violating our soy policy.

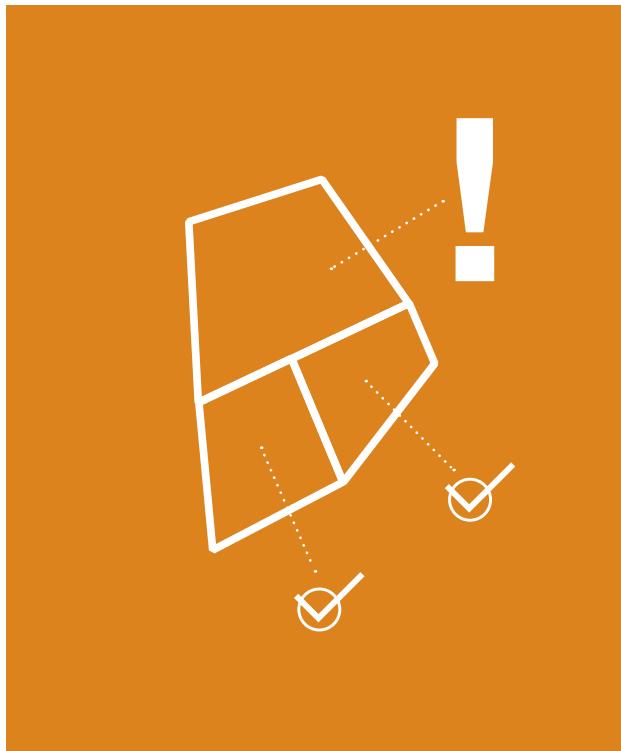
1

Mapping

To ensure that we are accurately mapping the polygons producing the soy we buy – and that soy grown by entities blocked in our commercial system is not being rerouted through business partners – our commercial teams outline a edge in our databases to supplement public data, while being sure to adhere to applicable privacy laws.

An example of how one Cargill supplier may have many family members with their own farming operations and affiliated businesses that can produce or sell soy





2

Validating

When direct suppliers deliver soy to us, they indicate the farm polygons where they grew that soy. As due diligence to ensure that these deliveries are accurately linked to the right polygons, we cross-reference the delivered volumes with average soy yields in the area. This allows us to make sure that a supplier isn't attributing more volumes to a polygon than is reasonable or likely based on the region's typical production.

3

Blocking

Our commercial systems automatically block any farm in Brazil that appears on various government lists for violations of the law or sectoral lists for failure to adhere to agreed environmental commitments. Thanks to our deep understanding of the commercial relationships in the supply chain, we can also block affiliated farms until we can confirm that non-compliant soy is not being re-routed to us through these alternative channels ([see p. 148](#)).

4

Responding

When third parties feel we may have missed non-compliant soy being re-routed through business partners – or want to address some other issue they feel is not in compliance with our policies – they raise a grievance. We take these grievances seriously and investigate immediately ([see p. 148](#)).

How and why we block farms

Thanks to our detailed mapping of commercial relationships in our supply chain, we have a strong system of controls to help ensure the integrity of our direct soy supply chain in Brazil.

Every day, our automated system consults lists managed by various government agencies and sectoral organizations. When a farming operation appears on one of these lists [for a violation or noncompliance], it is immediately blocked so it is not eligible to sell soy to us.

We also block other farms registered to the same person or entity in the state, as well as those with whom they have a close commercial relationship. These affiliated farms cannot be unblocked until we conduct a thorough analysis to help ensure that soy from the violating farm is not being rerouted and sold to us through the affiliated operation.

Each new crop season, we re-evaluate these commercial relationships and check to ensure that affiliated farms still are not re-routing soy from blocked commercial partners.

Our supply chain was audited this year for compliance with the Soy Moratorium and Green Grain Protocol, and no non-compliant soy was found.

