Dashboard

Our agricultural supply chain business in South America buys soy both directly from farmers and indirectly from cooperatives, processors, and traders. The figures below are for calendar year 2023 and are for soy purchased and handled by our local agricultural supply chain business in each country.

We have mapped the farms of our direct suppliers in all five countries with polygon boundaries and use this information to calculate our deforestation- and conversion-free (DCF) figures. We also engage with indirect suppliers to drive change toward sustainable practices and end deforestation.

Going forward, we need to continually update our database of polygon maps, because our supplier base shifts somewhat each crop season and we continuously improve the accuracy of our mapping capabilities. 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 is made possible by the perseverance of our teams across the region to map and validate the operations of many thousands of suppliers.

FOCUS AREA	METRIC		PROGRESS *Argentina*	*Bolivia*	*Brazil*	Paraguay	*Uruguay*
Transparency	**Industrywide soy production (million tons)**		25.0[1]	3.2[2]	154.6[3]	9.5[4]	0.6[5]
	Approximate number of suppliers selling soy to Cargill		4,700	200	14,200	2,000	500
	Percentage of volume by type of supplier	Direct	80	56	60	39	85
		Indirect	20	44	40	61	15
Traceability	**Percentage of directly sourced volumes coming from suppliers whose farms have been polygon mapped**		98.25	100	99.99[6]	99.82	99.68
DCF	**Percentage of volumes estimated to be DCF based on a reference date of 2020**		99.8	96.3	99.3	99.8	100

How we calculated our DCF figures

Direct supply: For our directly sourced supplies in all five South American countries, we used polygon farm boundaries to calculate our DCF percentage. For direct suppliers in Brazil who own the land, we used automated consultation of the **INCRA-SIGEF website** and the **Federal SICAR website**. For direct suppliers in Brazil who rent land to grow their soy, as well as for direct suppliers in the other four countries, our commercial and administrative teams 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.

Indirect supply: For our indirectly sourced soy volumes in all five countries, we used the historical data above to calculate the DCF percentage for the full soy sector in every municipality or region. 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.

Total DCF percentage: To arrive at a total DCF percentage for each country, we calculated a weighted average for each municipality or region based on our local proportion of direct and indirect supplies using the two methodologies above, then tallied a weighted average for the entire country.

[1] Source: **Ministério de Agricultura, Ganadería y Pesca de Argentina (MAGYP)**

[2] Source: **Asociación de Productores de Oleaginosas y Trigo (ANAPO)**

[3] Source: **Companhia Nacional de Abastecimento (CONAB)**

[4] Source: **Instituto de Biotecnología Agrícola y Unión de Gremios de la Producción (INBIO-UGP)**

[5] Source: **Ministerio de Ganadería, Agricultura y Pesca (MGAP)**

[6] This figure is below 100% because we are still gathering polygons for one supplier.

Focus areas

Sustainable soy from South America

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. We believe that forests and farms can and must co-exist, and our approach to enabling this is outlined in our **Policy on Sustainable Soy — South American Origins**.

"Sustainability is the key driver in our industry and highly needed nowadays. Cargill's 3S program is a good model to pursue it."

Jose Palacios
Global Procurement Manager of Soybean Oil for Nestlé

Read more about 3S on **page 112**.

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

Due diligence and traceability

Ensuring due diligence

Having mapped our direct soy suppliers across South America, we use an industry-leading combination of processes, data, technology, and commercial knowledge to verify the provenance of the soy delivered to us. This combination looks somewhat different in each country depending on the public data, government protocols, and other resources available there.

And yet, across all countries, the approach is similar. New suppliers must be enrolled in our system with documentation of their farm polygons before we can enter into a commercial agreement with them. In Brazil, part of this enrollment includes an assessment at the property level that overlays potential risks like conservation units, indigenous reserves, or other restrictions. Every year, returning suppliers go through the same compliance check again.

This system is one of continuous improvement — each year we have made considerable advances in the technology, data, and processes involved. It empowers our farmer partners to show that they are doing the right thing. It enables us to act when we find a problem and offers a simple channel for third parties to do the same. And it gives confidence to our customers that the soy they buy from us was produced responsibly.

