



ESG Report

2022

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Letter from our CEO

David MacLennan,

Board Chair and Chief Executive Officer



Since Cargill was founded 157 years ago, our global food and agriculture system has evolved significantly to meet the needs of a growing, global population. Driven by our values and Guiding Principles, we have worked throughout the decades to make this system safer and more sustainable.

We are proud of all the ways we've helped people thrive by nourishing the world—and have learned many important lessons along the way.

Today, from our place at the center of the agricultural supply chain, Cargill is uniquely positioned to lead the transformation of our food and agriculture system to help address many of our world's most pressing needs—from climate action to supply chain continuity and food security. That's exactly what we're doing—with sustainability ambitions that are firmly anchored in science, strategic partnerships that are driving measurable results, new investments in innovation, and more than a century of experience in helping solve big, global challenges.

While sustainability has long been a business priority at Cargill, in order to better share our strategy and actions we have produced our first-ever comprehensive Environmental, Social, and Governance (ESG) report. This report details the progress we've made to date in our operations, and across our supply chains, toward achieving our goals for reducing greenhouse gas (GHG) emissions, supporting farmer livelihoods, advancing human rights, and amplifying our company's broader global impact.

Progress through partnership

Throughout our history, Cargill has kept food moving from where it's grown to where it's needed—no matter the obstacles. We've always followed through on our responsibility to keep people fed because access to safe, nutritious food is a basic human right.

To fulfill our purpose of nourishing the world in a safe, responsible, and sustainable way, Cargill is continuing to embrace the power of strategic partnerships—working hand-in-hand with our customers, farmers, governments, NGOs, and even our competitors—to drive industry-wide impact on some of the most pressing issues facing people and the planet.

Empowering farmers and food producers

The partnerships that are driving our progress begin, as they should, at the farm gate. Because if farmers and ranchers aren't successful, none of us will be.

That's why Cargill is working with growers and ranchers at every level of production, empowering them with the support they need to sustainably produce food the world depends on while helping their families and communities thrive.

To date, we've provided valuable training for more than 5 million farmers globally since 2017. From regenerative agriculture practices that sequester carbon, improve soil health, and increase crop yields, to biosecurity measures that keep livestock healthy, to information sharing, technical resources, and financial support, we're creating progress and prosperity at the roots of our agricultural supply chains.

A diverse and inclusive approach

For far too long, systemic racism has prohibited people of color from contributing their talents and achieving their aspirations in agriculture.

That cannot continue. This is the moment when our sincere, shared commitment to equity must follow through to deliver real and lasting change. That's our aim with efforts like the Black Farmer Equity Initiative, the Cargill University Thrive program, our long-standing partnerships that empower women and girls in agriculture, our ongoing efforts to invest in the diversity and inclusion of our teams, and more.

Make no mistake: this is hard work. And it will take all of us, collaborating with conviction, to correct the endemic inequities in our industry and society. Cargill has embraced that fundamental responsibility, and we're in it for the long haul.

Leading with safety, in everything we do

Our most important responsibility is keeping our people safe, as well as the countless people who consume our products every day around the world. That's why we are firmly committed to ensuring safe work environments through education and intervention. And it's why our teams work around the clock to ensure the highest standards of health and safety in the products we make, move, and sell.

These and other efforts that Cargill is undertaking to deliver a positive global impact aren't just the right thing to do; they're business critical. Our ability to safely and sustainably nourish a growing population into the future will depend on how we execute new and disruptive thinking, uncommon partnerships, and truly innovative solutions.

In service to our customers, and for the long-term prosperity of people and the planet, Cargill has embedded these values and actions in how we do business. And we'll leverage the full extent of our business—our considerable connections, deep experience, and continued growth—to scale-up solutions that transform food and agriculture systems and improve lives.

David MacLennan



Board Chair and Chief Executive Officer



About Cargill

We connect farmers with markets, customers with ingredients, and families with daily essentials—from the foods you eat, to the floors you walk on.

Our industries



Food Ingredients
& Bioindustrial



Animal Nutrition
& Health



Protein & Salt



Agricultural
Supply Chain



Financial Services
& Metals

**\$165 billion¹ in revenues
in fiscal year 2022²**

Our team

We are

155k
employees

Operating in

70
countries

Selling to

125
countries

With

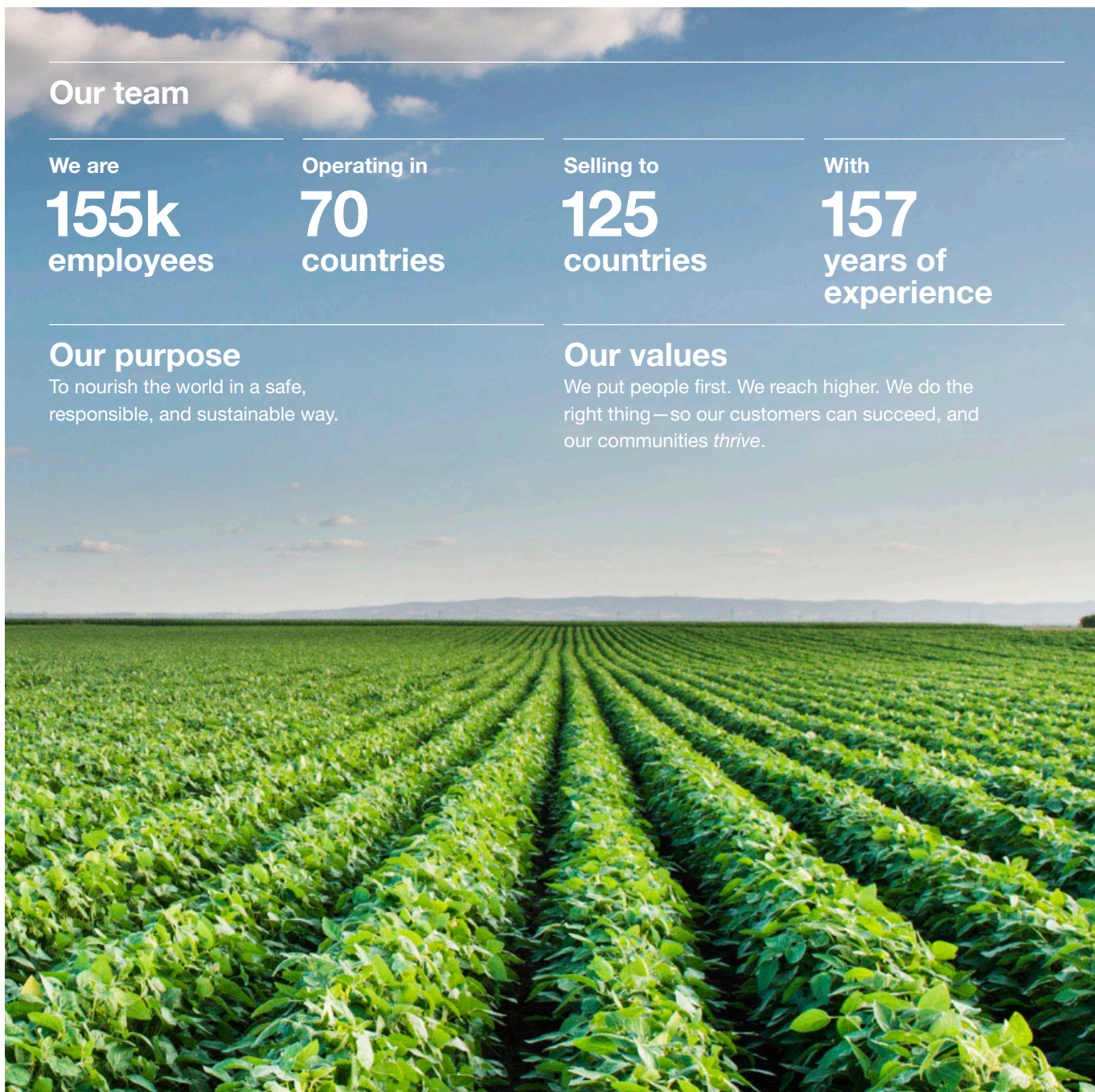
157
years of
experience

Our purpose

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

Our values

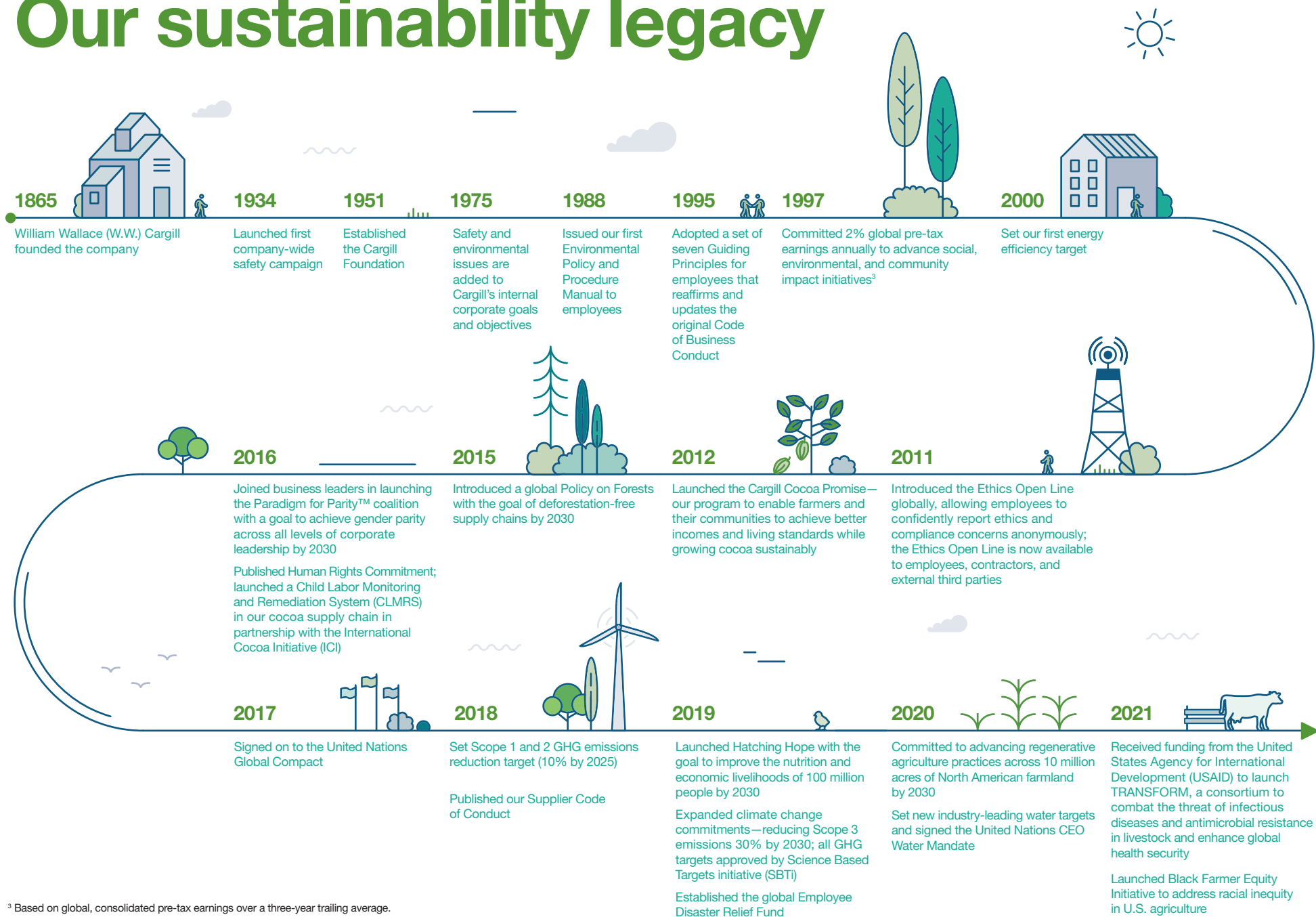
We put people first. We reach higher. We do the right thing—so our customers can succeed, and our communities *thrive*.



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

² For the fiscal year beginning June 1, 2021 and ending May 31, 2022.

Our sustainability legacy



2022 highlights



More than

\$70 million

invested in energy efficiency and GHG emissions reductions in our operations

More than

5 billion

liters of water restored



55%

progress towards our Scope 1 and 2 goal



More than

1.4 million

farmer trainings delivered in 2022



Advanced regenerative agriculture practices on

158,000 acres

of North American farmland since 2020⁴



Distributed more than

\$163 million

to our partners and local communities

\$40 million

committed to support humanitarian relief efforts in Ukraine and neighboring countries



More than

14 million

people positively impacted by Hatching Hope since inception in 2016



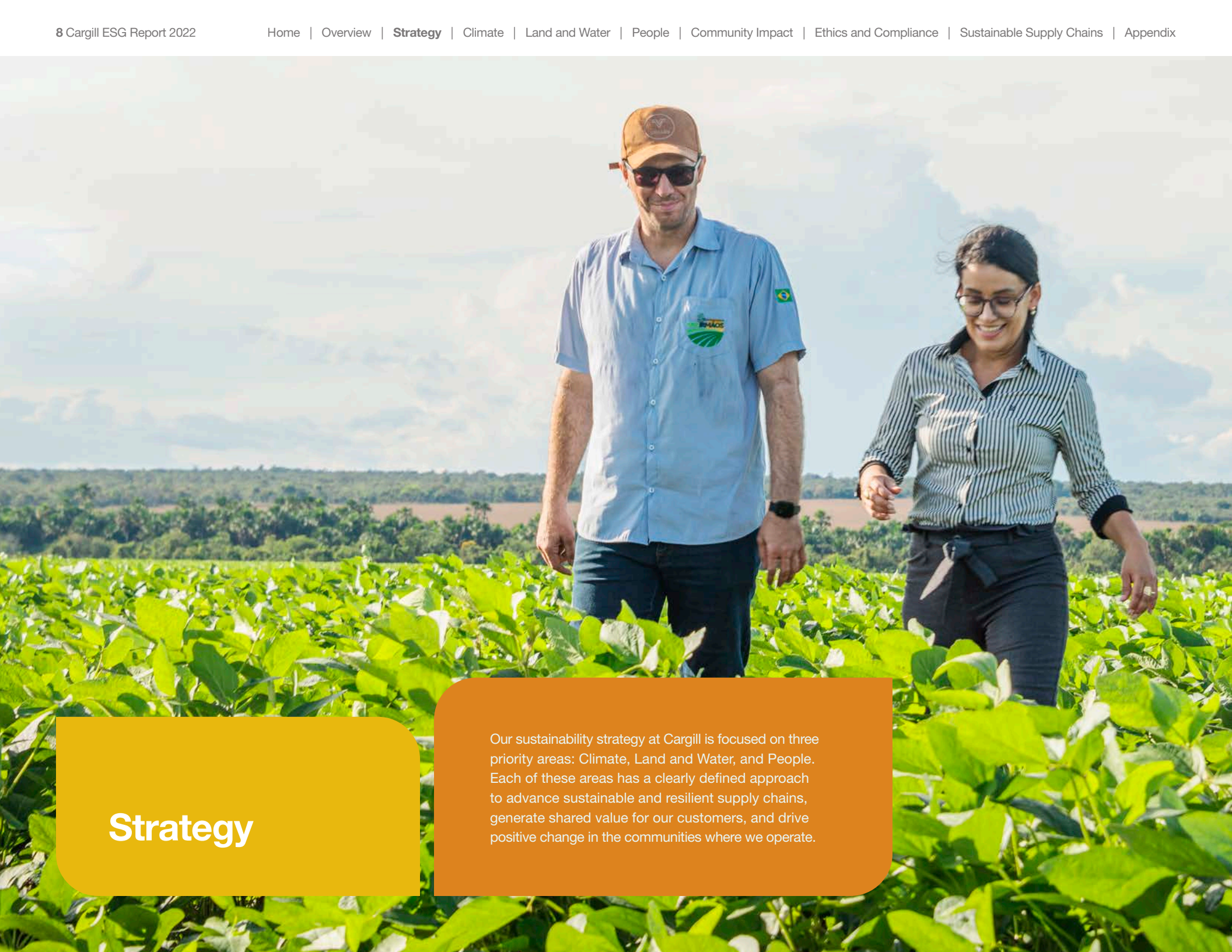
Increased representation on our executive team to

46% women⁵



⁴ Agreements are already in place to implement practices on more than 700,000 acres over the next year.

⁵ As of June 2022.



Strategy

Our sustainability strategy at Cargill is focused on three priority areas: Climate, Land and Water, and People. Each of these areas has a clearly defined approach to advance sustainable and resilient supply chains, generate shared value for our customers, and drive positive change in the communities where we operate.

Q&A with our Chief Sustainability Officer

Pilar Cruz,
Chief Sustainability Officer (CSO)



Pilar Cruz shares her insights on Cargill's sustainability strategy and how we are taking action to address climate change, protect land and water, and sustainably feed a growing population.

What are Cargill's key sustainability priorities?

As an integral connector of the global food system, Cargill has an opportunity, and responsibility, to protect the planet as we fulfill our purpose of nourishing the world safely, responsibly, and sustainably. Our sustainability strategy focuses on three strategic priorities: Climate, Land and Water, and People. Each of these priorities has a clearly defined approach to advance resilient supply chains, generate shared value for our customers, and drive positive change in our operating and sourcing communities.

To advance our priorities, we have set science-based targets and are delivering measurable progress against those commitments through scalable programs like Cargill's BeefUp™ and SeaFurther™ Sustainability. Our teams are working across supply chains to preserve critical natural resources by protecting forests, restoring degraded land, regenerating soil, and protecting and replenishing water resources.

We know agriculture plays an important role in addressing global challenges like climate change and food insecurity, but that is only possible when sustainable solutions are economically viable for the producers who work hard every day to feed the world. That's why we bring together farmers, industry, academics, NGOs, and policymakers to create a sustainable agricultural sector. That's our vision for the future, and every day, through technology and innovative programs all over the world, it's becoming reality. I'm proud of the concrete actions and meaningful investments Cargill is making to deliver impact at scale globally.

How does Cargill think about the connection between innovation and sustainability?

Sustainability is a fundamental part of the value proposition we bring to our customers. We innovate with purpose to deliver environmental, social, and economic benefits, and generate measurable results that help Cargill, our customers, and communities make progress toward our broader Environmental, Social, and Governance (ESG) goals.

For example, in a move aimed at reducing greenhouse gas (GHG) emissions and promoting circular fuel solutions, Cargill recently completed its first state-of-the-art advanced biodiesel plant in Ghent, Belgium, which converts waste oils and residues into renewable fuel. This \$150 million groundbreaking investment is one of the largest waste-to-biofuel facilities in Europe and Cargill's first, employing industry-leading technology to convert all types of liquid waste oils and fats, including used cooking oils, tallow, and residues from edible oil production, into advanced biodiesel.

We are also deploying regenerative agricultural practices through innovative programs around the globe. Our most recent program in North America, Cargill RegenConnect™, promotes regenerative agriculture practices and pays farmers per ton of carbon they sequester in the soil. The program focuses on farmer adoption of no till, reduced till, and cover crops, and provides them with access to the carbon marketplace. In addition to reducing GHG emissions, Cargill RegenConnect brings tangible economic benefits to our farmers, including higher yields and reduced water consumption and waste.



