

Supply chain overview

As a leading producer of palm oil, our operations involve sustainable sourcing, responsible trading, and refining of oil.

Our palm oil production supply chain includes plantations, mills, palm kernel crushing plants, and refineries located across the globe.

We uphold high standards on our palm plantations in alignment with our Policy on Sustainable Palm Oil, including in the areas of human rights, labor issues, and gender equality in our workforce. We work to minimize waste in our operations, converting byproducts into electricity and soil amendments to reduce greenhouse gas (GHG) emissions and improve soils.

While we directly purchase some oil from mills, most is acquired indirectly through traders and refiners. We promote the inclusion of smallholders by strategically purchasing via cooperatives and independently operated facilities to supply the mills we own and operate. This engagement with smallholders is particularly significant because it creates a diverse and resilient supply chain that in turn empowers local communities and provides access to an economic engine. [Learn more.](#)

Elevating Standards

As a founding member of the Decent Rural Living Initiative (see [Focus areas](#), page 89) we authentically promote sustainable agricultural

and labor practices. This initiative strives to improve the social well-being within supply chain communities through the creation of fair wages, transparency, and worker-centric long-term collaborations. By providing smallholders access to competitive market prices for their produce, we increase profitability and contribute to local economic growth and stability, reducing their dependency on single income sources and mitigating the impact of market fluctuations.

“Roundtable on Sustainable Palm Oil (RSPO) members like Cargill represent one of the most pivotal pieces of the supply chain in terms of linking RSPO certified sustainable palm oil (CSPO) to supply chain actors wanting to source CSPO for their consumer products.”

Cameron Plese
Head of North America, RSPO

Cargill owns:

19

refineries

9

mills

3

kernel
crush plants

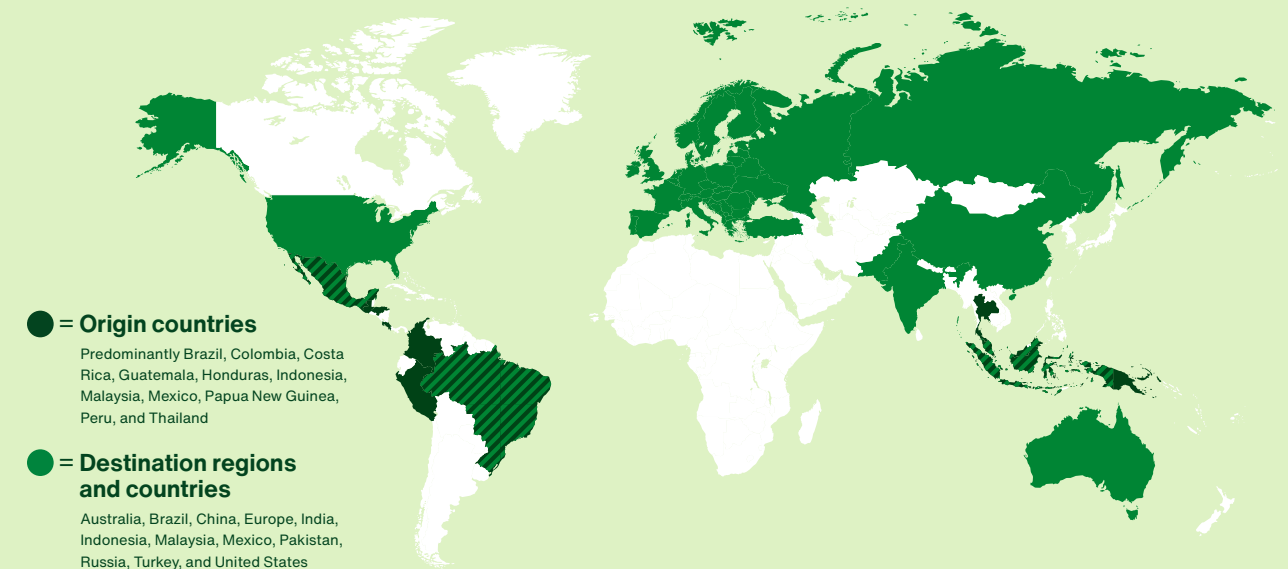
9

plantations

To make our supply chain more resilient, we partner with:

26,400

smallholders on 51,500 hectares of land



View the locations of our mills on our [website](#).

