

Brazil: We support the Tomé Açu landscape program in partnership with Earthworm Foundation, using an integrated approach involving brands, commodity producers, smallholders, authorities, and local communities northeast of Pará to develop small palm producers while achieving regenerative landscape impacts. We have strengthened farmer associations and cooperatives through formalization of 10 businesses, expected to produce a 30% increase in revenue for rural entrepreneurs. Our women's empowerment efforts included interviews with 400 women and training for 120 female leaders. As a result, over 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 credit.

Indonesia: We continue to assist smallholders in obtaining ISPO and RSPO certification in Ketapang, West Kalimantan in partnership with IDH – The Sustainable Trade Initiative, JDE Peet's, and FORTASBI (the Indonesian Sustainable Oil Palm Smallholders Forum) in our Ketapang, West Kalimantan plantations.

Siaik Pelalawan Landscape Program (SPLP) in Riau, Indonesia. In partnership with seven other major companies, we aim to meet our commitments through the design of a landscape program that supports the government Green Growth District (Siak) and implementation of the Sustainable Palm Oil National Action Plan in Indonesia (Pelalawan). The SPLP initiative is aimed at protecting forests, enhancing smallholder livelihoods, reinforcing labor and land rights, and promoting sustainable practices.

SPLP has trained close to 7,500 oil palm farmers in good agricultural practices (GAP). These practices increase knowledge of plantation registry letters (STD-B) and land titles, crucial for meeting ISPO standards required by 2025. As a result, nearly 200 additional smallholders received STD-B in 2023, bringing the total to close to 600 smallholders in the region since 2020.

Understanding the districts' stakeholders and intricate landscape is vital for steering land use toward responsible production and conservation. SPLP has created detailed profiles for 11 villages, laying the groundwork for effective land-use management.

Our participatory mapping efforts have covered almost 400,000 hectares, including nearly 10,000 hectares of village land-use plans now under management and protection. Furthermore, SPLP has strengthened close to 3,500 hectares of village forest through paludiculture, which is wet agriculture and forestry on peatlands, and supported the recovery of nearly 110 hectares within the village forest.

To address environmental and social risks associated with districts' mills, SPLP has consolidated an aggregated IRF profile for over 50 mills engaged in palm oil production. This profile is instrumental in guiding these mills towards NDPE production standards.

Both Siak and Pelalawan's district governments have shown a strong commitment to ecosystem management and no-deforestation plans. They are now establishing conservation regulations in 12 villages, three more than in 2022, and developing district action plans for sustainable palm oil.

While 2023 marks the fourth and final year of SPLP's initial phase, the program is set to extend into a second phase from 2025 to 2029. Project activities and objectives are being discussed within members, responding to the change of challenges compared to when the initial program was designed in 2020. SPLP will continue to focus on implementing village land-use plans, advancing social forestry, and rewarding efforts to protect forests.

Hindoli Landscape Program. The Hindoli Landscape Program empowers over 2,500 independent smallholders managing nearly 7,000 hectares of plantations that supply our Tanjung Dalam mill in the Musi Banyuasin region near our Hindoli plantation in South Sumatra. Through this program, smallholders receive support to achieve RSPO and ISPO certification and training to enhance their organizational skills and form cooperatives. This assistance enables their growth and development, fosters community resilience, and enables environmental stewardship.



Sungai Linau Landscape Program. This program focuses on the protection of peat forest within Giam Siak Kecil-Bukit Batu Natural Reserve and its vicinity via community-based land use planning. This protection is achieved through a community effort to reduce livelihood pressures on the reserve through sustainable practices in partnership with companies including several major brand name organizations. The program also targets GHG emissions reduction through forest and peat protection and supports the development of alternative livelihoods for villagers.

2023 progress

Year three and final year of Phase 1 implementation:

- Nearly 6,000 hectares of peat forest within GSK-BB Biosphere Reserve and in Sungai Linau boundaries effectively protected under social forestry license by LPHD (village forest group)
- Nearly 24,300 hectares is under community-based forest and fire monitoring. Since the start of the program, one of the partners on the ground, Asia Pulp & Paper, has built the capacity of villagers on fires management. After three years, the villages have a solid fire patrolling team with more funding from the village government to operate.
- Over 450 smallholders have been trained by Musim Mas (as part of the implementers) on GAP training, and over 300 smallholders are joining the intensive coaching. In addition, Musim Mas also delivered a “Training of Trainers” which over 30 participants attended (over 20 extension workers and 10 independent smallholders).
- A socio-economic baseline study conducted across villages helped identify the gender issues present in the landscape, and started raising gender awareness in Sungai Linau and Tanjung Damai villages. Development of financial literacy training for women is currently underway.
- Participatory mapping has been completed in all four villages (Sungai Linau, Sumber Jaya, Tanjung Damai, and Bandar Jaya villages). Communities within these four villages have also been closely engaged for their awareness of protecting and conserving the remaining forest in the landscape. So far, 40 hectares in Sungai Linau has been identified to be used as agroforestry, while nearly 500 hectares identified in Sumber Jaya and Tanjung Damai villages for potential agroforestry/reforestation.