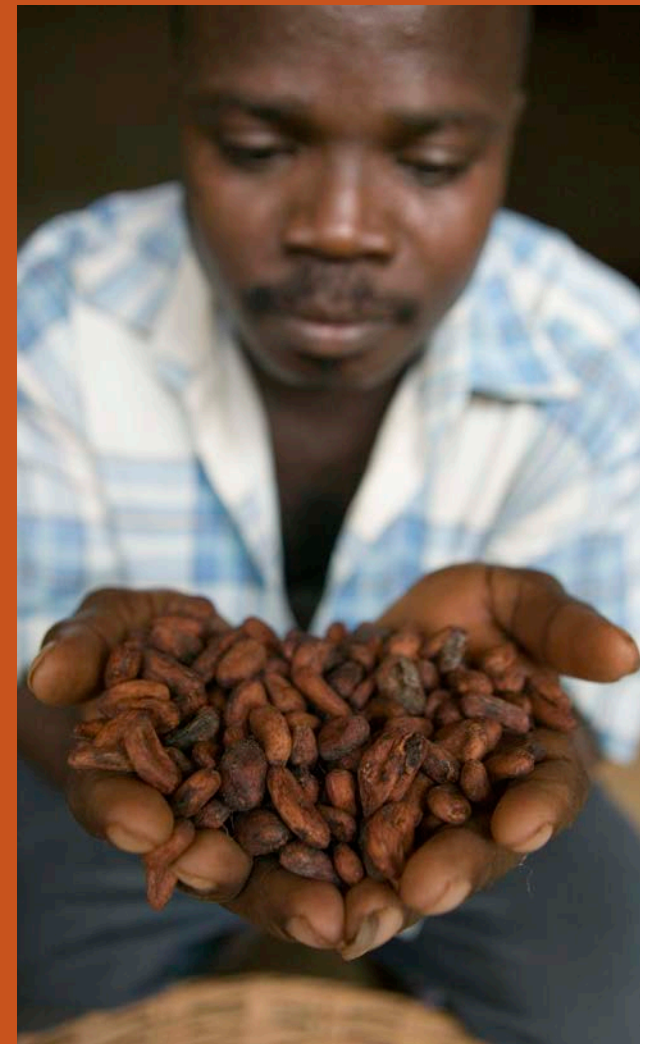
What does it mean to be “people-first” with Cargill's sustainability strategy?

From India to Vietnam, Cameroon to the U.K., Brazil to Canada, and many other countries in between, Cargill works every day to feed people around the world, create greater economic opportunities, and build brighter futures. True to our company values, we put people first not only in our workplace, but in our supply chain and in the communities where we do business. This means respecting human rights; advancing diversity, equity and inclusion; and improving access to safe and nutritious foods. Our commitment to put people first is reflected in many ways, large and small, through the more than \$163 million we invested in communities around the world last year.

We also know that those investments can have a powerful ripple effect when we partner with other organizations across sectors and focus on engaging and empowering people with sustainable skills and solutions. For example, through the Hatching Hope Global Initiative, we have improved the nutrition and economic livelihoods of more than 14 million people to date through the production, promotion, and consumption of poultry. And in Côte d'Ivoire, where women are at the heart of cocoa-producing communities, Cargill is helping women grow as farmers and entrepreneurs by connecting them to financing and training to help families improve farm productivity and increase household income.



Feeding the world is a team effort and we have tremendous optimism for the future. Through partnerships and programs that deliver sustained positive impact, we can support the prosperity of farmers, improve community wellbeing, lessen the environmental impact of agriculture production, and create a more resilient food system for generations to come.



About this report



This report marks Cargill's first global ESG report, summarizing our ESG policies, management approach, programs, and performance across our company. All information covers Cargill's fiscal year 2022 (June 1, 2021 – May 31, 2022), 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**.

Materiality

This year, Cargill conducted a global materiality assessment, leveraging double materiality principles to determine the most relevant ESG issues for our company. For the purpose of the assessment, material topics were evaluated in two ways:



Impact on the environment and society
(impact outwards)



Impact on business and financial success
(impact inwards)

Cargill worked with GlobeScan, a leading consultancy firm, to conduct the assessment, leveraging internal and external surveys, external desk-based research, and interviews capturing a range of perspectives from our global stakeholders—notably employees, customers, regulators, financial partners, NGOs, and ESG subject-matter experts. External ESG reporting frameworks, such as Sustainability Accounting Standards Board (SASB) Standards, Global Reporting Initiative (GRI) Standards, United Nations Sustainable Development Goals (SDGs), World Benchmarking Alliance (WBA), and the United Nations Global Compact were also evaluated for key performance indicators (KPIs) and disclosures that have specific relevance for our industry.

Our material topics are aligned to our strategic priorities of Climate, Land and Water, and People and provide focus and clarity for how we prioritize our ESG investment, measurement, and ongoing partnerships.

Stakeholder engagement

We believe that public-private sector collaboration is necessary to tackle systemic challenges. Around the world, we lean into partnerships with governments, peer companies, nonprofit organizations, and thought leaders to drive industry-wide transformation. Our external stakeholder engagement is ongoing, spans all regions and business units, and is focused on fostering meaningful dialogue and results. Through our key collaborations with organizations such as the World Business Council for Sustainable Development (WBCSD), the World Economic Forum (WEF), and Tropical Forest Alliance (TFA), we are committed to creating impactful change that leverages our scale of operations and reach. A list of key external partnerships can be found in the **Community Impact** section of this report.

ESG governance

Sustainability is central to Cargill's business strategy, the value proposition we deliver to our customers, and the shared value we create for society and the environment through our products, services, and programs. Overall responsibility for overseeing sustainability—and more broadly, ESG—is held at the company's executive-team level, led by the CEO who also serves as Chair of the Cargill Board of Directors. The CEO partners with the CSO to assess and address ESG risks, opportunities, and impacts to guide the company's overall business strategy and reporting. Cargill has also recently established an ESG Committee at the executive-team level of the company to further strengthen ESG governance and accountability. Reporting to our CEO, our CSO is responsible for setting Cargill's overall ESG strategy, and monitoring progress against ESG goals and targets.



The U.N. Sustainable Development Goals

Cargill is committed to using our global reach within the agriculture, food, and nutrition sector to help achieve the U.N. Sustainable Development Goals (SDGs), which are aimed at ending poverty, improving food security, promoting gender equality, advancing sustainable economic development, addressing climate change, and ensuring prosperity for all. For more information visit cargill.com/SDGs.

Focus areas

Every day, our teams around the world bring their passion and expertise to deliver on our sustainability commitments. That is how we build food and agriculture supply chains that have a positive impact on people, our customers, and the planet we share.

Our sustainability strategy at Cargill is focused on three priority areas: **Climate**, **Land and Water**, and **People**. As detailed in this report, these areas present the best opportunity for us to drive industry transformation and deliver sustainable and scalable impact.



Climate

Climate change poses a serious threat to people and planet, including food and agriculture systems. We are accelerating the transition to more sustainable agriculture practices and solutions that reduce GHG emissions across our operations and key supply chains.



Land and Water

Sustainable land and water use is essential to helping mitigate climate change. We are working to protect our planet's natural resources and finding solutions to feed a growing population in a more sustainable way.



People

Agriculture is powered by people. We work alongside our employees, farmers, customers, and communities to improve livelihoods, and build a more equitable, inclusive, and resilient food system.



Maximizing our impact

We recognize the interconnectedness between social and environmental issues that span across our focus areas, and we have taken steps to ensure that we connect our strategy to these priorities in a way that delivers greater collective impact and multiple benefits. For example, our efforts to accelerate the adoption of regenerative agriculture not only reduce GHG emissions that contribute to climate change, but can create healthier soil, improve agricultural yields, reduce water use, and raise farmer incomes.

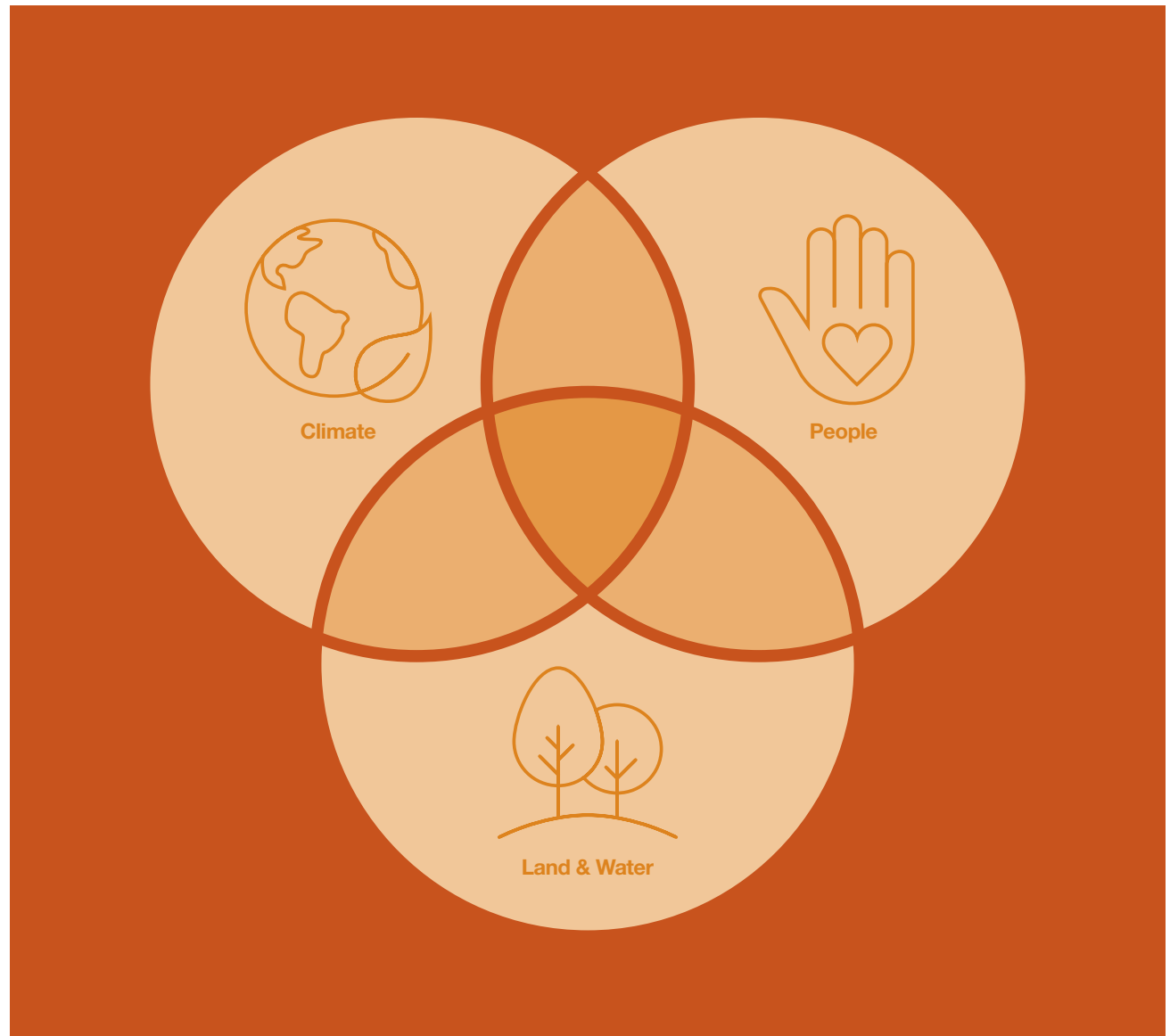
Additional examples of key programs with multiple benefits include:

BeefUp Sustainability™—A collaboration with farmers, ranchers, conservation organizations, and like-minded companies to address climate change, preserve water resources, enhance biodiversity, and help farmers and ranchers thrive (see [Climate](#)).

Agroforestry in cocoa-growing communities—A project designed to restore depleted forest areas, while also further diversifying the incomes of cocoa farmers in Côte d'Ivoire and Ghana (see [Land and Water](#)).

Cargill RegenConnect—A program that connects farmers to the growing carbon marketplace by paying them for improved soil and positive environmental outcomes (see [Climate](#)).

Yellow Corn Project—A holistic program designed to help smallholder corn farmers in the Philippines future-proof their farms and livelihoods against the impacts of natural disasters (see [People](#)).



ESG scorecard

Fiscal year 2022

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.

Key:



New goal



Needs attention



On track



Achieved

Environmental

Climate change

Our targets contribute to the following SDGs:



Strategic commitments and targets

Scope 1 and 2 (Operations)⁶: Reduce absolute operational greenhouse gas (GHG) emissions 10% by 2025

Scope 3 (Supply Chain): Reduce global GHG emissions from our global supply chain by 30% by 2030, measured per ton of product

Progress by end of fiscal year 2022

-5.5% reduction⁷ from 2017 baseline



-0.15M MT CO₂e reduced⁸ through supply chain sustainability programs



Water resources

Our targets contribute to the following SDGs:



Priority watersheds: Achieve sustainable water use⁹ in all priority watersheds by 2030

Operations: Implement water stewardship practices at all priority facilities by 2025

Target met in 7 priority watersheds (6% progress)



77% average implementation of water stewardship practices across all priority facilities



Land use

Our targets contribute to the following SDGs:



Transform our agricultural supply chains to be deforestation-free by 2030

Achieve zero deforestation across our priority supply chains of palm, soy, and cocoa

Please see the **Sustainable Supply Chains** section of this report for detailed land use reporting. Each of our priority supply chains provides a dashboard of progress against key land use metrics.



⁶ 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.

⁷ Calendar year 2021 result. Our Scope 1 and 2 GHG inventory was verified at a limited level of assurance by Optera. Please see [Cargill's 2022 CDP Climate Response](#)¹² for more information.

⁸ Cargill will report a percent reduction against baseline once we complete our full Scope 3 inventory. Please see [Cargill's 2022 CDP Climate Response](#)¹² for more information.

⁹ Cargill defines sustainable water use as eliminating unsustainable water impact in our operations and supply chains by 2030. The methodology to define unsustainable supply chain impact is described in the [case study](#)¹³ published by World Resources Institute (WRI).

ESG scorecard: Fiscal year 2022 *continued*

Key:  **New goal**  **Needs attention**  **On track**  **Achieved**

Social

Strategic commitments and targets

Progress by end of fiscal year 2022

Farmer livelihoods

Our targets contribute to the following SDGs:



Work alongside farmers to increase the economic, social, and climate resilience of farming households and communities

Global attendance at our farmer trainings for sustainable agricultural practices since 2017, with a goal of 10 million by 2030

5.6 million since 2017



To improve the nutrition and economic livelihoods of 100 million people through the production, promotion, and consumption of poultry by 2030

14.6 million people reached



Global impact contributions

Our targets contribute to the following SDGs:



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 communities¹⁰

More than \$163 million donated across 57 countries



Diversity, equity, and inclusion

Our targets contribute to the following SDGs:



To be a respected global leader in diversity, equity, and inclusion

Achieve gender parity in leadership by 2030 globally

33.69% women in leadership roles



¹⁰ Based on global, consolidated pre-tax earnings over a three-year trailing average.



Climate

Our food system is resilient, but it has never faced a challenge like climate change. Cargill is working to transform our food and agricultural system to meet the challenge, from reducing emissions across our global supply chains to building sustainable practices into farming processes around the world.

Our approach

We believe that many of the most impactful solutions for addressing climate change are rooted in agriculture. It starts with the earth itself and the very way we grow our food, and extends to all parts of our business—from production and transportation to customers and consumers.

We are working to transform the industry with our partners around the world by improving agriculture's environmental impact and providing solutions to farmers whose livelihoods are increasingly affected by the impacts of climate change.

Cargill is addressing climate change through four strategic approaches:

Reducing and sequestering emissions

We are taking action across our operations and key supply chains to reduce our Scope 1, 2, and 3 emissions against the measurable and time-bound science-based targets detailed in this report. This year, we invested more than \$70 million in emissions-reducing technology and renewable energy projects. And we are working with farmers, customers, and partners to lower emissions across our supply chains—driven by industry commitments such as our goal to advance regenerative agriculture practices across 10 million acres of North American row crop farmland by 2030.

Innovating new products and solutions

We are collaborating with customers and suppliers in the development of products created from more sustainable raw materials with lower carbon footprints. We are also investing in innovations where we see the greatest opportunity for emissions reductions, such as a wearable device that can capture and neutralize methane emissions in cattle, and wind-assisted propulsion technology for ocean transport.



Scaling new markets

We are creating new, diverse revenue opportunities that compensate farmers for adopting regenerative agriculture practices that sequester carbon and reduce emissions. This can be seen in programs like Cargill RegenConnect™, which we launched this year and have since expanded to 15 states across the United States—an approach we believe can scale globally. We're also helping to expand the market for bio-based products and alternative protein options, such as our **ongoing investments in PURIS**, the largest North American producer of pea protein.

Supporting climate policy and collaboration

We promote decarbonization in agriculture, manufacturing, and energy, and advocate for public policies that align with our strategies. We fully endorse the Paris Climate Agreement and support government actions to address climate change. We actively engage in several pre-competitive initiatives to reduce emissions across supply chains, such as the Ecosystem Services Market Consortium (ESMC) 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 **2022 CDP Climate Response** and aligned to our TCFD Disclosure in the **Appendix** section of this report.

Scope 1 and 2

Our operations and energy purchases

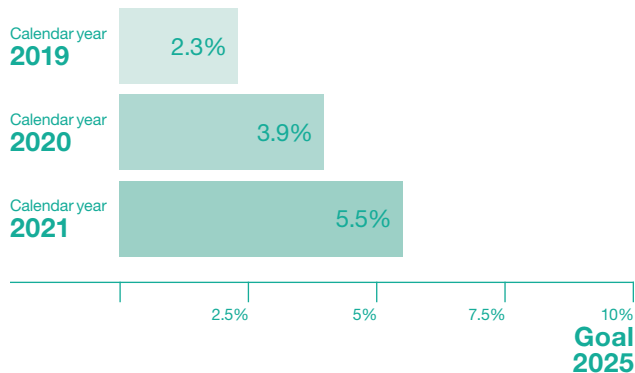
To minimize the environmental impact of our global operations, Cargill is taking steps to innovate, develop, and make investments to implement emissions-reducing technologies and renewable energy.

Scope 1 and Scope 2 refer to greenhouse gas (GHG) emissions from our operations and from energy purchased from the grid, respectively. Our Scope 1 and 2 targets were set and approved by the Science Based Target initiative (SBTi) in fiscal year 2019 against a fiscal year 2017 baseline.

Target

Reduce absolute operational GHG emissions 10% by 2025¹¹

Emission reduction progress¹²



Renewable electricity around the world

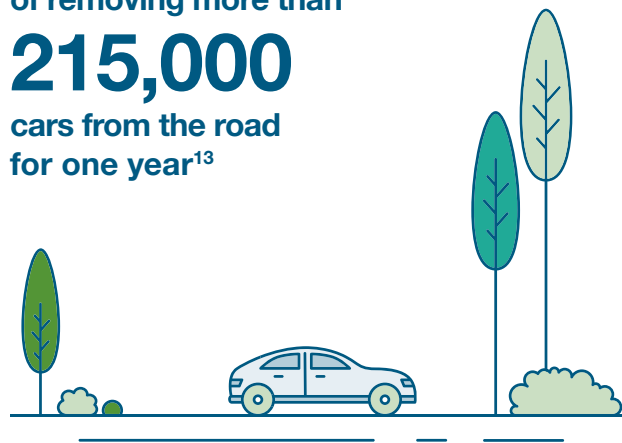
The renewable electricity used in our operations reduced our annual carbon dioxide equivalent emissions (CO₂e) by more than 462,000 metric tons from January 1, 2021 to December 31, 2021. This was accomplished primarily through the procurement of Power Purchasing Agreements (PPAs) for wind and solar.

At the end of December 2021, we had 21 projects online in 10 countries, and an additional 14 projects in development. Once all these projects are fully online by fiscal year 2024, we expect our renewable electricity mix will reduce our CO₂e emissions by more than one million metric tons per year.

This is the equivalent of removing more than

215,000

cars from the road for one year¹³



¹¹ Against fiscal year 2017 baseline.

¹² Refer to our [CDP Climate Response](#) for more information.

¹³ The estimates included in this section are approximate and calculated using the [EPA Greenhouse Gas Equivalencies Calculator](#).

Harnessing solar power in the Midwest

In December 2021, Cargill and National Grid Renewables, a U.S.-based renewable energy company, began commercial operations of the Prairie Wolf Solar Project in Coles County, Illinois. The project boasts 200 megawatts (MW) of solar power and is the second renewable energy Virtual Power Purchase Agreement (VPPA) contracted between Cargill and National Grid Renewables, with the first being a portion of the Crocker Wind Farm in Clark County, South Dakota.