Palm oil supply chain

2023 progress

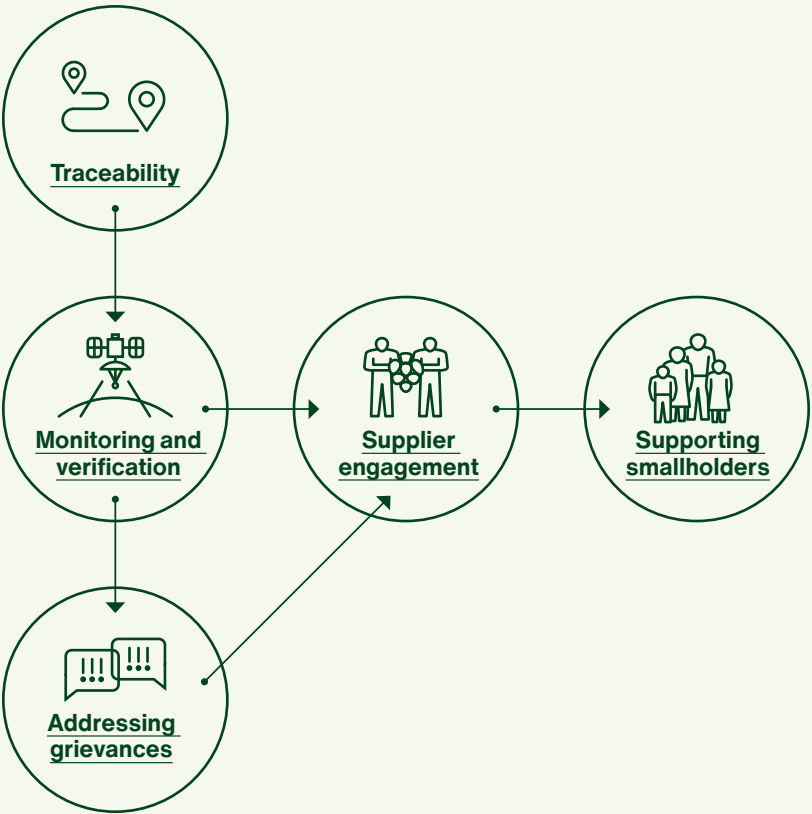
In 2023, we focused on making our third-party supply chain, which represents more than 95 % of our total production volumes, more resilient. We have partnered with more than 26,400 smallholders (nearly 3,000 more than last year) across more than 51,500 hectares in our own operations.

Leveraging new technologies and third-party verifications, we have improved traceability, made progress towards a deforestation-free supply chain by 2025, and have reduced our operational GHG emission footprint in Indonesia by 270,000 metric tons of CO₂e. We are advocates for the No Deforestation, No Peat, and No Exploitation (NDPE) Implementation Reporting Framework (IRF) and in alignment with Deforestation and Conversion Free (DCF) practices to prevent deforestation, adapting to new regulations such as the European Union Deforestation Regulation (EUDR), and the German Supply Chain Due Diligence Act (GSCDDA) to improve respect for human rights and the environment. We are actively participating in global sustainability platforms such as RSPO and the Palm Oil Collaboration Group (POCG).

Key highlights

- 100 % of our North American Palm is RSPO Certified and 100 % of our Indonesian facilities are RSPO and ISPO certified.
- More than 15,600 farmers were certified/verified under a sustainability program, compared to 9,830 in 2022.
- 270,000 metric tons of CO₂e reduced from methane capture initiatives.
- Our global Traceability to Plantation (TTP) increased from 72 % in 2022 to 77 % in 2023.
- Our refinery volumes in the “Delivering” category of the NDPE IRF increased from 54 % in 2022 to 74 % in 2023.
- More than 36,800 farmers were supported through services and partnerships, an increase from more than 27,100 in 2022.

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



28%

of all volumes are physically certified (RSPO segregated & mass balance)

1,300+

indirect mills

244

direct mills

We approach supply chain sustainability in two key ways:

ASSETS WE OWN

We ensure compliance with our Policy on Sustainable Palm Oil within our own supply chain.

View our Sustainability Policy [here](#).

THIRD-PARTY PARTNERSHIPS

We work with third parties who share our values for transparency, traceability, monitoring, verification, addressing grievances, supplier engagement, landscape initiatives, and smallholder programs. We also require that they acknowledge and adhere to our sustainability policy.

Our goals

Our purpose is to nourish the world in a safe, responsible, and sustainable way.

Protecting and conserving forests

As a global leader supplying sustainable palm oil, we are dedicated to conserving forests, preventing land conversion and deforestation, and protecting high conservation value (HCV) areas, high carbon stock (HCS) forests, and peatlands, regardless of depth within our global supply chain through the High Carbon Stock Approach (HCSA). See our [Policy on Forests](#).

Traceability and transparency

We are committed to maintaining traceability and high transparency standards through:

- Responsible NDPE practices
- Alignment with DCF good practices
- Empowering smallholders by improving their livelihoods through responsible production, maximizing yields and improving quality
- Respecting and upholding the rights of workers, indigenous peoples, and local communities
- Rigorous reporting and third-party verified compliance

We offer RSPO, ISCC, or equivalent certified products in support of customer demands and legal requirements.