Blocked farms by list in calendar year 2022

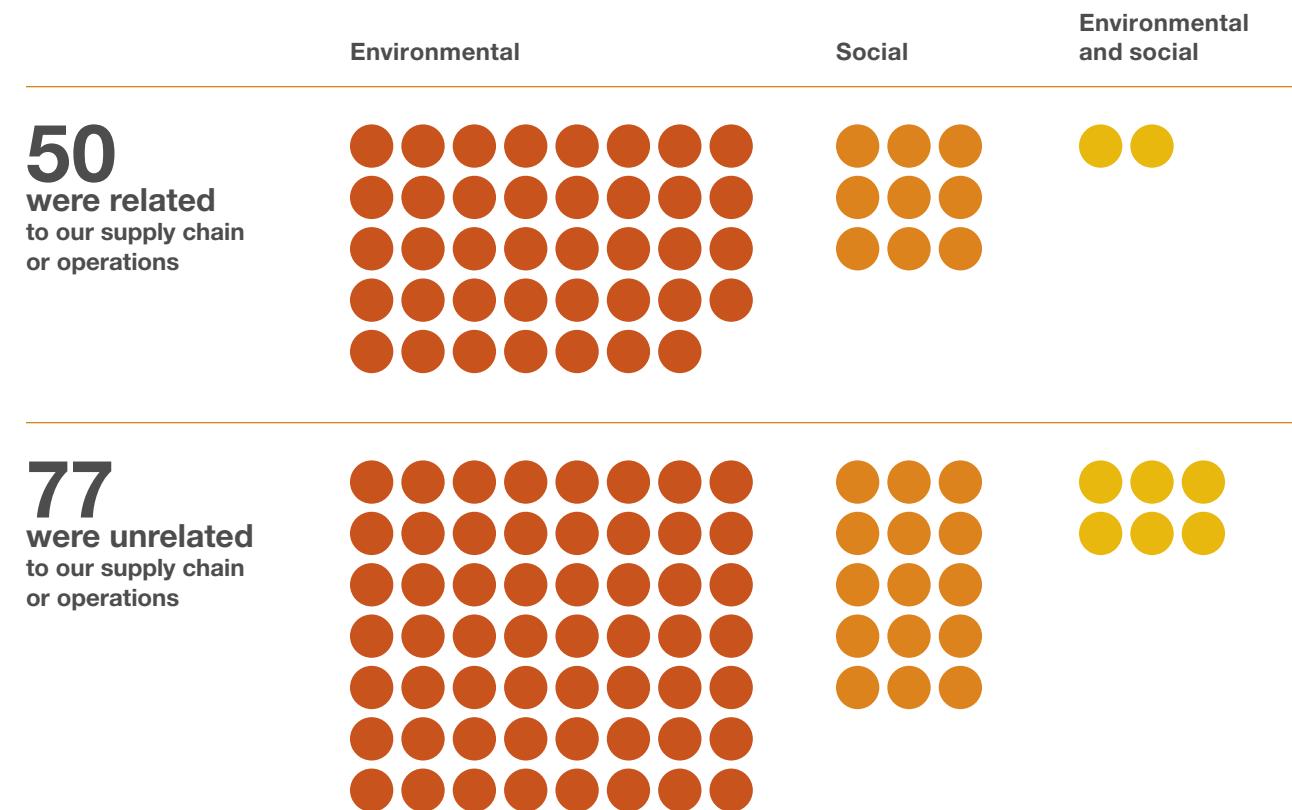
		Number of farms we blocked	Additional operations we analyzed to avoid rerouting of soy from restricted areas
Federal lists	IBAMA Covering all of Brazil, this list by the country's environmental agency includes embargoes for all types of illegal environmental activity such as illegal deforestation, improper licenses and farm management issues	909	702
	ICMBIO Covering all protected conservation areas within Brazil, this list includes embargoes for deforestation violations inside those areas	3	3
State lists	Slave Labor List Including all of Brazil, this list marks suppliers accused of making use of workers under conditions analogous to slavery according to Brazilian laws	31	9
	Embargoes Mato Grosso A list managed by the state's environmental agency recording all environmental violations	291	172
Sectoral lists	List of Illegal Deforestation (LDI) from Pará A list run by the state's environmental agency covering illegal deforestation	58	0
	Green Grain Protocol This is part of a commitment signed in 2014 that establishes criteria for responsibly purchasing grain from farms operating in Pará	48	5
Total	Amazon Soy Moratorium Managed by the Soy Working Group, this list monitors all types of conversion of native vegetation to soy production in Brazil's Amazon biome	125	56
		1,465	947