The Prairie Wolf Solar Project will reduce our CO₂e emissions by

**234,000↓
metric tons**

per year from the time it went live in November 2021. This is the equivalent of removing more than 50,000 cars from the road for one full year—making it Cargill's largest renewable energy project to date.



A mighty wind in the Netherlands

Cargill and Vattenfall, a leading European energy company, have entered into a partnership to offtake electricity generated by an onshore wind farm being built by Windpark Hanze in the Netherlands.

The wind farm, which will go into full commercial operation in 2023, is expected to power more than 90% of Cargill's grid-based electrical consumption in the country—an amount that will nearly eliminate the Scope 2 emissions from Cargill's operations there.

The 10-year Corporate Power Purchase Agreement (CPPA) is Cargill's largest physical renewable power purchase signed globally and the first Cargill has signed in Europe.

The wind farm is expected to reduce CO₂e emissions by more than

**130,000↓
metric tons**

per year once it becomes fully operational in 2023.



Focused energy management

Across Cargill, more than 30 manufacturing sites have implemented ISO50001, a voluntary standard with specific requirements for setting up, operating, and improving a formal energy management system. With the additional rigor of ISO50001, we are integrating energy management into our business processes, allowing us to conserve resources and reduce our environmental impact in a structured approach. For example, we are identifying significant energy users within these sites, such as dryers and evaporators, and developing action plans to run them more efficiently. We are also using this data to utilize energy models that allow us to continuously improve our energy management through active response. We plan to expand implementation of ISO50001 to our largest manufacturing locations to more effectively manage our energy and GHG emissions.

“The implementation of ISO50001 is just one example of the work we are doing to embed sustainability into how we operate. As Cargill continues to grow our business, having a strong energy management system in place is critical to ensure we are able to more sustainably and efficiently serve our customers.”

Peter Dahm
Sustainability Director of Operations and Natural Resources, Cargill

Scope 3

Our supply chains

With a global footprint and presence in major food and agriculture supply chains around the world, Cargill is undertaking comprehensive, large-scale efforts to reduce emissions across our global supply chains.

We believe that sustainable agriculture is part of the solution to mitigating the effects of climate change. Our work is focused on targeted supply chain interventions, such as working with ranchers and downstream customers to explore new ways to graze cattle and new technologies that could reduce methane emissions. We optimize this work through programming and policy solutions that benefit farmers, customers, and the broader food system.

We are prioritizing 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. These supply chains are accountable to Scope 3 targets that align with our goal to reduce our global supply chain emissions 30% by 2030.¹⁴

Accelerating initiatives

Cargill is focused on applying technology, training, and tools to mitigate GHG emissions within our integrated supply chains globally. As described in this report, through partnership and collective action, we are driving progress to help our customers and industry decarbonize.

Cargill RegenConnect: Linking farmers to the carbon marketplace

This year, we launched **Cargill RegenConnect**[®], a new regenerative agriculture program that pays farmers for improved soil health and positive environmental outcomes, including payment per metric ton of carbon sequestered. The program connects farmers to the growing carbon marketplace and will help scale the voluntary adoption of regenerative agriculture practices. It also supports Cargill's commitment to advance regenerative agriculture practices across 10 million acres of farmland in North America by 2030.

Most recently, in May 2022, Cargill RegenConnect expanded grower eligibility to 15 states for the 2022-2023 crop season. Cargill RegenConnect is available to farmers whose primary crop is corn, soy, or wheat in the U.S. states of Arkansas, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Tennessee, and Wisconsin. Cargill's program was designed to meet the needs of farmers—offering one-year contracts for acres farmed through new or expanded regenerative agriculture practices such as cover crops, no-till, or reduced-till. The program has since expanded to cotton growers as well.

Cargill RegenConnect contributes to Cargill's Scope 3 climate target while also helping downstream customers achieve their goals—whether that's carbon reduction or the need for a regeneratively sourced cotton bale. The regenerative agriculture practices adopted also offer multiple other benefits, including delivering higher yields, improving water quality and water use, and building soil health and resiliency.



“This program has been a fantastic way to make cover crops and no tilling and regenerative agriculture work out on a balance sheet. It provides a more immediate financial return for the money you're investing in protecting and conserving your land.”

Tyler Bruns
Bruns Farms, Missouri, U.S.

¹⁴ As outlined in this report, we have reduced total Scope 3 emissions by 0.15M metric tons of CO₂e from a fiscal year 2017 baseline.

BeefUp Sustainability™: Supporting ranchers to scale sustainable grazing

We believe cattle can be a force for good in mitigating climate change and protecting the environment. In 2019, Cargill established **BeefUp Sustainability** [↗], which seeks to reduce and sequester GHG emissions throughout the company's North American beef supply chain by 30% by 2030. Through BeefUp Sustainability, we are collaborating with farmers, ranchers, conservation organizations, and like-minded companies to make this goal a reality. We focus in the areas we believe will make the biggest impact: innovation, grazing management, feed production, and food waste. Since the program's launch, we have collaborated on eight partnership programs alongside our customers, farmers, and some of the world's largest conservation organizations.

Most recently, in April 2022, Cargill announced a partnership with **Burger King and the National Fish and Wildlife Foundation (NFWF)** [↗] to invest up to \$5 million, plus up to an additional \$5 million more in grantee match funding, to drive adoption of regenerative agricultural practices among cattle ranchers. Through this work, together with our partners, we will bring financial and technical resources to ranching organizations in the Southern Great Plains to improve grassland management and sequester carbon. Grants for this partnership were awarded through the Southern Plains Grassland Program, an NFWF-led initiative launched in April 2021, by separate contributions from Sysco, Cargill, and the U.S. Department of Agriculture's Natural Resources Conservation Services (NRCS), with additional subsequent contributions this year provided by Burger King and the Bezos Earth Fund.

Cargill's BeefUp Sustainability projects launched to date will reduce or sequester an estimated

1.7 million
metric tons of CO₂e

through outreach to 1,600 producers and some of our largest customers.

“As one of the biggest buyers of beef in North America, partnering with Cargill and NFWF allows us to accelerate ambitious efforts to reduce greenhouse gas emissions in our beef supply chain and to make meaningful impacts important to our planet and guests.”

Tom Curtis
President, Burger King



SeaFurther™ Sustainability: Reinventing responsible aquaculture to protect our planet

Cargill has set a course to help protect oceans, a vital ecosystem that helps to provide, grow, and move food around the world. Cargill's **SeaFurther** ^{ESG} Sustainability initiative helps aquaculture farmers raise more sustainable seafood with less environmental impact. Amid a growing population and an increased global demand for seafood, it's more important than ever that we do more with less.

Feed represents up to 90% of a harvested fish's total carbon footprint. Through SeaFurther, which launched in 2021, Cargill is working across the value chain to make an impact. Upstream, we're partnering with suppliers to identify and grow more sustainable ingredients and find new ways to reuse byproducts, like fish trimmings, that would normally be discarded. In our own operations, we're working to reduce energy use and optimize feed delivery logistics. And downstream, SeaFurther is helping farmers increase fish efficiency by using fewer resources and enhancing fish nutrition to promote the health and welfare of farmed fish. See **Sustainable Supply Chains: Aqua Nutrition** for additional details.

2 million metric tons of CO₂e

is the estimated amount SeaFurther alone will help save by 2030, which is the equivalent of removing more than 400,000 cars from the road.

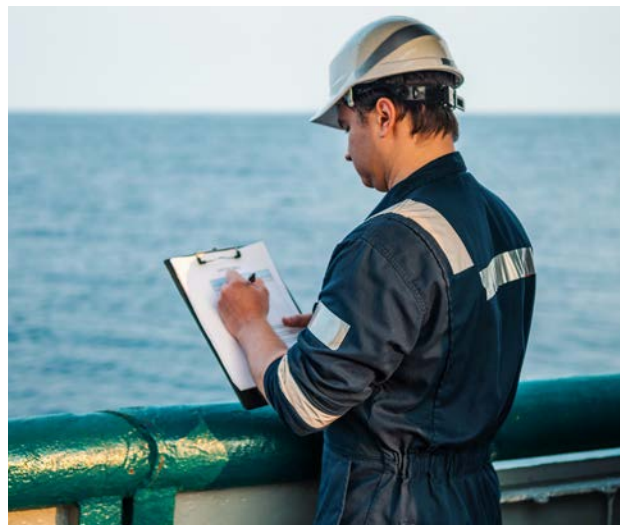
Ocean Transport: Decarbonizing the maritime industry

At Cargill, we charter around 700 vessels at any given time, which affords us the opportunity to help steer the maritime industry towards a zero-carbon future.

In fact, we are one of the maritime industry's leading proponents of, and investors in, efforts to achieve aggressive decarbonization goals. We're making investments and working with partners to create a variety of solutions that combine digital technologies and other innovations to make shipping more sustainable.

Aligning on climate goals through the Sea Cargo Charter

With the Sea Cargo Charter, which Cargill played a leading role in developing, we have for the first time a global framework in place for assessing and disclosing the climate alignment of industry-wide chartering activities. The Sea Cargo Charter provides a common, global baseline to quantitatively assess and disclose if chartering activities are aligned with climate goals. 2021 was the inaugural reporting year for the Sea Cargo Charter.



Advancing digital solutions with likeminded partners

We invested in ZeroNorth, a provider of voyage, vessel, and bunker optimization software, to accelerate the use of digital solutions that decarbonize shipping. Through ZeroNorth, vessel owners and operators are able to help improve vessel performance, reduce carbon emissions, and increase earnings.

Njord is our strategic collaboration with Maersk Tankers and Mitsui, which enables us to provide turnkey, energy-saving device solutions to our fleet, and to the wider maritime market.

By working closely with ship owners and other key stakeholders and by investing in and piloting new technologies and fuel, we continue to make progress against our long-term emissions reduction goals. We are intensifying our efforts in this direction and have, to date, reduced CO₂ emissions on 24 vessels by up to 10% through the installation of energy-saving devices, including specialized hull paints, LED lights, and hydrodynamic-improvement appendages.



Innovating with wind-assisted propulsion

Cargill is exploring different wind-assisted propulsion (WAP) technologies, as we believe that wind could make an important contribution to achieving our decarbonization goals in the short, medium, and long term. The cost of fuels that could contribute to a zero-carbon future may remain high, but developing, testing, and improving WAP technologies before these fuels are available could reduce reliance on them.

For example, Cargill will be the first to install WindWings, large, solid wing sails with a potential to deliver double-digit percentage reductions in emissions. Working with partners BAR Technologies and Yara Marine Technologies, Cargill will soon install WindWings on a Kamsarmax vessel, Pyxis Ocean. The performance of the sails will be closely monitored to further improve their design, operation, and performance. The Pyxis Ocean project will be used to assess the ability to scale this innovative technology across the fleet and industry.



Reducing GHG emissions by parceling

This year, we continued to make progress in optimizing emissions through parceling, which enables us to use bigger ships and maximize freight input. We measured 38 parceling voyages this year and saw a 19% reduction in GHG emissions and 18% reduction in the Energy Efficiency Operational Indicator (EEOI), a measurement tool established by the International Maritime Organization.¹⁵



Trialing innovative alternative fuels

In the Netherlands, Cargill is conducting multiple trials of fuel oil/biofuel (FAME) blends of up to 30%. As of June 2022, 16 successful trials have produced an average CO₂e reduction of more than 22% versus conventional fuels.

Cargill is also a founding partner of the Maersk McKinney Møller Center for Zero Carbon Shipping, an initiative that is pursuing the use of a wide range of alternative fuels and energy efficiency technologies, including ammonia and methanol as maritime fuels.

For more details on Cargill Ocean Transport's ongoing quest to reduce emissions from shipping, read our latest report, **Making Zero Carbon Shipping a Reality**.

In April 2022, Jan Dieleman, Cargill's President of Ocean Transportation, was elected as Chair of the Board of Directors of the Global Maritime Forum, an international organization committed to shaping the future of global seaborne trade to increase sustainable economic development and human well-being.



¹⁵ This calculation is based on voyages from January 2021 through June 2022.

Innovating new products and solutions

Cargill is blending creativity, ingenuity, and partnership—connecting across agriculture, environmental, academic, and business stakeholders—to create solutions from farm to fork that are helping to solve climate challenges.

Investing in disruptive technologies to reduce methane

We recognize that sustainability is a critical part of customer operations, and our customers face increased complexity as they balance animal health and welfare, performance, and business economics while reducing their environmental footprint. We are excited by the potential for innovation and technology to help address methane emissions in cattle to further the sustainability of ruminants. Cargill's partnership with ZELP (Zero Emission Livestock Project) is one key example.

When cattle eat and digest food, as much as 95% of the methane produced is emitted from their mouths and nostrils.

Cargill and ZELP  have partnered to develop a wearable device that can capture and neutralize more than 50% of cattle's methane emissions without disturbing the animals.

The ZELP wearable attaches to halters worn by cattle in a non-intrusive way. As well as converting methane, it has the potential to improve animal welfare by capturing, analyzing, and processing data on each animal. This technology has also been successfully tested through behavioral trials which evaluate the impact of the wearable on animal behavior as well as production yields, rumination, rest and activity periods, and feed intake.

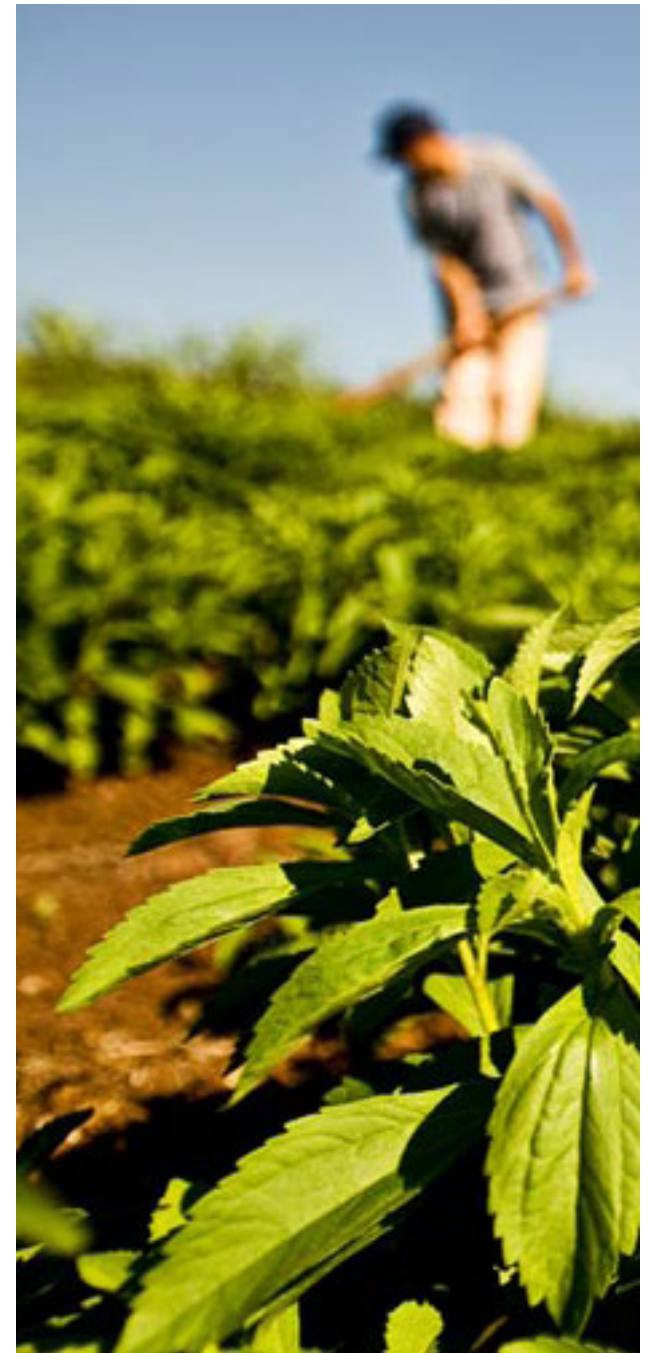
Setting the standard for sustainable stevia

We believe that sustainability values, agricultural development, and business development can simultaneously thrive. Case-in-point: Our stevia leaf extracts are produced using stevia from growers that meet requirements as part of the Stevia Agricultural Standard. In addition, our next generation stevia sweetener, EverSweet®, is produced to make the sweetest components of the stevia leaf (Reb M and D) via fermentation.

After a rigorous, nearly year-long validation process, Cargill's agricultural stevia program has been benchmarked at Silver Level against SAI Platform's Farm Sustainability Assessment (FSA) 3.0—becoming the first stevia producer in the industry to evaluate our entire grower network and achieve this distinction.



**Farm
Sustainability
Assessment**
BY SAI PLATFORM

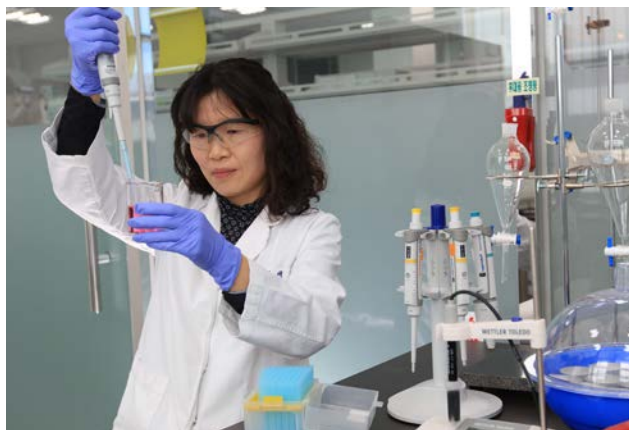


Expanding the market for bioindustrial solutions

With rising demand for more sustainable offerings, Cargill's bioindustrial business takes nature-derived ingredients—such as corn, soybeans, jojoba, and seaweed—and produces a wide range of nature-based chemistries that offer alternatives to fossil-based products. From adhesives to soaps and paints to foam and even personal care solutions, our customized chemistries use nature-derived ingredients to help formulate products in ways that improve performance, such as flexibility, durability, absorbency, and reusability.