Reducing GHG emissions

We achieved our goal of reducing Scope 1 and 2 GHG emissions by 10% against our 2017 baseline, and we continue striving for emissions reductions in alignment with the Science Based Targets initiative (SBTi). See [Climate chapter](#).



Respecting human rights

We prioritize human rights, ensuring fair treatment, safe working conditions, and ethical conduct across our global supply chains. This is detailed in our [Human Rights Policy](#) and is a core aspect of our sustainability practices.

100 % of our North American palm is RSPO certified

Effective January 2024, all customers buying palm oil from our U.S. refineries receive 100% RSPO-certified palm oil sourced from mass balance or segregated supply chains. This strategic shift supports a growing number of customers who have made their own pledge to source responsibly.




Palm sustainability goals and roadmap

| PRIORITIES | GOALS | 2025 | 2030 |
|---|--------------------|--|--|
|  Climate | Climate change | Support our SBTi goal to reduce Scope 1 and 2 absolute GHG emissions in our operations by 10% against a 2017 baseline | Support our SBTi goal to reduce our Scope 3 GHG emissions from our extended supply chain by 30% per ton of product against a 2017 baseline |
| | Land use | 100% traceable to plantation (TTP) All Cargill's palm refineries' volumes are in the "Delivering" category of the NDPE IRF | N/A |
| | Water | N/A | Enable improved access to safe drinking water in our priority communities in Indonesia for 25,000 beneficiaries Enable a water positive impact in water-stressed regions |
|  People | Farmer livelihoods | N/A | 60,000 farmers supported through services and partnerships |
| | Human rights | 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 | 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 |

Dashboard

We use key performance indicators (KPIs) to monitor progress towards our 2025 and 2030 goals, as shown in the sustainability roadmap dashboard. The 2023 progress column shows our progress compared to the 2022 benchmark.



| ROADMAP PILLAR | SUB PILLAR | YEAR | GOAL/KPI | 2022 | 2023 PROGRESS ¹ |
|--|---------------------------------|------|---|--|---|
|  Climate | Climate change | 2025 | Support our SBTi to reduce Scope 1 and 2 emissions by 10% against a 2017 baseline | 10.97% reduction of absolute operation emissions | 15.8% |
| | | 2030 | Support our SBTi to reduce Scope 3 GHG emissions by 30% per ton of product against a 2017 baseline | — | 670,000 metric tons Co ₂ e reduced |
|  Land & Water | Land use | 2025 | 100% Traceability to Plantation (TTP) | 72% | 77% |
| | | 2025 | All Cargill's palm refineries' volumes are in the “Delivering” category of the NDPE IRF | 54% delivering | 74% delivering |
|  People | Water | 2030 | Enable improved access to safe drinking water in our priority communities in Indonesia for 25,000 beneficiaries | 1,193 beneficiaries | 3,184 beneficiaries |
| | Farmer livelihoods ² | 2030 | 60,000 farmers supported through services and partnerships by 2030 | 27,167 | 36,817 |
| | | | Number of farmers who received training | 23,149 | 30,850 |
| | | | Number of farmers who are certified/verified under a sustainability program | 9,837 | 15,652 |
| | | | Number of landscape programs in which Cargill participates | 9 | 8 |
| | Human rights | 2025 | 100% of Cargill-owned palm operations have implemented our HRDD process | 100% | 100% |
| | | | 100% of direct suppliers have human rights commitments in their NDPE policy | 72% | 82% |

¹ 2022 was the final year of reporting on KPIs that corresponded with our initial roadmap. Going forward, we expect to track year-over-year progress using the new KPIs above.

² Referring to all programs registered up to the end of December 2023.

Focus areas

Cargill owned and managed plantations

We joined RSPO shortly after it was founded in 2004, reinforcing our commitment to sustainable practices across our nine palm plantations in South Sumatra and West Kalimantan, Indonesia. Collaborating directly with smallholder communities, we actively protect human rights, conserve peatlands, and ensure our developments align with HCSA to maintain environmental integrity.

Certification

In 2023, we maintained RSPO certification for every mill and palm kernel crush plant in our operations. 100% of our Indonesian facilities were ISPO certified with a strong chain of custody and compliance.

Reforestation and conservation

After five years of restoration efforts in a peat swamp forest in South Sumatra, we have seen significant improvements. We've committed to investing \$3.5 million over the next two decades to continue these efforts. Careful species selection, tree planting, and conservation monitoring have improved biodiversity and surface water levels to prevent fires.