Smallholder programs

Our approach

We empower smallholders to build capacity and promote responsible farm development by strategically working with select mills in our supply chain. We promote sustainable agricultural practices by offering training programs and assist with the development of action plans to determine the key actions that need to be taken to achieve RSPO certification. We conduct land use analysis and pre-certification audits to assess smallholder readiness to facilitate their capacity to achieve certification.

In 2023 we worked with organizations in four different countries to make progress towards our goal to increase the quantity of farmers certified under a sustainability program. Compared to last year, we increased the number of certified farmers from 9,830 to 15,600 in 2023.

Our actions

Guatemala: In 2023, we continued our collaboration with Palmas del Ixcán to assist smallholders in Cargill's supply chain in adopting sustainable agricultural practices and building their capacity to achieve RSPO certification. Expanding on key environmental and social studies conducted in 2022, including land use analysis and pre-certification audits, a mock audit was performed to assess the readiness of the smallholders for RSPO certification. This exercise identified remaining gaps that needed to be addressed for certification. Using these insights, we revised our strategy and updated the action plan to help over 20 smallholders achieve RSPO certification.

Indonesia: We continued to assist smallholders in obtaining ISPO and RSPO certification in Ketapang, West Kalimantan in partnership with IDH – The Sustainable Trade Initiative, JDE Peet's, and FORTASBI (the Indonesian Sustainable Oil Palm Smallholders Forum) in our Ketapang, West Kalimantan plantations.

Mexico: The Holistic Program for sustainable palm oil in Mexico — developed through collaboration with the RSPO, Proforest, the Mexican Federation of Palm Oil (FEMEXPALMA), our customers, and suppliers — continued to make significant strides in transforming our palm oil supply chain. This program trained nearly 650 sustainability professionals from over 75 organizations across nine countries in various aspects of palm sustainability. A specialized course in document management was offered, equipping 30 participants to become internal auditors following ISO 19011 guidelines.

In producer development, four producer groups advanced towards RSPO certification, with compliance baselines finalized or updated and action plans developed through rigorous awareness and commitment-building processes. In total, 11 mills defined their sustainability commitments. Additionally, 117 RSPO-certified producers are progressing towards milestone B of the Independent Smallholders Standard, covering approximately 1,350 hectares. Overall, smallholder producers saw a 139% increase in income through the Holistic Program's support.

Malaysia: For the past decade, we have partnered with Wild Asia Group Scheme (WAGS) to support nearly 675 independent smallholders in Perak, including 45 women and nearly 30 individuals from marginalized Orang Asli communities. Our partnership has achieved RSPO Certification standards and demonstrated our robust commitment to diversity and sustainability in our supply chain.



The strength of our supply chain is intertwined with the communities that cultivate the production of palm, and our policy commitments to sustainability inform our efforts to ensure that the people and environment are safe and respected.

Soy

About this chapter

The content in this chapter pertains to calendar year 2023 unless otherwise noted. All data is for soy purchased and handled by our local sourcing business in South America unless otherwise noted.

For our previous soy progress reports, visit our [website](#).



Supply chain overview

Our South American agricultural supply chain 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.

133
country elevators

12
processing plants

20
ports

7
administrative offices

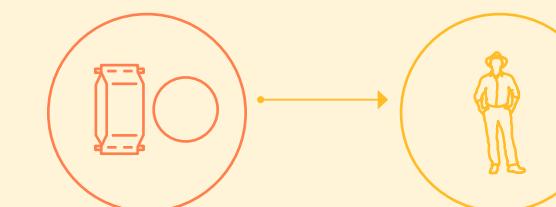
42
commercial offices



How our soy supply chain operates

Farm services

We offer farmers crop inputs, financial solutions, and price risk management



Suppliers

Farmers sell soybeans



Storage and processing

Our warehouses store beans



Ports and transport

Our ports load soy products for export



Customers



Cooperatives and other indirect suppliers buy and sell soybeans

Our processing plants produce meal, oil, and other soy products

Soy products are delivered for domestic use

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

○ = Cargill operations