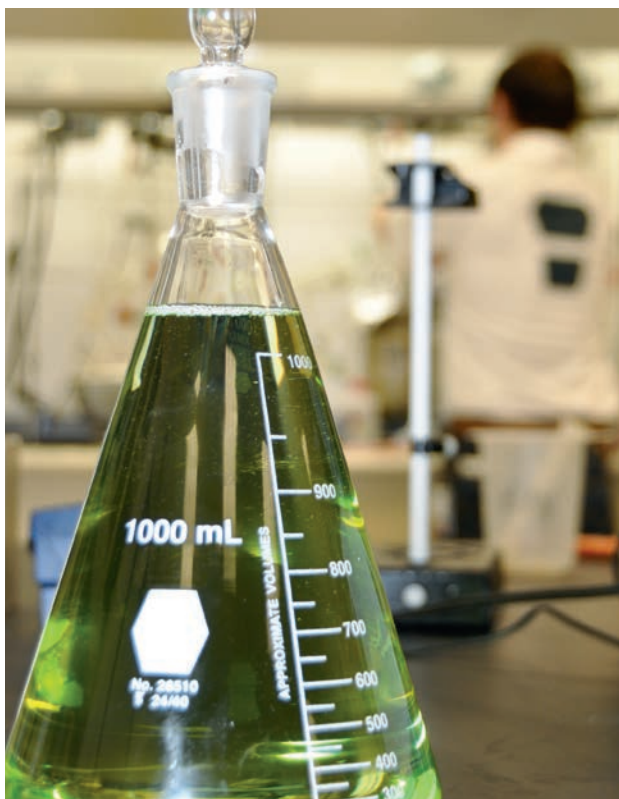
Offering sustainable solutions

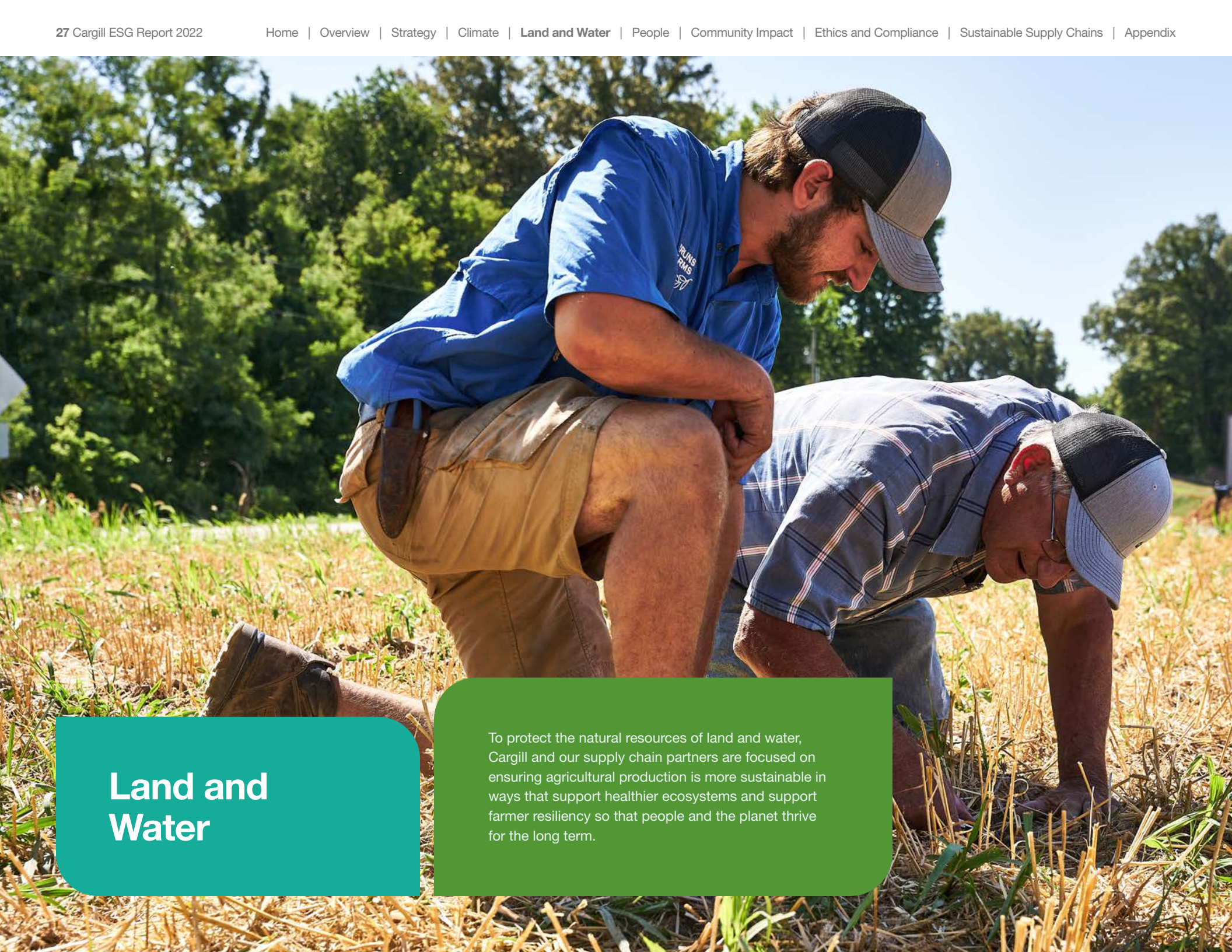
To further expand our ability to provide industrial manufacturers with more sustainable ingredient solutions, Cargill entered into an **agreement with Croda** to acquire the majority of its performance technologies and industrial chemicals businesses. As part of the agreement, which closed June 30, 2022, Cargill will gain production facilities across Europe and Asia, along with a strong technology portfolio that supports leading market positions in polymer, automotive, and food packaging applications. Aligning with Cargill's commitment to sustainability, more than two-thirds of the raw materials used to manufacture these solutions are bio-based and renewable.



Investing in more sustainable power

Cargill's bioindustrial business provides a range of nature-derived offerings that help reduce GHG emissions, including in what is typically one of the most emissions-intensive industries—power generation. In December 2021, Cargill opened our first **FR3® natural ester fluid manufacturing facility in China**, making it Cargill's sixth FR3 fluid facility globally. FR3 fluid is a proven, high-performing transformer fluid that is more reliable for communities and has considerably higher flash and fire points than mineral oil. Derived of 100% vegetable oil with performance enhancing additives, FR3 fluid produces GHG emissions which are significantly lower than that of mineral oil—and is viable in many bioindustrial applications, including transformers used in power grids.



A photograph of two men in a field of tall, dry grass. The man on the left is wearing a blue polo shirt with a logo, khaki shorts, and a baseball cap. He is crouching and looking down at the ground. The man on the right is wearing a blue and white striped polo shirt, khaki shorts, and a baseball cap. He is also crouching and looking down at the ground. The background shows a line of green trees under a clear blue sky.

Land and Water

To protect the natural resources of land and water, Cargill and our supply chain partners are focused on ensuring agricultural production is more sustainable in ways that support healthier ecosystems and support farmer resiliency so that people and the planet thrive for the long term.

Our approach: Land

Cargill's commitment to sustaining important natural resources begins with the stewards of our earth—farmers.

We are working with farmers as they transition to more sustainable farming practices through land-use programs designed to protect our planet's limited resources through nature-based solutions, while also supporting the economic viability of farming and rural communities.

As a connector across the food supply chain, we are partnering with farmers, customers, industry groups, NGOs, and governments to help scale our sustainability efforts around the world through four strategic land-management pillars:

Protect

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

Regenerate

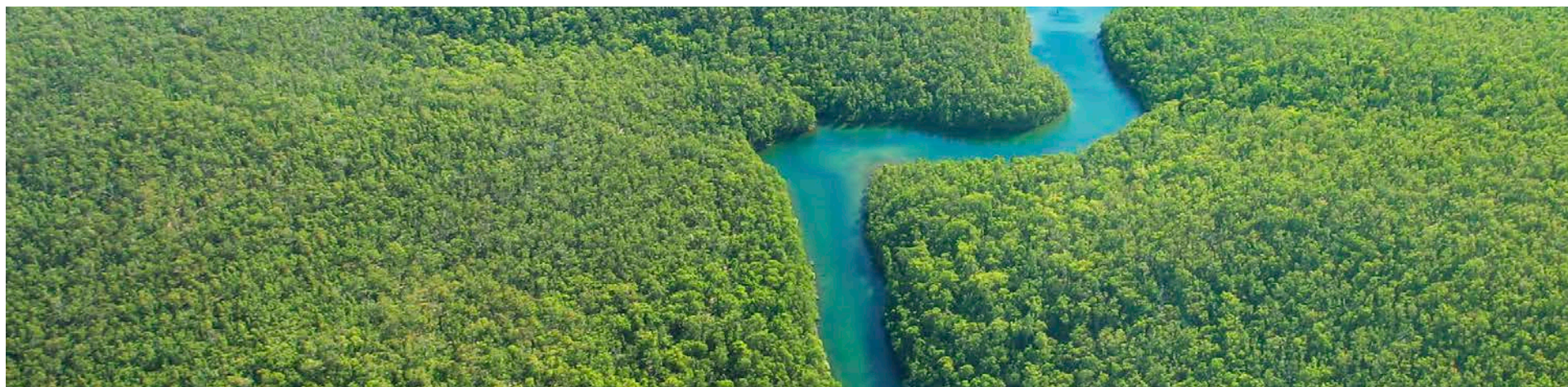
We promote regenerative agriculture practices to mitigate climate change and protect our water resources in ways that are beneficial to farmers.

Restore

We restore degraded land and champion biodiversity to create a forest-positive future.

Innovate

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



Protect

Conserving land in the agriculture industry is critical to mitigating climate change and protecting biodiversity.

Cargill is working to eliminate deforestation from our supply chains in the shortest time possible. We are focused on assisting farmers in ecologically sensitive areas, as well as increasing transparency through supply chain traceability and offerings of verified Deforestation- and Conversion-Free (DCF) products for our customers.

Cargill's forest commitments and policy

Cargill is committed to transforming our global agricultural supply chains to be deforestation-free by 2030, and we are accelerating our efforts starting in areas of higher risk.

Our [Policy on Forests](#) [↗] lays out our approach for achieving this target globally, and is founded on our belief that farming and forests can and must coexist. Our top priorities for action are in our cocoa, palm, and soy supply chains. See [Sustainable Supply Chains](#) in this report for additional details.



Increasing supply chain visibility

To prevent deforestation, we are expanding supply chain transparency and investing in traceability solutions to identify risks and take action together with farmers, communities, and the food and agriculture sector. We geolocate farms in our supply chain by mapping their boundaries and creating polygon maps. We overlay these maps with geospatial data from satellites, including from the World Resources Institute's (WRI) business tool, Global Forest Watch Pro, and deforestation-alerting tools. This helps us assess changes in land use and forest cover when they happen and respond with appropriate interventions.



Protecting forests in Brazil

Brazil is one of the most diverse ecosystems on Earth, and the source of some of the world's top food ingredients. Supporting local farmers while at the same time protecting these vital ecosystems is crucial to mitigating global climate change and food security.

Cargill is connecting across agriculture, environmental, academic, and business stakeholders to implement programs that provide farmers with resources to implement more sustainable practices. We believe that in order to transform the supply chain to be deforestation- and conversion-free, we must provide economically viable solutions for farmers.



“Creating agricultural systems that provide economic returns to farmers while making efficient use of natural resources is imperative to creating lasting change in Brazil. We are proud to partner with Cargill in their efforts to support farmers in Brazil that, in return, will have a positive global impact.”

Pollyanna Câmara
Partner, Preserv Consultant, Maranhão, Brazil

Expansion of Triple S Soy

While working to transform our entire supply chain, we are increasing our offerings of verified DCF products. For example, our **Triple S (Sustainably Sourced & Supplied)** soy scheme is verified DCF and available to all our customers globally. Through Triple S, farmers receive the necessary technical assistance to make the transformation needed to achieve more sustainable agriculture practices. In addition, farmers are incentivized through premium payments.

In 2021, we expanded Triple S to Argentina, and to date have enrolled nearly 400 farms across South America. See **Sustainable Supply Chains: Soy** to learn more about the actions we are taking.



Sustainable change within the palm oil supply chain

Environmental and social sustainability issues have long challenged the palm oil supply chain. But Cargill is leveraging our presence and resources to make meaningful, sustainable change through targeted landscape programs that combat deforestation.

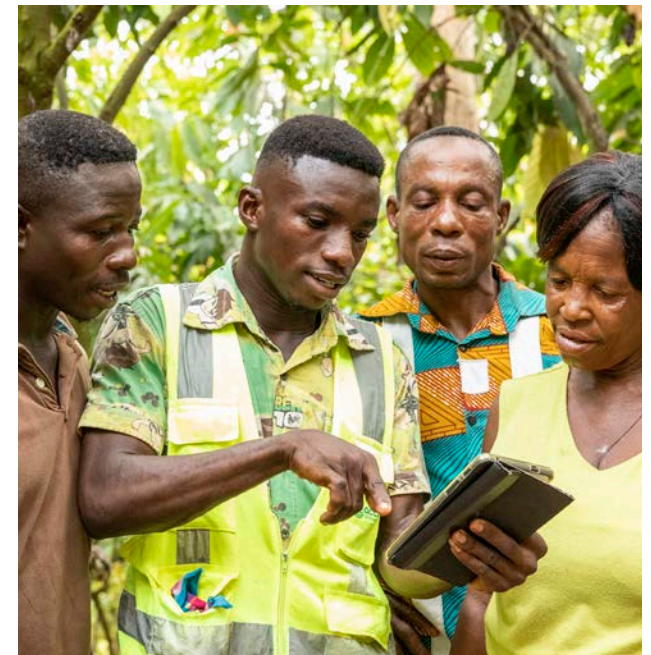
In Indonesia, Cargill is collaborating with local governments, NGOs, producers, and smallholders to achieve sustainable land use in the Siak and Pelalawan districts. These efforts—also underway in the areas of South Sumatra and West Kalimantan where our palm business operates—focus on developing and piloting sustainable approaches that also improve smallholder livelihoods.

In Colombia, we have undertaken a similar landscape program to scale up No Deforestation, No Peat, No Exploitation (NDPE) policy implementation in and near the Lebrija River Basin. See **Sustainable Supply Chains: Palm Oil** to learn more about the actions we are taking.



Mapping our cocoa supply chain

Protecting, regenerating, and conserving our planet's resources is a complex equation. We are deploying technology to give us unprecedented visibility into our cocoa supply chain which helps us map farms, trace cocoa, assess deforestation risk, and engage suppliers. We use GPS to map the polygon farm boundaries, and have mapped 70% of all farmers participating in the Cargill Cocoa Promise program. GPS polygon maps and geospatial data based on satellites allow us to monitor tree-cover loss and assess land-use change and deforestation risks. The data we obtain through this technology is very precise and it enables us to map and monitor the individual sources of cocoa, which are frequently very small farms. This way of monitoring benefits farmers, too, as it helps provide greater assurance to the market, consumers, and regulators that they are growing cocoa in a responsible and sustainable way. See **Sustainable Supply Chains: Cocoa & Chocolate** to learn more about the actions we are taking.



Regenerate

Soil does more than provide nutrients for plant growth. Healthy soil also uses plants' photosynthesis to pull carbon from the atmosphere, improve water quality, increase drought resilience, and enhance farmer livelihoods.

That's why Cargill is focused on unlocking the potential of farmland and natural ecosystems by advancing regenerative agriculture practices and policy solutions that benefit farmers, ranchers, customers, and the broader food system. Many of our major programs offer multiple environmental benefits, such as BeefUp and Cargill RegenConnect™, which are detailed in the **Climate** section. Below we have featured additional programs that work to scale up regenerative agriculture practices in key regions around the world.

Scaling up regenerative agriculture

While pockets of regenerative agriculture systems exist around the world, there is a need to more rapidly scale soil health practices so that nature and people, including farmers, can reap the benefits. Cargill is working with partners, customers, and other stakeholders to spearhead the transition across the globe.



Our commitment: Regenerate 10 million acres

In support of our effort to build more sustainable supply chains globally, we are working with farmers to advance regenerative agriculture practices across **10 million acres of North American row crop** farmland by 2030. These include practices like planting cover crops, reducing tillage, and optimizing nutrient management.

Through our collaborative efforts with farmers, we have supported adoption of regenerative agriculture practices on more than 158,000 acres since setting this commitment in 2020, with agreements already in place to implement practices on more than 700,000 acres over the next year.

In addition to this goal focused on crops, we are exploring ways ranchers can adopt sustainable grazing practices to harness the potential of their cattle to restore and protect prairies and other natural ecosystems through our BeefUp Sustainability programs. And we're making sure it's all done in a way that offers long-term sustainability benefits to ranchers and local communities.



The Soil and Water Outcomes Fund

Cargill's partnership with the Soil and Water Outcomes Fund helps row crop farmers implement new regenerative agriculture practices. Farmers are incentivized on a per-acre basis for adopting practices like planting cover crops, reducing tillage, and optimizing nutrient management.

Between March 1, 2021 and February 15, 2022, Cargill supported the expansion of more than 81,000 acres of Iowa farmland in the program, and purchased Verified Emissions Reductions (VERs) of more than 72,000 metric tons of CO₂e.

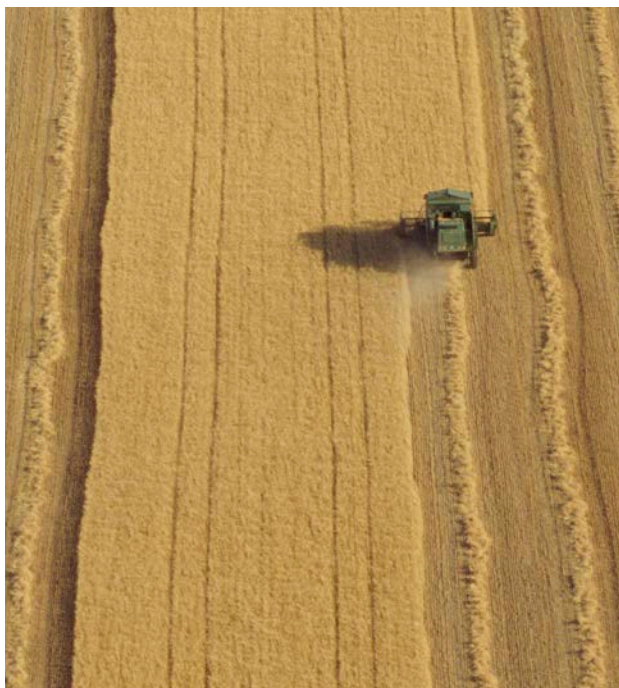
Additionally, Cargill supported water quality improvements, including preventing more than 563,000 pounds of nitrogen and more than 38,000 pounds of phosphorus from entering rivers and streams.



Reducing carbon emissions in Europe

Cargill and **Soil Capital** [↗] are helping farmers in France and Belgium adopt regenerative agriculture practices like cover crops and reduced tillage. Through a pilot project in the wheat supply chain, farmers have been selecting practices that deliver a carbon farm management system designed to reduce carbon emissions on their farms. Cargill is committed to purchasing carbon certifications, which verify the emission reduction and carbon sequestration outcomes achieved through these regenerative agriculture farming practices.

Our goal for this pilot project is to demonstrate a meaningful reduction in the net greenhouse gas (GHG) emissions of participating farms, in line with our Scope 3 targets to reduce supply chain emissions 30% by 2030. Our initial results have shown success with this approach, and we are now initiating a scale-up phase that is Europe-wide in scope.



Measuring the economics of soil health

Cargill partnered with the Soil Health Institute to assess, demonstrate, and communicate the economics of regenerative soil health systems. The Institute interviewed 100 farmers across nine Midwest (U.S.) states to assess impacts of soil health management practices on farmers' profitability.

Key findings include:

Net income increased for **85%** of farmers growing corn and **88%** of farmers growing soybeans using a soil health management system.

Net farm income increased by **\$52** per acre for farmers growing corn and by **\$45** per acre for farmers growing soybeans with a soil health system.

These practices reduced the average cost of growing corn by **\$24** per acre and soybeans by **\$17** per acre.

Farmers also reported additional benefits, with **97%** reporting increased crop resilience to extreme weather, **93%** reporting increased access to their fields, and **67%** reporting higher yields with soil health management systems.

Restore

In addition to protecting land from deforestation, we are also working to restore previously altered land by bringing back the most effective natural climate solutions—trees and soil.

Cargill's investments in restoration projects are primarily focused on some of the most critical regions in our cocoa, palm, and soy supply chains—from Côte d'Ivoire to Brazil, which are home to farming communities and environmentally significant biomes like Brazil's Cerrado. We are working with restoration specialists, NGOs, and community partners to scale restoration programs regionally and locally in these important ecosystems.



Agroforestry in cocoa-growing communities

In Côte d'Ivoire and Ghana, increasing pressure from a wide range of sources, including migration, logging, and other crop production, threatens the ecological integrity of forests.

Cocoa farmers are often exposed to a variety of external variables that make it hard to secure stable livelihoods and may push them to expand further into forest areas, converting new lands to meet the increased demand for cocoa and other crops to support their livelihood needs. This contributes to a cycle that creates long-term problems for forests and farmers alike.

That is why Cargill and PUR Projet are collaborating on an agroforestry project that is helping to restore depleted areas, while also further diversifying the incomes of cocoa farmers. Cargill helps fund the cost of seedlings, provides expertise on the ground, and offers direct engagement with cocoa growers whose soil for farming improves in quality when nearby forests regenerate.