Our ongoing involvement in the Nanga Lauk community forestry conservation project in West Kalimantan supports indigenous communities in protecting biodiversity and critical ecosystems across more than 1,400 hectares through sustainable land use practices and compliance monitoring. The project is planned to expand to cover more than 9,000 additional hectares.

Methane capture

We have initiated methane gas emissions capture from wastewater treatment facilities at our mills. Two capture plants are operational, while four additional plants are expected to be completed in calendar year 2024. Captured methane at Sei Kerandi Mill powers our mill operations and provides residential electricity, effectively improving energy access and strengthening grid resilience. Additionally, we are actively pursuing opportunities to harness methane captured at four other plants for beneficial use.

Decent Rural Living Initiative

We joined the **Decent Rural Living Initiative** (DRLI) in 2022 as an Anchor Partner in collaboration with four other major oil palm producers to assist in developing long-term solutions to improve lives of rural workers, including women and their families.

270,000 metric tons
of CO₂e reduced from our methane capture projects — equivalent to removing nearly 65,000 cars for a year in the U.S.

Source: [Greenhouse Gas Equivalencies Calculator](#)

Our partnership defines and implements practical solutions for child protection and strengthening the role of gender committees on estates for a more gender-balanced industry.

In 2023, we presented our comprehensive Child Rights and Business Principles (CRBP) implementation at the DRLI Members Sharing Session, which covered pregnancy or maternity rights, breastfeeding rights, nutrition and health services, housing conditions, sanitation, water, hygiene, childcare, educational access, child labor, and young workers.

As we implement DRLI principles, such actions align with RSPO standards, bringing farmers one step closer to achieving certification. As the quantity of certified farmers increases within our supply chain, the greater our impact on elevating the standard of living for workers and their families.

Women's empowerment

We launched the CARE-Cargill Resilience Building for Women in Palm Oil Communities project in 2022 to expand equity and empower women in South Sumatra, Indonesia. To date, we have reached over **12,800 people** (60% women) directly and almost **94,000 people** (55% women) indirectly with programs that enable access to technology and markets that help to expand small-scale agriculture profits and improve food security.

Through the national Women's Farmer Group program, we encouraged the formation of nearly 50 all-female groups in over 10 villages with approximately 750 members and supported the establishment of over 220 gardens with equipment, seeds, and extension workers. We promoted financial access with women-led Village Savings and Loan Associations with nearly 400 members.



Traceability

Our approach

We have been using a risk-calibrated approach 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.



KPI progress

In 2023, we made significant strides to close the gap toward our goal of 100 % traceability.

| Destination markets | Palm | | Palm kernel | |
|---------------------------|-------------|------|-------------|------|
| | | | | |
| All other markets | <div></div> | 100% | <div></div> | 100% |
| China | <div></div> | 95% | <div></div> | 100% |
| India | <div></div> | 99% | <div></div> | N/A |
| Pakistan | <div></div> | 89% | <div></div> | N/A |
| | | | | |
| Australia/ New Zealand | <div></div> | 100% | <div></div> | N/A |
| Brazil | <div></div> | 97% | <div></div> | 83% |
| China | <div></div> | 93% | <div></div> | 91% |
| Europe | <div></div> | 79% | <div></div> | 69% |
| India | <div></div> | 56% | <div></div> | N/A |
| Indonesia | <div></div> | 89% | <div></div> | 86% |
| Malaysia | <div></div> | 92% | <div></div> | 67% |
| Mexico | <div></div> | 66% | <div></div> | 70% |
| Pakistan | <div></div> | 89% | <div></div> | N/A |
| Russia | <div></div> | 95% | <div></div> | 69% |
| Turkey | <div></div> | 60% | <div></div> | 45% |
| United States | <div></div> | 95% | <div></div> | 74% |
| Other markets | <div></div> | 83% | <div></div> | 68% |

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. Cargill is now working with Earthqualizer and Satelligence to enhance our robust monitoring capabilities in support of our commitment to be deforestation-free in the palm oil supply chain by 2025.

Verifying compliance with NDPE commitments

We leverage satellite technology combined with precise plantation location data to conduct remote monitoring of palm plantations and their adjacent areas. This ensures there are no indications of deforestation or unauthorized activity on peat or forested lands.

99%

of traceable mills covered by satellite monitoring

EU Deforestation Regulation

The EUDR prohibits placing or making available relevant products linked to deforestation on the EU market. Cargill shares the European Union's objective of combating deforestation and forest degradation linked to the production of agriculture commodities and products. The EUDR reflects many of Cargill's commitments to increasing transparency and traceability in our supply chains. When the regulation takes effect, all referenced supply chains must implement measures to ensure they are deforestation-free.