100,000+

Number of polygons we mapped in South America for soy production

1

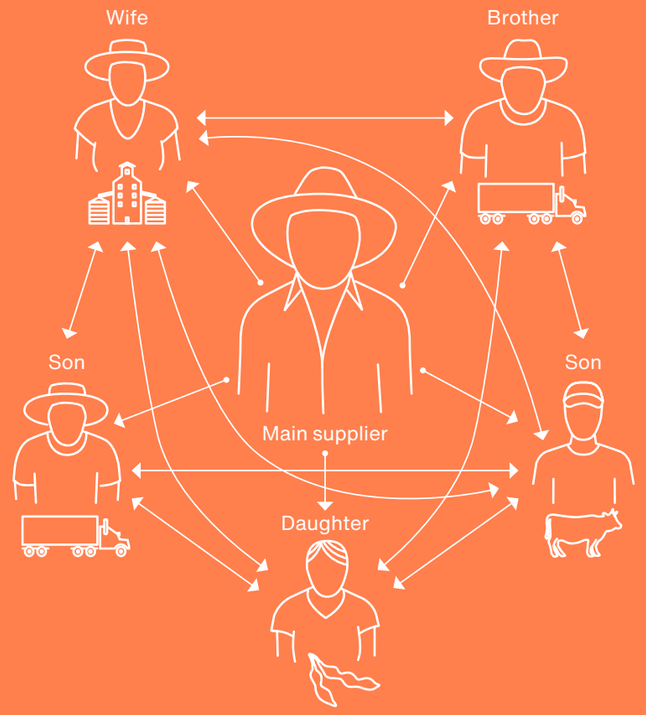
Mapping

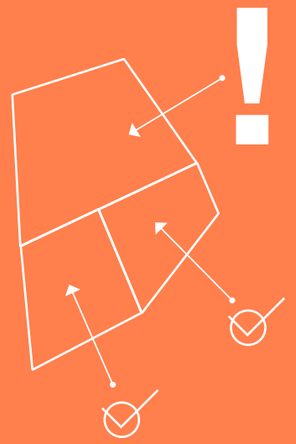
Mapping farm polygons is the first step in ensuring due diligence, but we do not stop at identifying where a farm begins and ends. A farmer may have many commercial relationships with family members and affiliated business entities, making it hard to determine who grew the soy being sold to us based solely on the public data.

That's why in Brazil, our commercial teams outline these commercial relationships to the best of our knowledge in our databases, supplementing public data while being sure to adhere to applicable privacy laws. When we block a farm in Brazil as part of our automated system (see **page 105**), this mapping is the basis for further analysis to make sure that soy from a blocked farm is not being rerouted to us through business partners.

In other countries, we lean on established protocols to avoid soy from blocked farms being rerouted to us in this way. For instance, Argentina requires documents for tax obligations and commercial transparency as soy is transported, which provides clarity on where that soy originated. This includes where it has been stored and when it has been handed from one operator to another. In Bolivia, Paraguay, and Uruguay where this protocol doesn't exist on a national level, we are working on developing sectoral definitions.

An example of how one Cargill supplier in Brazil may have many family members with their own farming operations and affiliated businesses that can produce or sell soy





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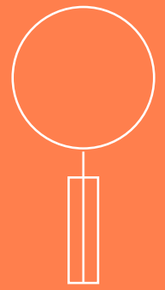
Validating

When direct suppliers deliver soy to us, they indicate the farm polygons where soy is planted. Whether they are new or returning suppliers, they share geospatial information and documentation to be enrolled in our commercial system. In addition to overlaying potential risks against these polygons, we also cross-reference the delivered volumes with average soy yields in the area. This allows us to make sure that the volumes a supplier is attributing to a polygon are reasonable based on the area's typical production and if the numbers don't match, we follow up with the farmer to confirm that all polygons are accounted for. This process is deployed in Brazil and we are preparing to deploy it in Argentina, Bolivia, Paraguay, and Uruguay.

3

Blocking

In Brazil, our commercial systems automatically block any farm that appears on any government list for violation of the law or sectoral lists for failure to adhere to agreed environmental commitments. Thanks to our deep understanding of commercial relationships in Brazil, we can also block affiliated farms to avoid non-compliant soy being rerouted to us through these other channels (see the next page). In other countries that do not have such lists, we take action to block on a case-by-case basis as we find issues.



4

Responding

When third parties want to address an issue in our supply chain that is not in compliance with our policies — including when they believe non-compliant soy may have found its way into our supply chain — they raise a grievance. We take these grievances seriously, investigate immediately, and take further action as warranted (see **page 106**).

How and why we block farms

In Brazil, our detailed mapping of commercial relationships in our supply chain (see **page 103**) combines with our processes, data, and technology to provide a strong system of controls for the integrity of our direct soy supply chain.

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, 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 rerouting soy from blocked commercial partners.

In other countries in South America that do not have public lists like this, we take action to block farms on a case-by-case basis as we discover issues or they are brought to our attention through our grievance process (see the next page).

Blocked farms in Brazil by list for calendar year 2023

		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	464	343
	ICMBIO Covering all protected conservation areas within Brazil, this list includes embargoes for deforestation violations inside those areas	16	24
	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	35	15
State lists	**Embargoes Mato Grosso** A list managed by the state's environmental agency recording all environmental violations	127	521
	List of Illegal Deforestation (LDI) from Pará A list run by the state's environmental agency covering illegal deforestation	38	2
Sectoral lists	**Green Grain Protocol** This is part of a commitment signed in 2014 that establishes criteria for responsibly purchasing grain from farms operating in Pará	93	19
	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	126	54
TOTAL		**899**	**978**