To date, Cargill's collaboration with PUR Projet has enabled close to

500,000 trees

from 17 different species to be planted on the cocoa farms of more than 4,600 farmers.



“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.”

Ouatara Shaka
Cocoa Grower, Bossoha, Côte d'Ivoire

© Unforeseen Studio

Restoration in South American ecosystems

Cargill committed to providing \$1.8 million to WRI as the secretariat for Initiative 20x20, a country-led effort seeking to protect and restore 50 million hectares of land by 2030. The partnership aims to change the dynamics of land degradation in Latin America and the Caribbean, uniting 18 national governments, three regional governments, and more than 100 technical and financial partners. Cargill's grant has supported actions to build the investment foundation for transformative projects with innovative approaches to restoration.

Some of these include:

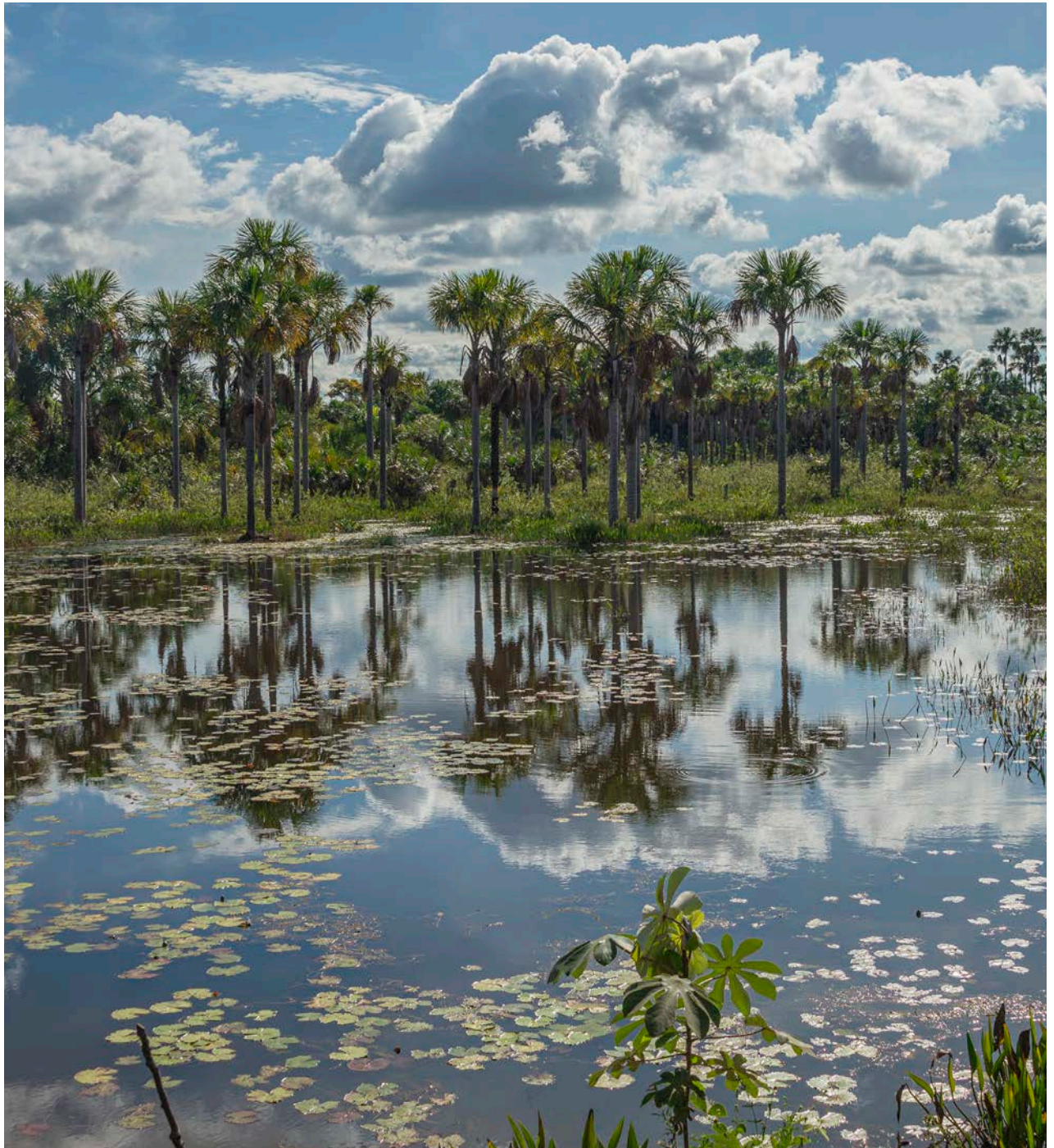
Establishing a more than **146,000-hectare** carbon concession (a concession with the objective of maintaining the existing vegetation and thus the carbon it contains) in the State of Rondônia, Brazil.

Developing capacity to propagate native species for commercial use and for restoration on **50,000 hectares** of land.

Using native species as anchors in agroforestry programs across **280,000 hectares** of land.

Analyzing the applicability of new financial mechanisms to restore degraded pastures.

In addition, Cargill recently launched new partnerships and programs to restore 100,000 hectares of altered land over the next five years in Brazil. This is an area similar in size to New York City. From carbon sequestration to conserving biodiversity, soil, and water, work is underway to restore many altered areas—including Matopiba in the Taquaruçu Grande River Basin, which supplies drinking water to a city of more than 300,000 people in central Brazil.



Innovate

Cargill is investing in all areas across our supply chain, developing state-of-the-art products, programs, tools, and services that empower farmers and customers to be the best stewards possible of the world's ever-limited natural resources.

We prioritize investments in innovations that have the potential to scale impact—across multiple supply chains, geographies, and customer segmentations. We also emphasize technologies that are both practical and beneficial to farmers, customers, and other partners in the supply chain.

Land Innovation Fund

The **Land Innovation Fund for Sustainable Livelihoods (LIF)** ^{EN}—which Cargill launched with a commitment of \$30 million—is actively funding projects that will empower farmers and protect forests across South America.

One of the LIF projects, in partnership with Brazil-based AgTech Garage, is the Sustainable Soy for the Cerrado Program. Launched in 2021, 21 startups have been supported to design, test, and pilot innovative solutions to transform the soy supply chain to deforestation- and conversion-free in the Cerrado biome of Brazil. Under this program, the agribusiness startup ecosystem, the academic sector, and soy farmers are engaged in the process to help ensure farmer relevancy. See **Sustainable Supply Chains: Soy** for additional details.

Bringing digital traceability to scale

Cargill deploys advanced technology to give unprecedented visibility into our supply chains, helping us map farms, trace commodities, assess deforestation risk, and engage suppliers. Among our digital traceability initiatives are:

CocoaWise™

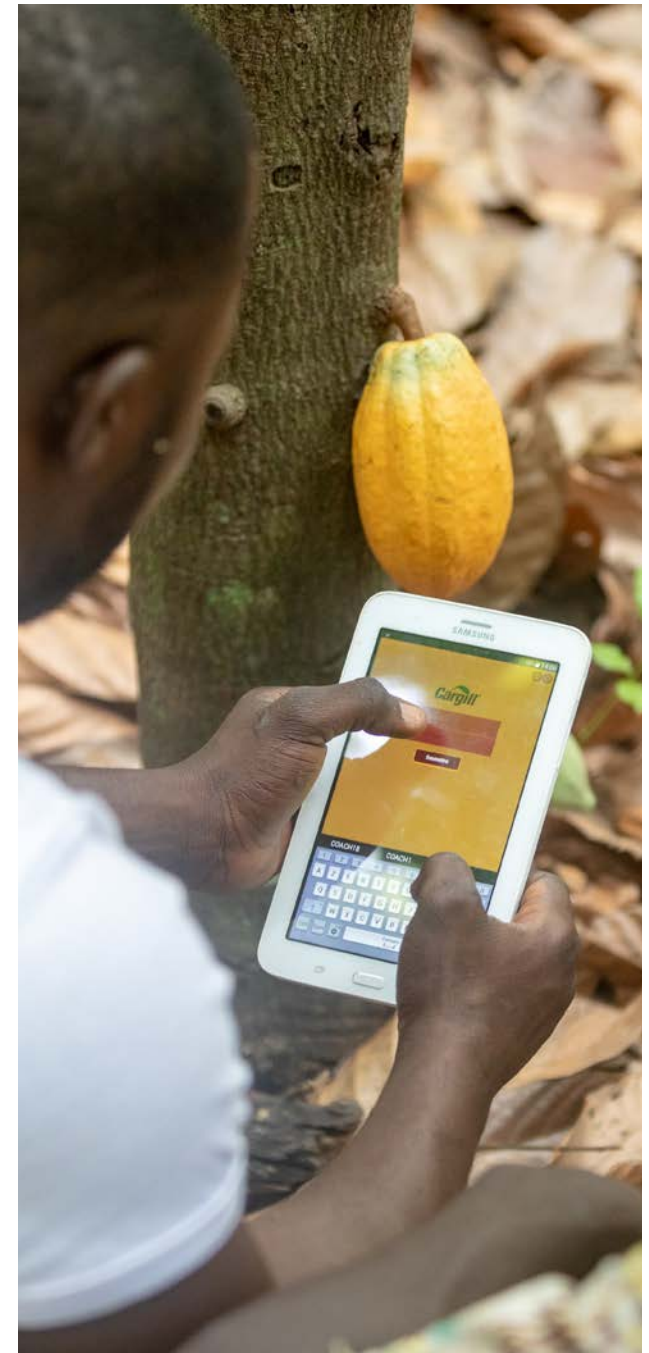
A digital suite of tools aimed at providing services to both ends of the value chain: for farmers and their communities as well as customers and other stakeholders. The platform provides detailed information about sustainable product deliveries and cocoa origins, along with the impact of that financial investment among farmers and farming organizations.

PalmWise™

A portal to inform us—in near real-time—of potential risks at the origin market which could impact our downstream customers. This portal provides advanced traceability and monitoring data within the supply chain.

SoyaWise™

Our soy traceability portal, provides our customers with greater transparency about their individual soy purchases, certification details, and an understanding of deforestation risks. Customers can follow their soy shipments back to the region and even the municipality of origin.



Supporting biodiversity for land and sea

Through biodiversity, the ecosystems that form the basis of life on our planet coexist and intermingle. It's a delicate balance.

One example of how we are protecting aquatic biodiversity is through fishery improvement projects (FIPs) that protect—and can even restore—biodiversity in aquatic ecosystems by improving fishery management and fishing practices.

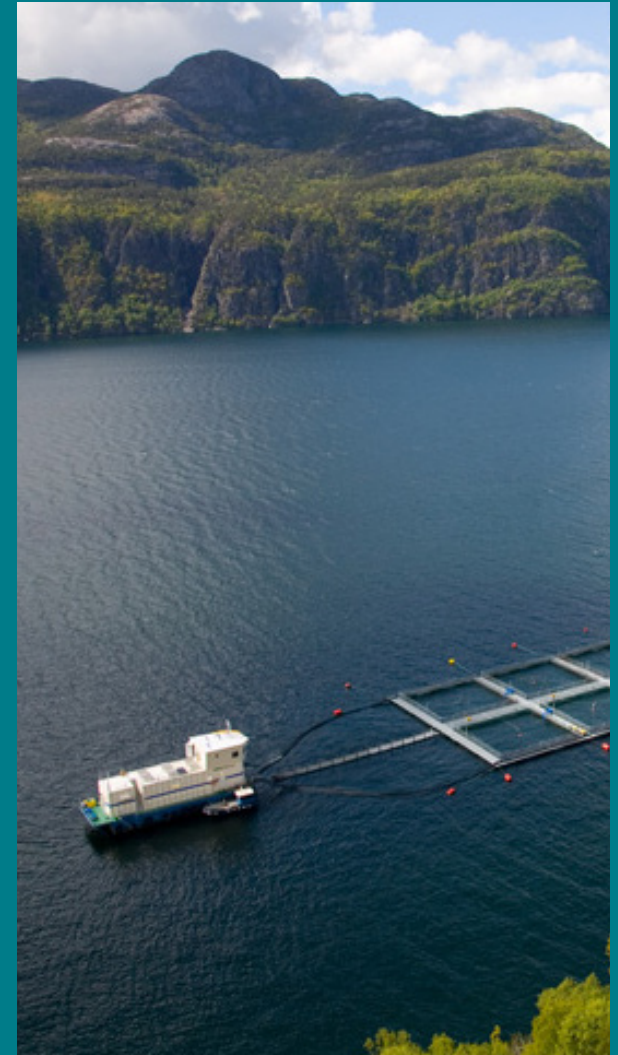
The specific improvements vary, as each fishery has its own unique sustainability challenges. However, common themes include:

- Ensuring that the targeted species is not fished beyond its maximum sustainable yield, helping previously over-fished species recover to sustainable numbers
- Minimizing bycatch, which are other species caught incidentally with the target species that can include predatory species like sharks and rays, and avoiding altogether the bycatch of species that are endangered, threatened, or protected
- Ensuring the fishing gear used does not have severe or lasting damage to physical marine habitats like reefs, kelp forests, and seagrass beds
- Creating robust governance policies, including laws on fishery management and their effective implementation, that deliver a clear and systematic strategy to protect species and the environments they call home

By working credibly to meet these principles, the fishery improvement projects that Cargill participates in give wild populations the chance to thrive, and in turn, protect aquatic biodiversity. To ensure credibility, FIPs are run with a broad range of stakeholders and publicly reported on to show progress towards timebound goals.

In 2020, when a key source of marine ingredients—blue whiting from the North Atlantic—lost its certifications, we stopped buying from that fishery. Collaborating with other stakeholders—including our aquafeed competitors—we joined the North Atlantic Pelagic Advisory Group (NAPA) and encouraged the fishery to act. They're now in an approved fishery improvement project, working towards multilateral agreements for catch quota allocation that are in line with scientific advice and an overall better, long-term fisheries management strategy.

Further south in the Atlantic, in Mauritania, a fishery improvement project we are contributing to is making important progress. By working with scientists, the fishing industry, and the government, the fishery has improved its data collection. In turn, this has provided a better understanding of stock status, and, hence, more informed revisions to the fishery's management plan. And because this ocean ecosystem provides a source of food and livelihood for millions of people across the region, the fishery improvement project is also working to ensure that the impact of the fishery is positive socially as well as environmentally. See [Sustainable Supply Chains: Aqua Nutrition](#) for additional details.



Our approach: Water

About 70% of the world's fresh water is used to produce the food we eat. But water is often not given the respect and care it requires as a finite and irreplaceable resource. Water shortages affect more than 40% of the global population, a number destined to rise.

For that reason, Cargill and the farmers, customers, and NGOs we work with play a vital leadership role in developing and advancing agricultural solutions that protect and replenish water resources. In doing so, we are also devoted to supporting farmer livelihoods and community resilience.

While water conservation is a global issue, it requires a local approach—and that drives us to focus our efforts on the supply chains and regions where it matters most. Our emphasis is on enabling pathways to address water challenges related to availability, quality, and access by empowering farmers and protecting nature. Together, we are driving positive changes in water usage in our operations, in the communities where we operate, and in the water-stressed regions where farmers grow food that feeds the world.



Water stewardship commitment

In 2020, Cargill developed a set of industry-leading water targets—centered on our global ambition to enable a water positive impact across our operations, supply chains, and communities by 2030.

Our performance against these targets this year indicates we have made progress on the successful implementation of water stewardship practices at priority facilities, as well as scaling our pipeline of regenerative agriculture programs to drive greater impact in our supply chains.

We recognize this issue requires industry collaboration and action to scale solutions. Cargill is a proud signatory of the CEO Water Mandate and a member of the Water Resilience Coalition. Both are UN Global Compact initiatives that mobilize business leaders to develop solutions with respect to water and sanitation.

Creating a new set of industry-leading water targets

Working in partnership with WRI, in fiscal year 2021 Cargill undertook a comprehensive process to develop bold yet pragmatic context-based water targets.

As a result, Cargill was one of the first companies in the world to set contextual water targets across the value chain.

We used a three-step approach to direct this process:

1. Assess water impacts and dependencies across the value chain and prioritize the most important activities. This resulted in Cargill prioritizing the upstream agricultural crop supply chain and our direct operations.
2. Assess water-related risks and prioritize locations focusing on water availability, water quality, and access to water for each catchment in which Cargill operates or from which we source agricultural crops.
3. Set targets that are proportional to the company's contribution to the water challenges and the desired change within sustainable boundaries.

In an effort to share key learnings from this process, WRI published a case study, [Developing Enterprise Water Targets Informed by Local Contexts: Cargill's Approach](#).

Targets	Progress as of 2022
Achieve sustainable water management in all priority watersheds by 2030	7 priority watersheds (6% progress)
Restore 600 billion liters of water in priority watersheds by 2030	More than 5 billion liters
Reduce 5 million kg of water pollutants in priority watersheds by 2030	394 thousand kg nitrogen-equivalent
Improve access to safe drinking water in 25 priority watersheds by 2030	7 priority watersheds
Implement our Water Stewardship program at all priority facilities by 2025	77% average implementation of water stewardship practices across all priority facilities

Water in our operations

Within our operations, Cargill has implemented a set of global requirements that address our commitment to eliminating unsustainable water impact by reducing our own footprint and guarantee understanding, compliance, and reporting of water usage, impact, and risk.

Our priority facilities account for more than 80% of our total operational water use and were selected based on water stress exposure and water usage. Each of these facilities has set site-specific targets for water efficiency and yield-loss reduction through wastewater. They have focused on measuring and monitoring water use and discharge in their operations to better understand their water dependency and impact. Additionally, they have developed water balances, benchmarked unit operations, and completed site risk assessments to more clearly identify shared water challenges in their local context.

This information and context are critical to help us fully implement our water stewardship program at all priority facilities by 2025.



Reducing water usage in Costa Rica

At our chicken processing plant in San Rafael, Costa Rica, we have successfully implemented the first phase of the water stewardship program—focusing on measurement, monitoring, and reporting, and finding ways to drive water-resource efficiency. Prior to applying learnings from phase 1, the facility's average weekly water consumption was 18,000 cubic meters. After assessing opportunities for improvement, including reducing the amount of water used throughout processing, installing new flow meters, and leveraging automation, the team was able to reduce the average weekly water consumption by 2,000 cubic meters.



Replenishing watershed in Thailand

Cargill is helping address water shortages and drought conditions in Thailand. Through our Smart Farming project, we are piping treated water from our protein processing facilities in the Chok Chai District to rice farms in the province of Nakhon Ratchasima. By strategically linking our nitrate-rich discharge water with the agri-irrigation needs of farmers, we are helping them find a more sustainable solution for the water and fertilizer they require.



Water in our supply chains

Cargill works with farmers, ranchers, and other partners to advance sustainable water practices that improve soil health, water resiliency, and quality. Many of those solutions also reduce GHG emissions and improve farmer livelihoods by reducing costs and improving yields. Our priority supply chains and geographies include beef production and row crops in the United States, and we're applying learnings from our work and scaling them across these businesses to drive greater impact.

We also work to protect and restore watersheds in critical geographies of our supply chains, such as Colorado and Kansas, which provide water supply that irrigates much of the row crops grown in the Midwest. We partner with leading conservation organizations to invest in programs that improve water quality and protect watershed biodiversity.



Conserving water across Arkansas

Roughly 80% of Arkansas's annual water consumption is dedicated to agriculture, and more than 60% of the water used annually for row crop irrigation comes from the Mississippi Alluvial Aquifer in the Arkansas Delta. That is why Cargill is supporting The Nature Conservancy in Arkansas by funding the Water Sustainability in Arkansas Agricultural Irrigation project to help conserve water in the Arkansas Delta. The three-year project began in 2021 and, to date, has helped establish irrigation conservation practices on half of the 25,000 acres of cropland targeted. This work entails engaging 50 farmers, including underrepresented farmers (including women, Black, and Hispanic farmers), by providing technical assistance and installation of 250 irrigation timers on farmland. Through these efforts, we expect several billion liters of water per year to be conserved on row crop fields in the region.