Addressing grievances

Our system of controls to block farms is thorough, but we also welcome concerns from third parties when they feel something is not right. We take immediate action to investigate when we receive reports of a problem related to our supply chain. Our [grievance process](#)  lays out a transparent mechanism for us to review, address and monitor any concerns as they are raised to us in relation to compliance with our soy policy. This includes documenting who raised the grievance, the farms or organizations being investigated, the status of our investigation, and our findings.

We take grievances seriously. We do not tolerate retaliation against anyone who, in good faith, raises a concern or participates in an investigation or whistleblowing. We prohibit harassment, intimidation and the use of violence by any employee, supplier or third-party contractor throughout engagement in our grievance process. Additionally, all suppliers are subject to Cargill's [Supplier Code of Conduct](#)  and our [Policy on Forests](#) .

127 soy-related grievances were reported in our system during calendar year 2022



Strengthening communities where we operate

Investing in WASH resources

Cargill has a global commitment to enable a water positive impact in our operations, supply chains and communities. That includes helping communities secure access to the clean water, sanitation and hygiene (WASH) resources they need for healthy living.

Brazil is a priority region within our global water commitment. This year, we launched a WASH initiative with Global Water Challenge to positively impact 20,000 people in communities closely tied to our operations and supply chains across five states.

Beyond helping communities improve access to drinkable water, these projects have an additional focus of empowering women in the communities with training and leadership resources. They also will benefit farmer livelihoods, as well as community health and resilience to climate change.

Protecting children from exploitation

Everywhere we do business, our commitment to protecting children is unwavering. We seek to prevent child labor, expand access to education and mitigate risk of other forms of exploitation. Starting 16 years ago, we were the first agribusiness in Brazil to work with leading non-profit partner World Childhood Brazil Institute to help protect children who may be vulnerable to sexual exploitation on Brazilian roadways through the On The Right Track program.

In addition, we are working with this organization to help local officials and community leaders get access to knowledge and resources so they can mitigate such issues in port towns. This year, we signed a public-private partnership with the local government in Pará state to help them expand their programming and promote greater awareness in protecting the rights of children and adolescents.

Protecting children in this way is an important human rights priority and one we are proud to help lead.



Making a positive impact

Our teams know that communities need resilience. Through the Cargill Foundation in Brazil, about 100 Cargill Cares Councils tied to our agricultural supply chain business regularly volunteer in the communities where we operate. They connect with community leaders to understand the most pressing needs where they can make a difference, and then they take action.

Activities frequently include supporting food banks, enabling female entrepreneurship and empowerment, helping smallholder farmers raise their productivity and livelihoods, and other efforts linked to improving food security.

1,400+ employee volunteers

help improve the communities
where they live and work

References

How we calculated our DCF figures

Brazil

For our directly sourced supplies, we used polygon farm boundaries to calculate our DCF percentage. For direct suppliers who own the land, we used automated consultation of the [INCRA-SIGEF website](#) (subscription required). For direct suppliers who rent land to grow their soy, our commercial team identified them and collected data.

Once these farm boundaries were identified, we analyzed historical satellite images from the U.S. Geological Survey and data from the University of Maryland to determine the percentage of soy volumes that came from farms where land had not been converted from native vegetation since 2008 – a date that aligns with Brazil's Forest Code.