Restoring rural watersheds

Through a \$400,000 grant from longtime-partner Cargill, Ducks Unlimited is undertaking watershed restoration projects in Colorado and Kansas.

In Kansas, at least 6,000 acres of playa wetlands and associated uplands are being restored along the Ogallala Aquifer/Playa Recharge. In Colorado, crucial habitats for waterfowl and other wildlife are being restored in the Tamarack Ranch State Wildlife Area while also enhancing Platte River recharge.



Water in our communities

Reliable access to clean, safe water as well as sanitation and hygiene are essential for communities to thrive. Increasingly, poor water availability and quality threaten many communities around the world.

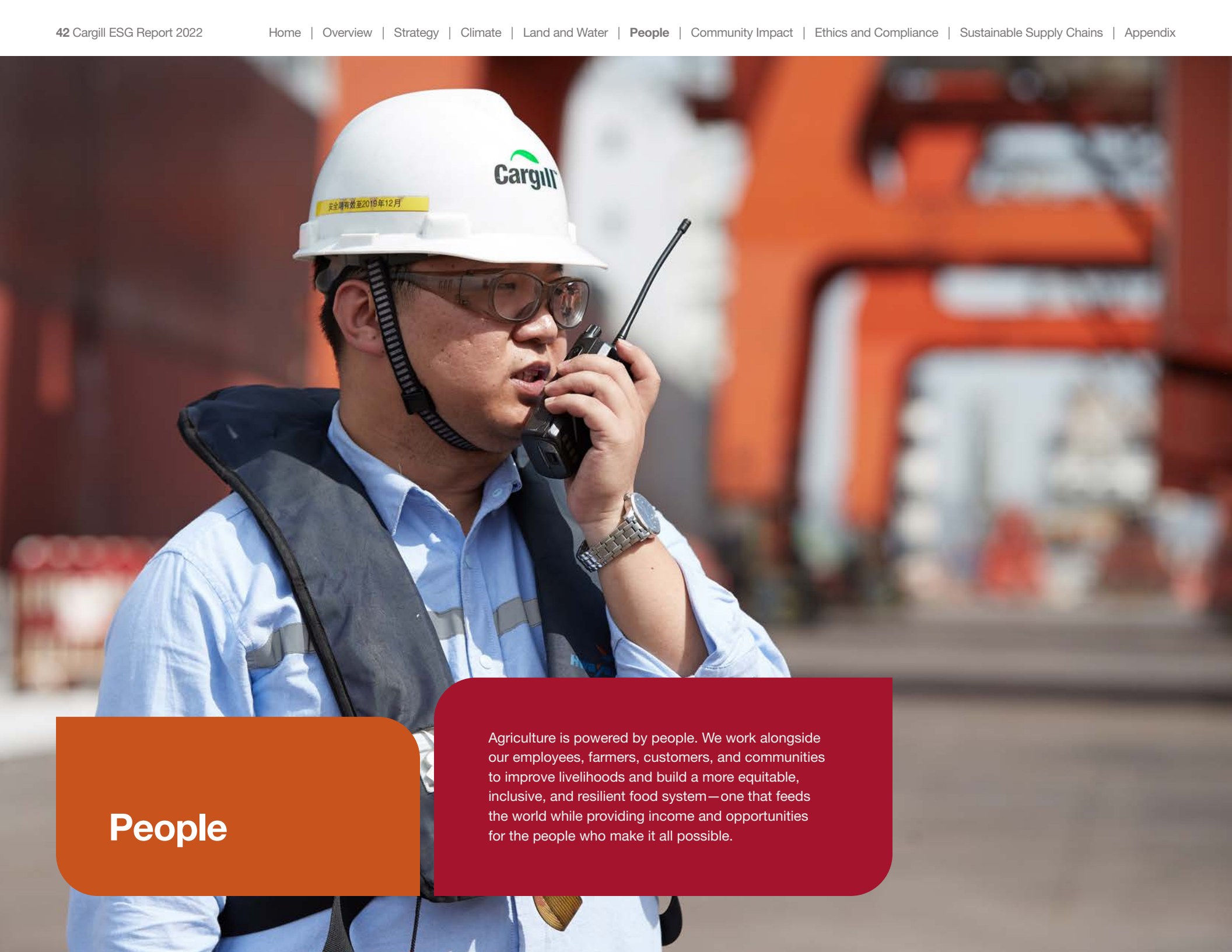
Cargill is working to drive positive change, tailoring the specific needs of target communities in priority watersheds around the world.

Cargill Currents: Addressing clean water challenges across the globe

Up to 150,000 people in Brazil, Cameroon, Côte d'Ivoire, Ghana, and India will benefit from improved access to safe drinking water and sanitation and enhanced water security, thanks to a three-year, \$3 million community water initiative launched last year.

Cargill Currents [↗], a partnership between Cargill and Global Water Challenge, addresses water challenges in priority watersheds by tailoring to the specific needs of the target communities. The program is also building community resilience, promoting economic development, and delivering socio-economic and sustainability co-benefits, including improving farmer livelihoods, community health, women's empowerment, and climate change resilience.



A photograph of a Cargill employee, a man wearing a white hard hat with the Cargill logo and a yellow safety label, safety glasses, a light blue button-down shirt, and a dark safety vest. He is holding a black walkie-talkie to his mouth and appears to be in the middle of a conversation. The background is a blurred industrial setting with large orange structures.

People

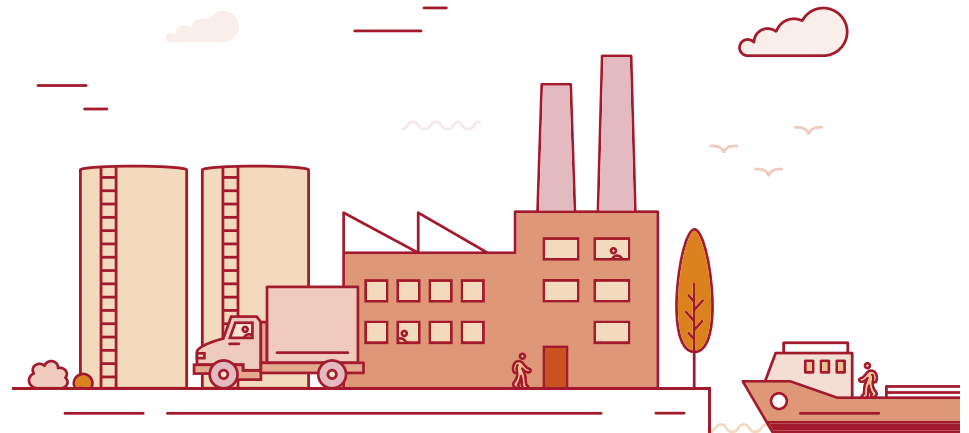
Agriculture is powered by people. We work alongside our employees, farmers, customers, and communities to improve livelihoods and build a more equitable, inclusive, and resilient food system—one that feeds the world while providing income and opportunities for the people who make it all possible.

Our approach

We're bringing together diverse people, ideas, and resources to fulfill our purpose of nourishing the world in a safe, responsible, and sustainable way. And providing a safe, equitable, and fair workplace—in which our employees can grow their careers—is a critical component of that commitment.

One of our **Guiding Principles** is to treat people with dignity and respect. It's an obligation we take seriously, not only with our employees, but also in how we work with suppliers, customers, governments, partners, and other community stakeholders.

We focus our People efforts on five critical areas:



Health and safety

We are committed to protecting our people and the animals in our supply chains, as well as ensuring our food products meet rigorous safety and quality standards.

Farmer livelihoods

We actively support farmers, ranchers, and producers to increase productivity and profitability and improve their livelihoods and resilience.

Human rights

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

Diversity, equity, and inclusion

We are developing a diverse workforce and driving a culture of inclusion and belonging 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.

Health and safety

We are constantly pushing to enhance programs and policies that create safer working environments for our people and help ensure the integrity of our products, every time.

Workplace safety

Our approach

Our goal, above all others, is to send everyone who works at Cargill home safely, every day. Cargill's global health and safety policy and management systems are focused on compliance with all applicable occupational health and safety requirements, and an insistence that all work—no matter how urgent—be done safely. This commitment to safety starts with Cargill's executive team and is deeply embedded in Cargill's culture.

Our operating businesses, in close partnership with the corporate Environment, Health and Safety (EHS) function and Business Operations and Supply Chain leadership, are responsible for the implementation of an aligned EHS strategy and set of policies and procedures. We are currently embarking on the next phase of our Serious Injury and Fatality (SIF) Elimination Program. This involves an intense, company-wide focus on making improvements in work methods and the implementation of advanced technologies to address the greatest risks in our operations and across our supply chains.

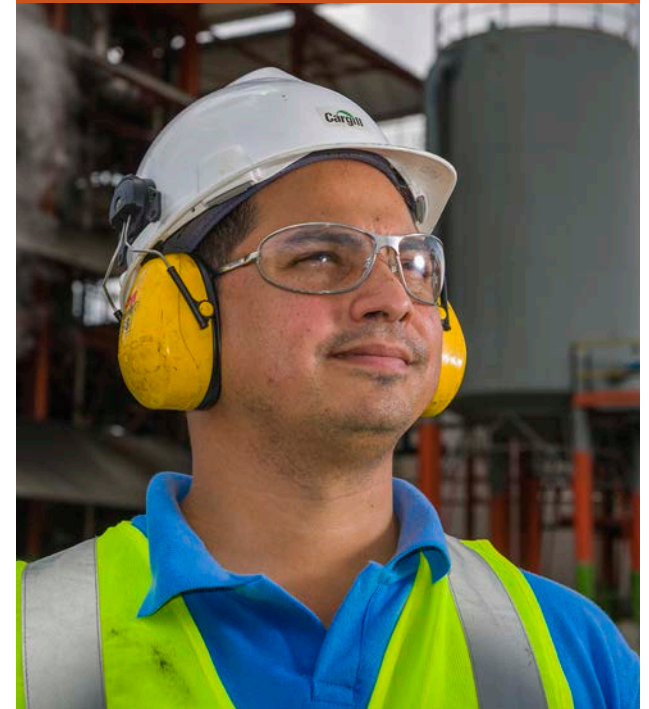
Performance against our total injury reduction efforts, as measured by our reportable injury frequency rate, remains steady compared to previous fiscal years. Cargill's executive team, as well as business leaders across the company, are held accountable against this and a select set of key safety performance indicators. With a focus on trends over time, this set of key performance indicators is reviewed monthly and quarterly at the corporate level and at various levels within our businesses to gauge performance and identify opportunities for improvement.

1.1 Reportable Injury Frequency Rate (RIFR)¹⁶

While our traditional lagging metrics are critical and tell us how effective our health and safety programs are, we have also introduced a series of “leading” metrics designed to help us see risks and take corrective, preventative actions before something bad happens. One of these leading metrics is our SIF-potential observation rate, which measures the frequency at which potential risks are reported and how well we protect against those risks. Our stop work authority program, known as SEE/SAY/STOP, feeds the SIF-potential observation rate and employees are embracing this opportunity to help make Cargill a safer company.

Putting safety in our people's hands

More than 30,000 employees and contractors have downloaded the LIFEsavers Field Guide to their smartphones (LIFE stands for Life-altering Injury and Fatality Elimination). The free app puts critical safety information in the hands of people who perform the 12 highest-risk work activities. By providing easy access to necessary safety requirements, the LIFEsavers Field Guide is helping to make Cargill safer and prevent serious injuries and fatalities.



¹⁶ RIFR: As defined by the U.S. Occupational Safety and Health Administration, the Reportable Injury Frequency Rate 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.



Taking people out of harm's way

As part of our commitment to eliminate hazards in the workplace that can lead to serious injuries or fatalities, we are making changes to drastically reduce the number of confined-space entries. These changes include using drones to conduct inspections, vertical drilling equipment to dislodge blocked materials, and adjusting product specifications to prevent moisture that can cause product blockages.

Setting safety standards aboard ships

Cargill is a longtime shareholder in RightShip, a maritime organization that focuses on safety, sustainability, and socially responsible practices across the supply chain.

We are leading efforts with the RightShip coalition to advocate more broadly for policies that protect seafarers' physical and mental wellbeing. These and other priorities are consistent with our support of standards set by the [**Global Maritime Forum**](#) .



Driving towards safer modes of transportation in Indonesia

In Indonesia, about half of the more than 275 million residents own motorcycles, making it one of the most popular forms of transportation for the roughly 17,000 employees in our Cargill Tropical Palm business. But, as Indonesia is second in the world in motorcycle deaths, the business identified on-the-job motorcycle travel as a risk exposure for our employees. To make our workplace safer, Cargill's leadership team decided to eliminate the use of motorcycles and other two-wheeled vehicles by modifying work processes and investing in alternative forms of transportation, such as cars, buses, and light trucks.

Since instituting this policy change in 2017, there have been ZERO on-the-job motorcycle traffic incidents involving Cargill Tropical Palm employees.



Promoting employee wellness

From physical health to emotional well-being to building a financial future, Cargill is committed to putting people first through our focus on employee wellness. We offer a wide variety of flexible and inclusive programs to help employees take care of what's needed for today and offer protection to help with tomorrow's what-ifs. Our employee wellness programs are focused on the following four areas:

- **Health well-being:** We have the basic benefits covered through flexible, comprehensive coverage options, and we've got programs that go above and beyond to meet additional needs.
- **Psychological well-being:** We believe mental health is just as important as physical health. We provide free, confidential mental health programs for all employees, leadership training and resources to help identify and address employee mental health issues, and support ongoing efforts across Cargill to destigmatize mental health.
- **Financial well-being:** We offer several ways to help employees save for their future in addition to offering insurance coverage options to help them financially prepare for life's more serious situations.
- **Work/Life well-being:** We provide time-off options so that employees can rest and recharge as well as programs that provide time away from work so that employees can focus on the people and moments that matter most.

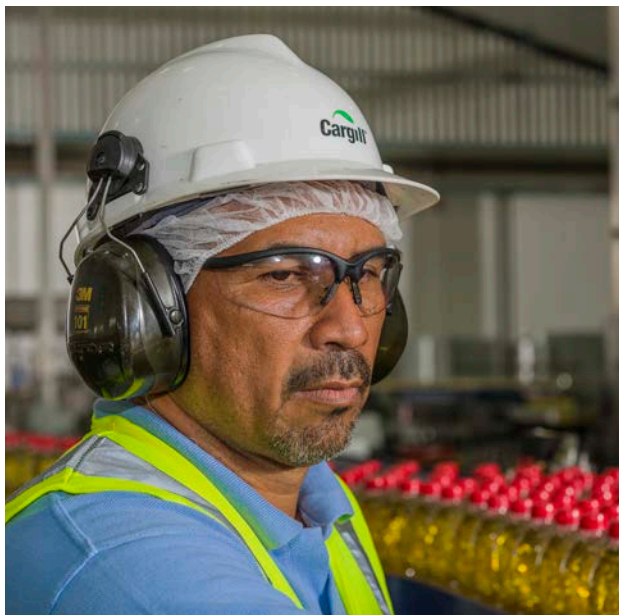


Product and food safety

Our approach

Every consumer deserves safe food. That can only be achieved by protecting people and animals from illness or injury, at every step in the process. Cargill takes a comprehensive, science-, and risk-based approach to food safety in our policies, operations, and supply chains. We monitor all facilities continually, and we act swiftly to address any food safety issue.

We also strive to be an industry leader in establishing standards and policies that improve the resiliency of the overall supply chain, and build trust with customers and consumers. One of the ways we do this is through our active involvement in the Global Food Safety Initiative. Through this organization and others, like the Institute of Food Technologists, we share our innovations and best practices so that all stakeholders throughout the food industry, including consumers, may benefit from them.



Big data and customer solutions

Cargill continuously strives to develop innovative solutions that help customers meet and exceed their product safety, quality, and ever-changing regulatory compliance requirements and expectations. One of the ways we are leading in this area is by harnessing the vast amounts of data at our disposal and translating it into insightful information.

Using a new digital tool, we are including a more comprehensive risk modeling approach to food safety-related data with input initially from six sources: food safety risk assessment information, shelf-life and customer-application information, regulatory requirements and changes, pricing/trading fluctuations, recall and regulatory horizon scanning, and political/socio-economic insights.

This new program and approach are being designed to expand on the risks we currently monitor for in the markets we serve, and to make our already strong food/product safety system even better. We expect this evolution will allow Cargill to better anticipate, prepare for, and prevent compliance-related incidents that, in the past, have not risen to high-risk status, and enable more effective supplier management.

“When it comes to making products and food that can be consumed safely—every time—by people and animals, we have to get it right the first time. That's why we take this responsibility so seriously, and why we share our expertise with others to make the entire global food system safer, more resilient, and more reliable—for everyone.”

Sean Leighton

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

Animal welfare

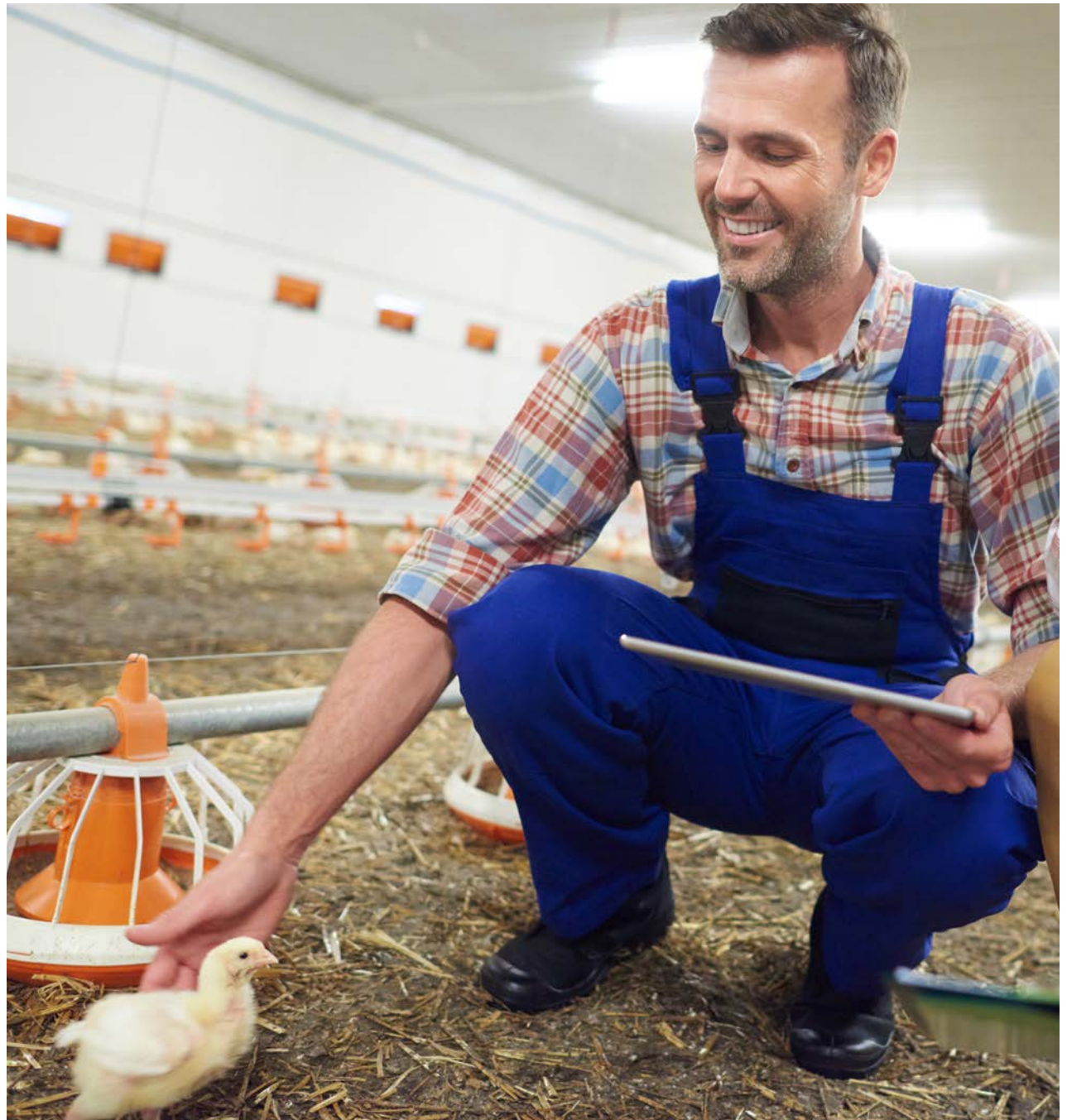
As we deliver sustainable feed and food around the world, we embrace our responsibility to ensure animals are treated with respect and dignity through proper care and handling practices. This always-critical requirement will become even more urgent as the demand for nutritious, affordable, and high-quality protein to feed a growing population increases.

An important way we assess our performance is through the Business Benchmark on Farm Animal Welfare (BBFAW), a leading global measure of farm animal welfare management. We have disclosed our responses to the 2021 BBFAW Survey [on our website](#)[☞], and were ranked near the top of 150 companies in BBFAW's annual report (Tier 2 out of six tiers total).

We have a zero-tolerance policy regarding abusive behavior directed at animals by employees, suppliers, transporters, or others in our supply chains. This and related philosophies stem from our adherence to the Five Freedoms, which is a globally recognized framework for animal welfare:

- **Freedom from hunger and thirst**
- **Freedom from discomfort**
- **Freedom from pain, injury, or disease**
- **Freedom to express normal behavior**
- **Freedom from fear and distress**

We continuously explore how we can evolve and improve our approach to animal welfare. In the case of our global commitments, we are currently working with others in the industry to advance our framework to the **Five Domains**[☞]—nutrition, health, environment, behavior, and mental state—a more comprehensive set of criteria that goes beyond the Five Freedoms to take into consideration how environments impact an animal's mental state.



Farmer livelihoods

Our approach

Partnering with farmers to build a sustainable future has never been more important—farmers are some of the most advanced problem-solvers on the planet. Working together, we are increasing productivity through new and improved agricultural practices, providing access to inputs, markets, and finance, and increasing on- and off-farm income diversification. In doing so, we are helping to build more resilient farming businesses and agricultural communities.

Our goal:

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

1.4 million	5.6 million	10 million
This year	Total training since goal was set in 2017	2030 goal



Supporting cocoa farmers to achieve a living income

The entire cocoa and chocolate industry depends on the success of cocoa farmers, who are exposed to a variety of external variables that make it hard to achieve a living income. Strengthening the socio-economic resilience of smallholder farmers is crucial for farm households to thrive.

As part of our **Cargill Cocoa Promise** program, we use our Farm Economic Model to understand how cocoa households earn a living. This model estimates livelihoods at a household level by taking account of multiple interrelated factors, such as household size, annual yields, price, and input costs. It also includes alternative income-generating activities, such as on-farm income from, for example, non-cocoa crops or livestock, and off-farm revenue streams. To date, we have rolled out the model in Côte d'Ivoire and Ghana to better focus our work on the areas that matter most to farmer profitability. We are planning to adapt the model to our other sourcing countries as well to provide similar insights on livelihoods. In addition, we are piloting several different cash transfer and entrepreneurship models.



For example, we partner with Nestlé on their **Income Accelerator Program** through which direct cash transfers are provided to farming households in Côte d'Ivoire to reward practices that increase crop productivity, income diversification, and improve social and environmental outcomes, such as enrolling children in school and implementing agroforestry practices. These cash transfers provide additional sources of income and are equally divided between the male and female head of household to ensure gender equity.

In 2021, the total number of cocoa farmers in our direct supply chain benefitting from training in good agricultural practices (GAPs) grew from more than 210,000 in 2020, to more than 244,000, globally.

“We were keen to partner with Cargill with their long history of working with us in Nestlé Cocoa Plan. The Income Accelerator focuses on social impact through closing the gap to living income, and has several facets with both enabling change and incentivizing it. We were confident that Cargill could manage this complexity and help create the conditions for cocoa farming families to flourish.”

Darrell High
Head of Nestlé Cocoa Plan

Building an inclusive poultry value chain in Kenya

The **Hatching Hope Global Initiative** ¹⁷ has grown to include six partners, in addition to our co-founder Heifer International and co-investor Walmart Foundation, which is funding Heifer International in India. Hatching Hope now works in eight countries with the shared ambition to improve the nutrition and livelihoods of 100 million people by 2030 through the production, promotion, and consumption of poultry.

In Kenya, the Hatching Hope project provides connections to inputs, markets, and financing across the poultry value chain to better serve smallholder farmers. Since 2019, the project has focused on connecting 25 smallholder farmer producer organizations and helped more than 134,000 farmers to feed and appropriately care for day-old chicks by providing extension and veterinary services.

Cargill connected our feed mill customers in Kenya to the producer organizations to enable smallholder farmers to access affordable, high-quality feed from reliable suppliers and learn improved biosecurity and farm management practices to increase their productivity. In partnership with Kenyan financial institutions, two revolving funds were established to finance participant farmers, producer organizations, and small enterprises in the poultry value chain so they can accelerate their development.

Our goal for Hatching Hope Kenya is to improve the nutrition and economic livelihoods of over 10 million people by 2030. Thus far, Hatching Hope Kenya has impacted 7.8 million people in the country.

For total progress against our Hatching Hope goal, please reference our **ESG scorecard**.

Creating “Endless Prosperity” for farmers in Turkey

In Turkey, Cargill is helping farmers increase their productivity and improve their livelihoods through the **1000 Farmers, Endless Prosperity** ¹⁷ program launched in 2019. To date, the program has reached 4,000 farmers and is the largest farmer-facing consultancy program in the country, from planting to harvest. The program supports more than 1,000 new farmers each year in regenerative agricultural practices and digital agricultural tools, and provides direct training to corn, sunflower, and canola farmers, which also includes financial literacy and waste management.

1,000 Farmers, Endless Prosperity is the only program in the Turkish agriculture and food industry that has a **Social Return on Investment (SROI)** ¹⁷ calculation. SROI analysis uses financial values to explain the impact of the social change on the stakeholders created through fieldwork. The calculations suggest that the SROI has increased more than three-fold in the last three years.¹⁷

In addition to the positive sustainability impact, farmers in this program also reported reduced operational costs and increased yields.

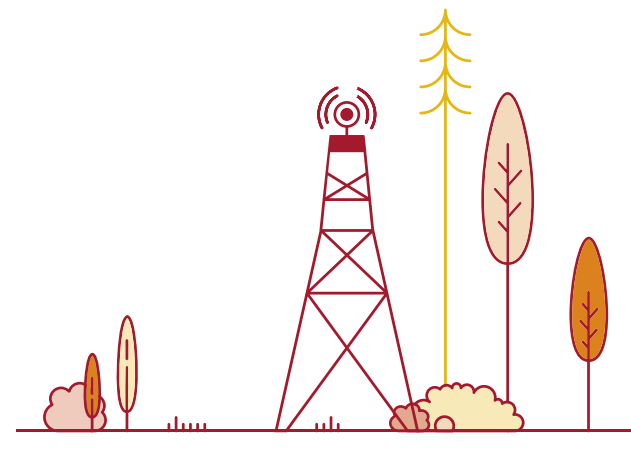


Boosting productivity for small-scale farmers in India

Many small-scale farmers in India face low farm productivity and poor access to markets. Cargill is taking steps to give them a boost through Digital Saathi, a mobile-first, artificial intelligence-based platform that provides information on weather patterns, pest control, improved agricultural practices, and real-time market pricing data, as well as connecting them to input providers, buyers for their produce, and a network of fellow farmers. Launched in February 2021, this hyper-localized platform offers services to farmers in five districts across Karnataka, India.

Since its launch in 2021, 28,000 farmers and other users have onboarded and are accessing digital advisory and information on the app.

By the end of next year, the platform aims to onboard 100,000 farmers and other users.



¹⁷ SROI rate of 1:2.53 in 2019, 1:2.78 in 2020, and 1:3.03 in 2021.

Launching a training program for female shrimp farmers in Latin America

To promote gender parity and women's empowerment throughout our aquaculture supply chain, Cargill and the Edes Business School of the Universidad Técnica Particular de Loja (UTPL) in Ecuador conducted a training program for 72 female shrimp producers in México, Central America, and Ecuador. The program offered training in leadership, finances, digital culture, sustainable entrepreneurship, circular economy, and technical assistance to improve their productivity and income.

“The program benefited all of us in the shrimp sector. We learned a lot to apply in our companies. Fundamental factors such as the environmental indicator have an important impact on our category, so we must be sustainable and friendly to our planet since, thanks to nature, we can grow shrimp and feed many people; also, we can make our companies more profitable, maximize our resources, and be more efficient.”

Diana Bonilla Robles
Shrimp producer in Honduras

Strengthening corn farmer resilience and productivity in the Philippines

Cargill Philippines and Save the Children Philippines have undertaken the Yellow Corn project, a holistic program designed to help smallholder corn farmers in Cagayan province future-proof their farms and livelihoods against the impacts of natural disasters. Working with 430 farmers, Cargill provides training and insights on GAPs, farming inputs, and post-harvest support. We also purchase the corn from the farmers to integrate them directly into the local animal feed value chain.

Farmers in the program saw better corn quality and harvest, and increased their income by as much as 27%.

With the success of the pilot, the Yellow Corn Project will be scaled to more farming communities.



Human rights

Our approach

Human rights are fundamental. We are committed to respecting the human rights of all Cargill employees and all those whose lives and livelihoods we touch.

Our world is facing critical human rights challenges. From Cargill's seat in the center of the agricultural supply chain, we have a unique ability—and responsibility—to address them. We proactively identify, prevent, and mitigate risks to people and tackle the root causes of critical human rights issues.

Cargill respects internationally recognized human rights frameworks throughout our own operations, supply chains, and the communities where we do business. We take guidance from international standards and declarations, including the United Nations Guiding Principles on Business and Human Rights (UNGPs), the International Bill of Human Rights, and the International Labour Organization (ILO) Fundamental Principles and Rights at Work. As a signatory company of the [**United Nations Global Compact**](#)²⁹, we also are committed to promoting human rights.

We prioritize our actions on the areas with greatest risk to people in our operations and supply chains. We seek to identify and address negative impacts where they occur and remediate those to which we may have contributed. Our human rights work starts within our own operations and supply chains and we expand our efforts into communities. By building economic opportunity and well-being and empowering women and vulnerable groups of people, we are scaling human rights efforts across communities.

Tackling child labor in the cocoa supply chain

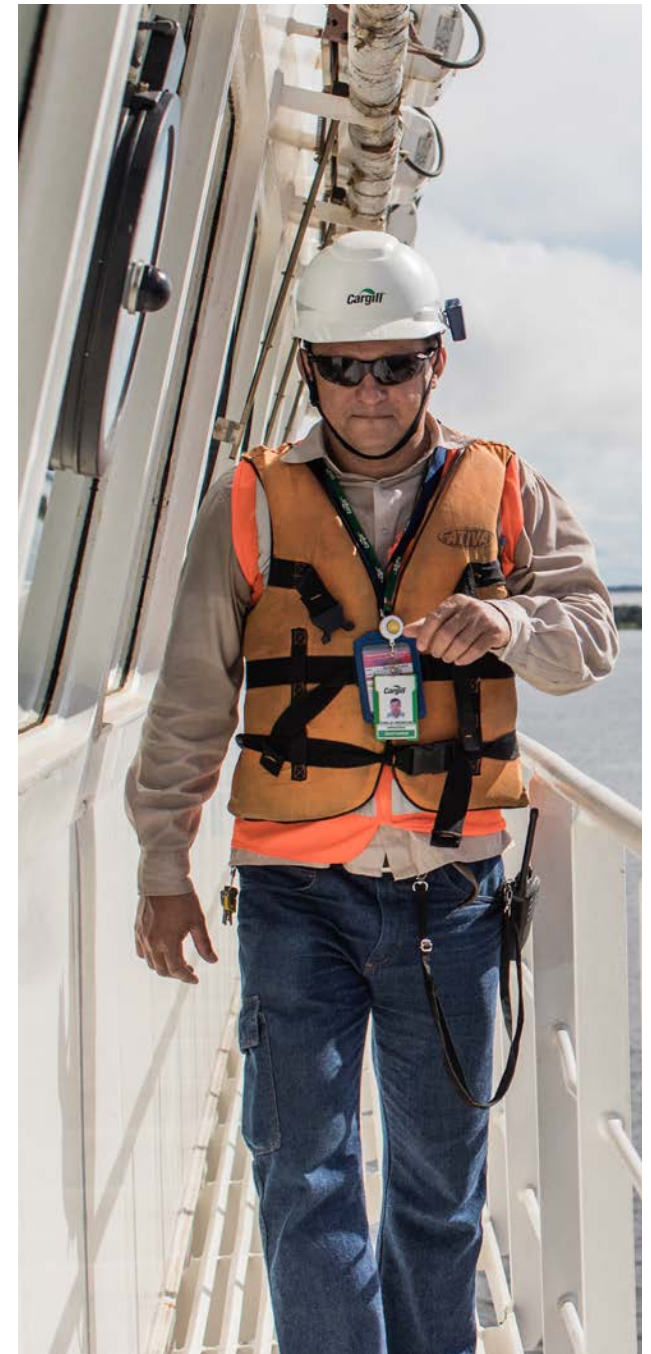
Child labor in cocoa is a complex challenge. Most of the world's cocoa is grown on small family farms and many cocoa growing communities live in poverty. In some situations, families may feel they have no other option than to use family members, including children, because they are unable to pay formal workers.

Since 2016, Cargill has used a Child Labor Monitoring and Remediation System (CLMRS), which we co-designed with the International Cocoa Initiative (ICI), to address child labor in the cocoa supply chain. CLMRS brings networks of local coaches and monitoring agents to visit farms year-round, working with families to raise awareness about the impact of child labor, identify incidents, and implement prevention and remediation programs.

Cargill also works together with our partners to address the root causes of child labor by improving access to education, helping farmers to increase their income, expanding economic opportunities for women, and delivering programs that improve health, nutrition, and food security in cocoa communities.

Our goal, by 2025, is to have a CLMRS in place to identify and address child labor throughout our direct cocoa supply chain, along with monitoring, prevention, and remediation approaches tailored for local needs. See [**Sustainable Supply Chains: Cocoa & Chocolate**](#) for additional details.





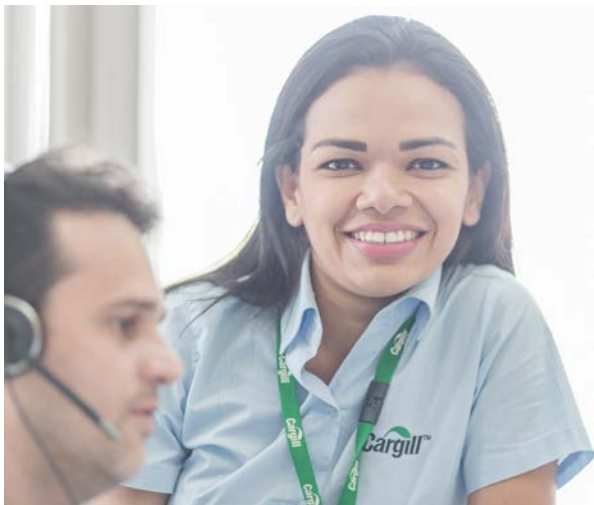
Diversity, equity, and inclusion

Our approach

To nourish the world, we must overcome global challenges and advance opportunities that impact the food and agriculture industry. That can only be achieved by tapping into a wide range of perspectives, experiences, and talents.

We are working to advance diversity, equity, and inclusion (DEI) in our operations and supply chains through gender parity and by advancing underrepresented groups. Our executives have specific DEI goals and provide quarterly updates on progress. In return, DEI has become a regular and natural part of our leadership conversations.

Catalyzed by our senior leadership, Cargill is undertaking a company-wide effort to assess and evolve our DEI strategy and goals.



Advancing gender equity in the workforce

Cargill is a signatory to the [United Nations Women's Empowerment Principles](#)¹⁷ as part of our commitment to promoting gender equity and women's empowerment in the workplace, marketplace, and community. We are committed to advancing gender parity within our company as well as in our supply chains.

In 2016, Cargill signed on to the Paradigm for Parity Coalition, an organization of companies committed to achieving gender parity at all levels of corporate leadership by 2030.

33.69%
of the leadership
roles at Cargill are
led by women.

Fair and equitable pay is essential for ensuring all workers are respected and appreciated. This year, for the second consecutive year, Cargill achieved gender pay equity, on average, among professional-level employees globally.¹⁹

¹⁷ As of June 2022.

¹⁹ 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-level roles performing the same or significantly similar work are on average paid the same. The most recent analysis included all professional-level employees, except those in trading and sales roles on commission or direct-drive incentive plans.

46%
of our executive
team members
are women.¹⁸



“Commitment and passion are important, but to really see impact, we are focusing on outcomes and holding ourselves accountable to create an environment where every member of our team has an equal opportunity to thrive.”

Stephanie Lundquist
Chief Human Resources Officer, Cargill

Fighting anti-Black racism and advancing employee representation

While Cargill welcomes and encourages participation from all groups, we are particularly focused on fighting anti-Black racism in Brazil and the United States due to its deep historical roots and persistent, systemic issues in both countries. Our latest program, the Black Farmer Equity Initiative, aims to do just that for U.S. farmers.

Additionally, in 2020, we set a goal to increase representation of Black employees in the U.S. and Brazil by 20% by 2025. We plan to achieve this through a focus on hiring, retention, and advancement at all levels of the company. Our progress will be tracked and reported alongside our existing goals. We're making headway through programs that address the needs of our current and future workforce, such as Cargill University THRIVE, which we created to ensure more equitable access for women and underrepresented students in Science, Technology, Engineering, and Mathematics (STEM), as well as agriculture and business.



Increasing representation and inclusion through Regional Diversity Councils

Our global workforce is composed of a diverse mix of people, across numerous cultures and ethnicities, geographies, and experiences. To advance our DEI commitment, Cargill has established four Regional Diversity Councils (RDCs) tasked with identifying underrepresented groups within each region and developing action plans to increase their representation and inclusion.

The enterprise and function leaders of each RDC reviewed demographic data, workforce data, and social trends to determine the focus areas to be addressed within each region:

- **Asia-Pacific** Millennial representation
- **Europe, the Middle East, and Africa** Gender parity at all levels
- **Latin America** Gender parity at all levels and Afro-Brazilian representation
- **North America** U.S. underrepresented groups, including Asian, Black/African American, and Hispanic/Latino



Taking global action with local focus

Business Resource Groups (BRGs) are networks of Cargill employees who are furthering the recruitment, retention, advancement, and recognition of employees around the world. Our BRGs host and attend local events, participate on special projects, take part in local communities and outreach programs, and more. The BRGs we have today include:

- **Cargill Ebony Council**
- **Cargill Ability Network**
- **Cargill Pride Network**
- **Cargill Hispanic-Latino Council**
- **Cargill Veteran Military Support Network**
- **Cargill Women's Network**
- **Cargill Young Professionals Network**
- **Cargill Asian Alliance Network**
- **Cargill Welcoming and Onboarding Network**



Advancing Black farmer equity

In the U.S., Black farmers make up less than 2% of the country's 3.4 million farmers—down from 14% a century ago. To advance the presence of Black farmers in the agriculture industry, and to reverse systemic inequality in U.S. farming, Cargill launched the Black Farmer Equity Initiative with farmer groups and customers.