For our indirect supplies, we used the historical data above to calculate the DCF percentage for the full soy sector in every municipality in Brazil. We then cross-referenced this sectoral average with our market share in the local area to arrive at a DCF percentage for our indirect supply in each municipality.

To arrive at a total DCF percentage of 94% for all of Brazil, we calculated a weighted average for each municipality based on our local proportion of direct and indirect supplies using the two methodologies above and then tallied a weighted average for the entire country.

Argentina, Bolivia, Paraguay and Uruguay

Although we completed polygon mapping for direct suppliers in these countries in recent months, it was too late to use these polygons in calculating our DCF percentage for 2022 during our internal audit. Therefore, in all four countries we used the sectoral average methodology based on our market share in each local producing region. For future reporting, we will use farm polygons to calculate DCF rates for direct supplies and sectoral averages to calculate DCF rates for indirect supplies, similar to what we did in Brazil for this report.

Footnotes

- i Source: [Ministerio de Agricultura, Ganadería y Pesca de Argentina \(MAGYP\)](#)
- ii Source: [Asociación de Productores de Oleaginosas y Trigo \(ANAPO\)](#)
- iii Source: [Compañia Nacional de Abastecimiento \(CONAB\)](#)
- iv Source: [Instituto de Biotecnología Agrícola y Unión de Gremios de la Producción \(INBIO-UGP\)](#)
- v Source: [Ministerio de Ganadería, Agricultura y Pesca \(MGAP\)](#)



Appendix

To provide further context on our ESG performance, we have included our Task Force on Climate-Related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB) Disclosure for the Agricultural Products sector, and an Animal Welfare Index in the following Appendix. Additional disclosures, including our 2023 CDP Climate Response, can be viewed in our online [reporting hub](#).

2023 TCFD Index

Category	Recommended disclosure	Disclosure reference
Governance	<ul style="list-style-type: none"> a. Describe the board's oversight of climate related risks & opportunities b. Describe management's role in assessing the managing climate related risks and opportunities 	<p>2023 CDP Climate Response: C1.1a, C1.1b ESG Governance p. 10 (ESG Report reference)</p>
Strategy	<ul style="list-style-type: none"> a. Describe the climate-related risks & opportunities the organization has identified over the short, medium, and long term b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning c. Describe the resilience of the organization's strategy, taking into consideration different climate related scenarios, including a 2C or lower scenario 	<p>2023 CDP Climate Response: C2.1a, C2.1b, C2.3a, C2.4a</p> <p>2023 CDP Climate Response: C2.3a, C3.1, C3.2a, C3.2b, C3.3, C3.4</p> <p>2023 CDP Climate Response: C3.2, C3.2a, C3.2b</p>
Risk management	<ul style="list-style-type: none"> a. Describe the organization's process for identifying and assessing climate-related risks b. Describe the organization's processes for managing climate-related risks c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management 	<p>2023 CDP Climate Response: C2.1, C2.1a, C2.1b, C2.2, C2.2a</p>
Metrics and targets	<ul style="list-style-type: none"> a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process b. Disclose Scope 1, Scope 2 and if appropriate, Scope 3 GHG emissions, and the related risks c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets 	<p>Materiality section of report</p> <p>2023 CDP Climate Response: C4.2, C9.1</p> <p>2022 CDP Climate Response: C6.1, C6.3, C6.5</p> <p>2023 CDP Climate Response: C4.1a, C4.1b 2023 CDP Water Security response: W8.1a ESG Scorecard p. 11 (ESG Report reference)</p>

2023 Sustainability Accounting Standards Board (SASB) Index

Agricultural Products v.2023-06

Topic	Accounting Metric	Unit of Measure	Code	Reference	2023
GHG Emissions	Gross global Scope 1 emissions	Metric tons (t) CO ₂ e	FB-AG-110.a1	CDP Climate-C6.1, C5.3, C4.1a, C4.3b	Scope 1: 6,927,653 CO ₂ : 6,497,856 CH ₄ : 398,572 N ₂ O: 31,225
	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, reduction targets, and an analysis of performance against those targets	NA	FB-AG-110.a2	CDP Climate- C4.1a, Climate Chapter of ESG Report	CDP Climate ↗ Chapter of Report
	Fleet fuel consumed, percentage renewable	Gigajoules (GJ), Percentage (%)	FB-AG-110.a3	CDP Climate	Not applicable for Cargill- not material.
Energy Management	1. Operational energy consumed,	Gigajoules (GJ), Percentage (%)	FB-AG-130a.1	CDP Climate 8.2a	50,281,880
	2. percentage grid electricity,			CDP Climate 8.2a	7,386,184
	3. percentage renewable			CDP Climate 8.2a	8,437,598
Water Management	1. Total water withdrawn,	Thousand cubic meters (m ³), Percentage (%)	FB-AG-140a.1	CDP Water 1.2b	50,281,880
	2. total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress			CDP Water 1.2b	Total: 93950
	Description of water management risks and discussion of strategies and practices to mitigate those risks	NA	FB-AG-140a.2	CDP Water	CDP Water ↗

Topic	Accounting Metric	Unit of Measure	Code	Reference	2023
Water Management <i>Continued...</i>	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Number	FB-AG-140a.3	CDP Water 2.2a	12 incidents that resulted in a fine.
Food Safety	Global Food Safety Initiative (GFSI) audit 1. non-conformance rate and 2. associated corrective action rate for (a) major and (b) minor non-conformances	Rate	FB-AG-250a.1		3.14
	Percentage of agricultural products sourced from suppliers certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program 1. number of recalls issued and 2. total amount of food product recalled	Percentage (%) by cost Number, Metric tons (t)	FB-AG-250a.2 FB-AG-250a.3	(a) 3.12 (b) 0.02	NA
					3 30.28MT
Workforce Health & Safety	Total recordable incident rate (TRIR)	Rate	FB-AG-320a.1		1.29 Reportable Injury Frequency Rate
Environmental & Social Impacts of Ingredient Supply Chain	Percentage of agricultural products sourced that are certified to a third-party environmental and/or social standard, and percentages by standard	Percentage (%) by cost	FB-AG-430a.1	CDP Forest F6.3	Palm: 34% Soy: 5% Cocoa: 47%

Topic	Accounting Metric	Unit of Measure	Code	Reference	2023
Environmental & Social Impacts of Ingredient Supply Chain <i>Continued...</i>	Suppliers' social and environmental responsibility audit 1. non-conformance rate and	Rate	FB-AG-430a.2	ESG Report	Supply Chain Chapters - Grievance process
	Suppliers' social and environmental responsibility audit 2. associated corrective action rate for (a) major and (b) minor non-conformances				
	Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing	NA	FB-AG-430a.3	ESG Report	Supply Chain Chapters
GMO Management	Discussion of strategies to manage the use of genetically modified organisms (GMOs)	NA	FB-AG-430b.1	GMO Statement ↗	
Ingredient Sourcing	Identification of principal crops and description of risks and opportunities presented by climate change	NA	FB-AG-440a.1	CDP Forest 3.1b, 3.2a	CDP Forest ↗
	Percentage of agricultural products sourced from regions with High or Extremely High Baseline Water Stress	Percentage (%) by cost	FB-AG-440a.2	CDP Water: FB1.2g	Maize/Corn: 11-25% Soy: 11-25% Cocoa: <1% Cattle products: 26-50% Palm Oil: 0%

Topic	Accounting Metric	Unit of Measure	Code	Reference	2023
Activity Metrics	Production by principal crop	Metric tons (t)	FB-AG-000.A	Total FFB volume produced by estates managed or controlled by your company (tonnes)	1,774,983.77
	Number of processing facilities		FB-AG-000.B	807 Facilities included in our GHG emissions reporting	
	Total land		FB-AG-000.C	Total land controlled or managed for oil palm cultivation - planted and infrastructure (hectares) 82,435.39	
	Cost of agricultural products sourced externally		FB-AG-000.D	Cargill Considers this data to be confidential	

Cargill Animal Welfare - Performance Data

Percentage of animals in our global operations and supply chains free from close confinement

Species (global total)	Fiscal year 2023 total	Additional notes
Beef	77.8%	Do not live in barns
Dairy cattle	78.1%	Do not live in barns
Turkeys	100%	Cage-free (indoor group-housed)
Laying hens	55%	Cage-free. Figure as of May 31, 2023.
Broilers	100%	Cage-free

Cargill Animal Welfare - Performance Data

Percentage of animals in our global operations and supply chains provided with species-specific enrichments

Species (global total)	Fiscal year 2023 total	Additional notes
Beef	100%	Cattle spend almost their entire lives outdoors. We do not raise cattle, and they are at our facilities for only a few hours prior to slaughter. All cattle at those facilities have access to one or more of the following enrichments: sprinklers, wind breaks, fans and shade.
Dairy cattle	100%	All cattle at our slaughter facilities have access to one or more of the following enrichments: sprinklers, wind breaks, fans and shade.
Turkeys	74.4%	These turkeys are housed in barns that allow natural sunlight.
Laying hens	50%	These include nest boxes, perches, and forage and dustbathing areas. Figure as of May 31, 2023
Broilers	43.5%	These include access to natural light, straw bales, perches and/or pecking objects.

Cargill Animal Welfare - Performance Data

Percentage of animals in our global operations and supply chains that are free from physical alterations

Species (global total)	Fiscal year 2023 total	Additional notes
Beef	38.9%	Cargill does not alter any cattle in our care. This percentage also indicates beef cattle that were not subject to castration, tail docking or dehorning prior to arriving at our facilities.
Dairy cattle	87.7%	
Turkeys	0%	All turkeys in our supply chain receive beak and toe treatments to prevent them from harming themselves or other birds. No turkeys in our supply chain are desnooded.
Laying hens	Less than 10%	Beak trimming or treatment is done by trained personnel to prevent pecking and cannibalism among birds and must adhere to the requirements of the respective certifying body. Figure as of May 31, 2023
Broilers	100%	

Cargill Animal Welfare - Performance Data

Percentage of animals in our global operations and supply chains that are transported within 8 hours or less at a time

Species (global total)	Fiscal year 2023 total	Additional notes
Beef	More than 90%	This covers transportation time from the most recent point of departure to our facilities.
Dairy cattle	More than 90%	
Turkeys	More than 99%	
Laying hens	More than 95%	Figure as of May 31, 2023
Broilers	100%	

Cargill Animal Welfare - Performance Data

Percentage of animals in our global operations and supply chains that are stunned prior to slaughter

Species (global total)	Fiscal year 2023 total	Additional notes
Beef	100%	
Dairy cattle	100%	
Turkeys	100%	
Laying hens	Not applicable	Cargill does not receive or process any egg-laying hens. We purchase tankers of liquid egg.
Broilers	100%	

Cargill Animal Welfare - Performance Data

Additional outcome measures specific to each species

Species (global total)	Fiscal year 2023 total	Additional notes
Cattle		
No slips	100%	
No falls	100%	
Turkeys		
Meets outcomes of composite welfare index from the National Turkey Federation	More than 98%	
Broilers		
Free from footpad dermatitis	90%	
Laying hens		
Tankers of egg product independently audited for animal welfare standards	100%	All tankers of egg product we receive are certified by United Egg Producers, Humane Farm Animal Care or American Humane Association, each of which adheres to its respective body's animal welfare standards and requires independent, third-party audits. Figure as of May 31, 2023.



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