The Black Farmer Equity Initiative works to increase the participation, profitability, and productivity of Black farmers, ranchers, and growers by putting producers at the center of solutions. Initial supply chain programs were launched to expand opportunities and access to markets for farmers in cotton and beef. The initiative will continue increasing the number of Black producers in these supply chains, as well as those growing corn, yellow peas, poultry, soybeans, and more. We are also currently recruiting farmers to participate, with specific focus on the U.S. states of Alabama, Arkansas, Georgia, Louisiana, North Carolina, and Texas.



“Programs like Cargill’s Black Farmer Equity Initiative provide new ways for Black producers to access markets and sell their livestock and crops. We’re looking for an open door where they have been closed in the past.”

Kimberly Ratcliff
Executive Director, 100 Ranchers, Inc.

Broadening access to higher education

To ensure more equitable access for women and underrepresented students in STEM, as well as agriculture and business, we are investing \$6 million in the Cargill University THRIVE program.

We started THRIVE in 2021 as a way to provide higher education opportunities for underrepresented students through scholarships. We have expanded it to encourage long-term academic success through mentoring, development programming, and career coaching. The goal is to help participating students convert their education into meaningful careers.

In the 2021-2022 school year, 207 students participated in the program and received scholarships and other academic and career counseling benefits. We have THRIVE partnerships at six institutions, including two Historically Black Colleges and Universities (HBCUs), Alcorn State and Tuskegee University, through 2024. Additionally, this year the Cargill Foundation distributed \$12 million in our headquarters community of Minneapolis/St. Paul, Minnesota, U.S., to close the opportunity gap for Black, Indigenous, and Youth of Color and has partnerships with around 45 nonprofits in education and nutrition to do this work.



Developing a diverse pipeline of maritime leaders

The maritime industry has typically lacked gender diversity and Cargill is committed to correcting that inequity.

To build a pipeline of talent, our Ocean Transport business recently launched a new, two-year development program for trainees. The program focuses on identifying graduates with a high learning potential and with diverse backgrounds and experiences.

In the first cohort, which drew participants from Europe and Asia, 75% were female, with many coming from backgrounds or fields outside of shipping. By providing hands-on training in such areas as trading, vessel operations, sustainability, digitalization, and business development, the program aims to build a strong pipeline of future leaders in ocean shipping with the skills that will be needed in tomorrow's maritime industry. The second cohort, for trainees based in the U.S. and Singapore, began in summer 2022.

We have also co-signed the All Aboard Alliance, an initiative of the Global Maritime Forum, that will work toward a more diverse, equitable, and inclusive maritime industry to solve long-term challenges, including the global talent shortage.



Learning and development

Our approach

We believe all employees should have the opportunity to learn at their own pace, with relevant training that is right for their careers. Historically, we offered mostly traditional in-person training, which made employee access highly limited—only reaching 10 to 15% of our workforce on an annual basis. To broaden the benefits of the learning experience, we have shifted to a single digital learning platform that offers online content through interactive courses.

In addition to making high-quality learning resources available to 100% of our professional workforce, we are investing in new, more effective ways to reach our employees that work in our production facilities with the critical training and education they need to ensure a safe, productive, and highly-skilled workforce.

This year, 86% of our professional workforce participated in trainings and accessed online learning content.

These trainings covered a broad range, from leadership development and unconscious bias to commercial, digital, and data skills.

This focus on personalized and continuous learning is transforming our learning culture, giving all employees access to learn, grow, and maximize their potential—on their own schedule. And, in doing so, Cargill can better respond to and adapt to the rapid pace of innovation and address today's business challenges.

Building a BRIDGE to Success

Cargill's BRIDGE to Success is a leadership program developed by women for women, and to date it has been completed by approximately 350 employees, primarily in North America and Europe, the Middle East, and Africa. Now offered as a virtual experience, BRIDGE to Success is expected to further expand its reach across the company.

Based on surveys of participants, the program is valued as a career-driving experience:

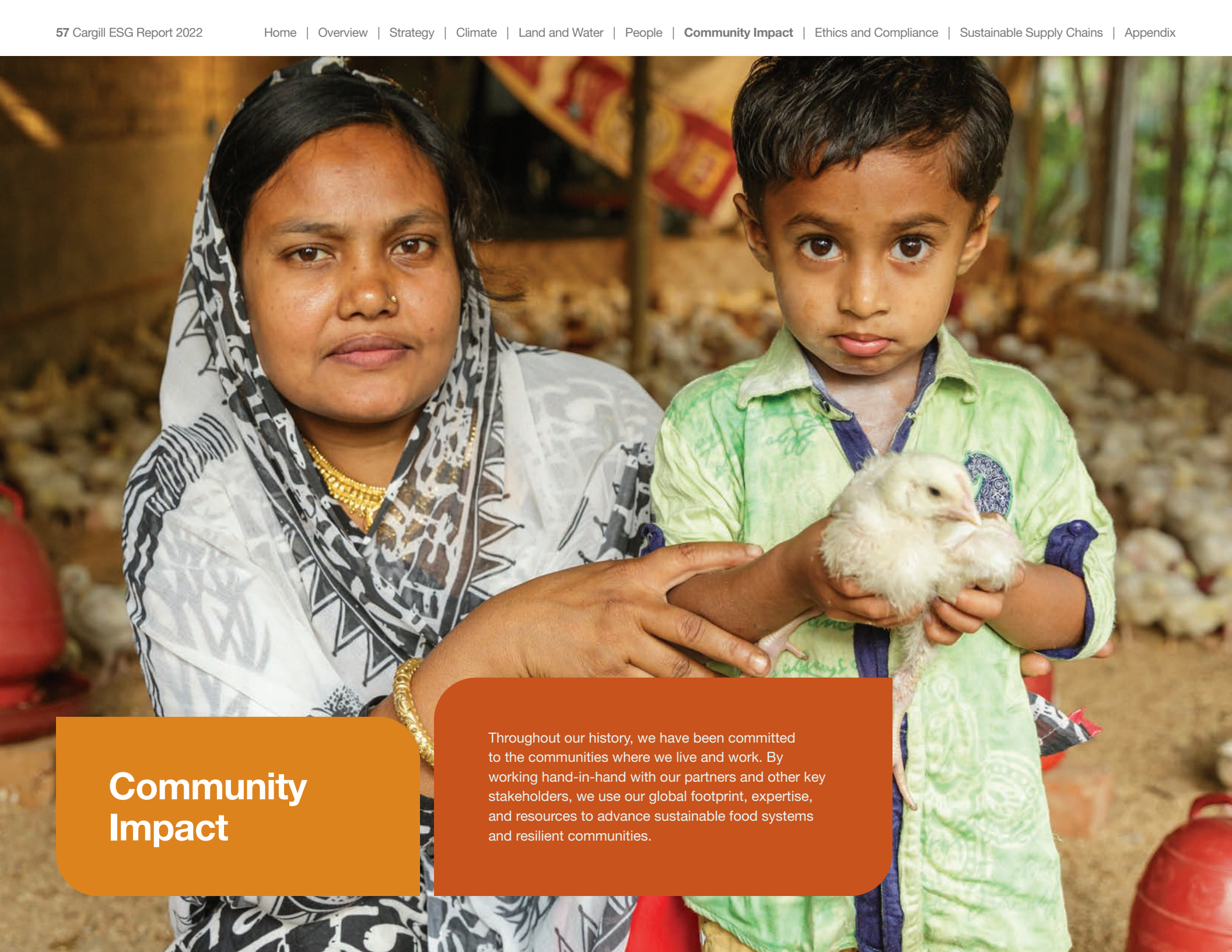
84% of participants say they experienced career growth since participating in BRIDGE, and more than half (**61%**) moved to a higher job level

Participants agree that BRIDGE empowers women to be ambitious in their careers (**93%**), creates a space in which women can be their authentic selves for development (**95%**), and enables women to network with others who have shared lived experiences (**97%**)

“I moved positions which led to greater responsibilities and increased growth. BRIDGE was a leading factor for me to consider moving positions and helped me prepare my brand, determine what was important to me, and gave me the confidence to ask for what I wanted.”

BRIDGE Participant



A photograph of a woman and a young boy in a rural setting. The woman, on the left, is wearing a white and black patterned headscarf and a gold necklace. The boy, on the right, is wearing a green shirt and is holding a small white chick. The background shows a rustic structure and some foliage.

Community Impact

Throughout our history, we have been committed to the communities where we live and work. By working hand-in-hand with our partners and other key stakeholders, we use our global footprint, expertise, and resources to advance sustainable food systems and resilient communities.

Our approach

We are working to build vibrant communities through partnerships, philanthropy, economic development, and employee volunteerism. And we align our initiatives with the following impact areas: **Climate**, **Land and Water**, and **People**. Our community impact initiatives are embedded throughout the report, and many of our programs and partnerships deliver multiple benefits across all three of our sustainability focus areas, and improve access to safe, nutritious, and affordable food.

One example of a program where we are addressing multiple impact areas is Coop Academy in Côte d'Ivoire, where we work with several partners to professionalize farmer organizations. The program combines personalized coaching with intensive classroom training on topics like governance, management, and finances, and also includes practical training to implement digital tools that improve first-mile traceability and introduce mobile-money payments. TechnoServe helped design and implement the Coop Academy; the International Finance Cooperation (IFC) supports the Academy's work on access to finance for farmer organizations, evaluation, and monitoring; and, together with Empow'her, we have added a gender module to the Academy's curriculum to help farmer organizations play a role in empowering women and engaging coops on gender equity initiatives.



Guided by
our purpose



led by our
strategic focus areas



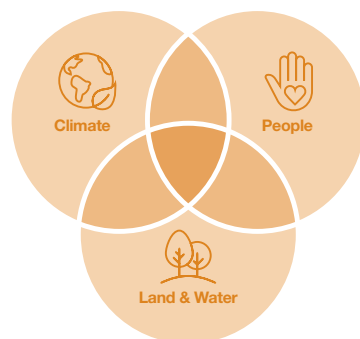
enabled and amplified by our
impact partners



to nourish and empower
local communities



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



Collaborating with our partners

We partner with organizations to provide a meaningful impact on the nutrition and health of those in our communities, foster sustainable economic development, and promote responsible business practices in our supply chains. Our partnership list is extensive and expands across regions, supply chains, and strategic focus areas. The following are representative of the breadth and depth of our partnerships with leading NGOs.



For more than 60 years, Cargill and CARE—a leading humanitarian organization fighting global poverty—have collaborated to improve agricultural productivity and market access, increase food and nutrition security, and strengthen education and economic opportunities, especially for women and girls.



Since 2000, multiple Cargill businesses have partnered with TechnoServe, providing critical expertise and more than \$9 million to support projects that use market-based approaches to improve farmer livelihoods and strengthen food systems in Latin America, Africa, and Asia. These initiatives improve productivity and access to markets for smallholder farmers and strengthen farmer organizations and agricultural communities.



Cargill has partnered with The Nature Conservancy since 1981 to conserve natural resources and advance sustainable agriculture globally through programs that support farmers in implementing soil health and water management practices and enhance conservation.



Save the Children

Since 2018, Cargill has partnered with Save the Children in Southeast Asia and in Côte d'Ivoire to help children learn about nutrition and physical activity, help families meet income and nutritional needs, support corn farmers in Cargill's value chain, reduce child labor and create livelihood opportunities for youth in cocoa farming, and provide better health outcomes through access to safe water and sanitation.



In 2021, Cargill and Global Water Challenge launched Cargill Currents to address water challenges faced by local communities in priority watersheds. The 3-year, \$3 million program supports access to safe drinking water and sanitation, and enhanced water security in priority watersheds, by tailoring to the specific needs of the target communities. The program builds community resilience, promotes economic development, and delivers benefits beyond water access, including supporting farmer livelihoods, empowering women and youth, and addressing climate impacts.



Cargill has worked with World Food Program USA (WFP USA) and the U.N. World Food Programme (WFP) globally since 2001, providing more than \$30 million to support a range of WFP's programmatic priorities, including school meals, support for smallholder farmers, and emergency food assistance across the world.



Cargill partnered with Heifer International in 2018 to launch the Hatching Hope Global Initiative, which seeks to improve the nutrition and economic livelihoods of 100 million people by 2030 through the production, promotion, and consumption of poultry. Since the program's inception, Hatching Hope has positively impacted the lives of 14.6 million people.



WORLD
RESOURCES
INSTITUTE

World Resources Institute (WRI) has been a Cargill global partner since 2015—working to improve the effectiveness of analytical tools, such as WRI's Aqueduct Water Risk Atlas, Aqueduct Food, and Global Forest Watch, to analyze and measure land and water resource use in agriculture. Cargill and WRI also co-developed scientifically-based methodologies to help companies set context-based water targets.

Our partnerships in action

Nutriendo el Futuro

For over a decade across Central America, Cargill and CARE have implemented Nutriendo el Futuro, which is designed to ensure agricultural communities are prosperous and resilient, and that healthy eating habits are strengthened in homes and schools.

The program has reached more than
44,000 people
directly and more than
500,000 people
indirectly over the past three years.

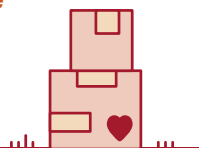
Of the total number of people supported, 56% were women. The program has focused on women's empowerment, access to resources on good agricultural practices (GAPs), and access to inclusive markets and nutrition.



Combatting global hunger

In August 2022, Cargill announced a \$10 million grant to WFP USA. The donation will support WFP's emergency food assistance and resilience initiatives, reaching millions of people in Ukraine and in hunger spots around the world.

Distributed in two phases, the initial contribution of \$2.5 million allowed WFP to reach nearly
35,000 people
in Ukraine
with cash transfers. These transfers are direct payments that give individuals the agency to buy what they need most, while also supporting the local economy.



Global philanthropy and volunteerism

Our partnerships and programs are supported through the deployment of our global philanthropy. We also tap into the passion and professional expertise of our people by providing opportunities to share their time and talent in ways that strengthen our programs and contribute to the communities in which we operate.

Our investments and impact

This year, more than \$163 million was distributed globally to support our partners and local communities. Some of the most significant investments and contributions include:

\$40 million committed to support humanitarian relief efforts in Ukraine and neighboring countries

\$20 million in new or expanded partnerships to improve food security in our communities

More than **\$11 million** to programs that support farmer livelihoods

This year, we exceeded our global annual commitment to invest 2% of our global pre-tax earnings to NGOs and other partners to advance our social and environmental priorities and support local communities. Our funding is managed and distributed through both corporate and business giving, as well as through the Cargill Foundation.

The Cargill Foundation

The Cargill Foundation partners with nonprofit organizations in our headquarters community of Minneapolis/St. Paul, Minnesota, U.S., to nourish and educate the next generation so they can succeed in school, work, and life. To close the “opportunity gap” for low-income and Black, Indigenous, and People of Color, the Cargill Foundation invests in programs that improve access to nutritious food, Science, Technology, Engineering, and Mathematics (STEM) education, and college and career readiness.



This year, the Cargill Foundation contributed \$12 million to drive racial equity in education and nutrition for children of color from low-income families in our headquarters' community of Minneapolis/St. Paul.

Cargill Cares: Employees making a difference

Around the globe, more than 480 employee-led Cargill Cares Councils provide support for local nonprofits, and charitable and civic programs, such as food relief agencies, disaster relief efforts, 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. Specialists and subject-matter experts in a variety of disciplines donate their time and talent to organizations, such as Partners in Food Solutions, where Cargill employees contributed more than 2,000 hours to 68 small- and medium-sized enterprises across 10 countries in Africa. By sharing their expertise, these employees assisted entrepreneurs in growing their businesses, supporting a supplier base of more than 200,000 farmers.

“Throughout my career, I’ve gained a lot of exposure to best practices in the food safety space. Projects like this allow me to share my food processing knowledge with others who need it, as well as learn myself.”

Jayd Kittelson
(who supported PFS client Rabboni Group in Uganda in achieving food safety certifications)
Food Safety, Quality, and Regulatory Director, Cargill

World Food Day

Each year, in recognition of World Food Day in October, thousands of employees volunteer at their local food relief agencies and other organizations to advance food security.

In Minneapolis, Minnesota, Cargill employees regularly volunteer at Second Harvest Heartland—with the Cargill Foundation donating more than 21 million meals since 1999.

Earth Day

This year, on Earth Day in April, Cargill employees participated in the company's largest environmental-focused volunteer program. In Honduras, more than 300 Cargill volunteers planted vegetable and fruit seedlings in local community gardens. And in the U.S., with support from longstanding partner Living Lands & Water, Cargill employees in 20 states received 28,000 tree saplings for planting in their communities. Since 2010, Cargill employees have received 136,415 trees through this partnership.



Building resilient communities

Throughout the world, Cargill is committed to building resilient communities. We do this by improving the economic viability and sustainability efforts of farmers and other key links in the global food chain, meeting evolving nutrition needs, and increasing food security, and by providing relief and recovery to communities in crisis.



Partnerships for Central America

Through our more than 50 years in Central America, Cargill has seen the potential for food and agriculture to positively impact local communities and improve livelihoods.

To further demonstrate Cargill's commitment to the region, we have joined the Partnership for Central America—a coalition of companies and organizations working to expand economic opportunities in Honduras, Guatemala, and El Salvador. This initiative was started in response to a Call to Action from U.S. Vice President Kamala Harris.

Cargill has more than 10,000 employees in the region, nearly one-third of whom are in these three countries.

Under the partnership, Cargill has committed \$160 million in commercial and social investments over the next several years.

These investments improve competitiveness, increase incomes, and build a more resilient food system across the region.



Responsible Business Pledge for Better Nutrition

Cargill employees work every day to develop innovative solutions and apply our expertise to sustainably feed a growing population.

Furthering that effort, we have signed the Responsible Business Pledge for Better Nutrition as part of the Nutrition for Growth Summit 2021.

In doing so, Cargill has committed to:

- Investing **\$50 million**, by 2030, in initiatives that enhance local food systems within vulnerable communities where we operate. These funds will support both local producers and local food providers, and will facilitate and strengthen market linkages between them.
- Leveraging our expertise in animal protein production to improve the nutrition and economic livelihoods of **100 million people** through the Hatching Hope Global Initiative, also by 2030.
- Ensuring our entire edible oils portfolio will meet the World Health Organization's best practice on industrially produced trans-fatty acids (ITFAs) by end of 2023, and being the first global supplier to do so. To date, Cargill has removed about **1 billion pounds** (nearly 500,000 metric tons) of ITFAs from the global food supply.

Responding in times of crisis

Whether from natural disasters like Hurricane Ida, or the ongoing crisis in Ukraine, we are committed to supporting the communities where we live and work.

Relief efforts in Ukraine

The conflict between Ukraine and Russia has been heartbreaking for the world and for Cargill. While our first priority was to ensure the safety of our employees, we also have been working to provide support to our colleagues and others in the region in need of humanitarian aid.



Working with our global humanitarian partners, we have committed an initial \$40 million to support humanitarian relief efforts in Ukraine, in neighboring countries, and across Europe. Through our Cargill Cares Councils, employees also volunteered by donating food and supplies to help families and pets and creating and donating welcome packs for Ukrainian refugees when they reach destinations.

One of the central points for humanitarian relief efforts in Ukraine's capital is the Kyiv Food Bank, which Cargill helped launch in 2012. Cargill employees in Ukraine have provided critical logistical expertise and warehouse space—helping the food bank serve more than 3,000 people per day.

Cargill supports World Central Kitchen, which has served more than 170 million meals to people in Ukraine as well as those displaced to eight neighboring countries.²⁰ Cargill also invested in World Central Kitchen's seed pilot project, which supports farmers' livelihoods and helps ensure crops are planted this season. The project helps buy sunflower and corn seeds from a Ukrainian supplier and distributes them to mid-sized farmers in most impacted areas. We have contributed \$2 million to these efforts.

In August 2022, Cargill announced a \$10 million grant to WFP USA in support of the WFP's response to the global hunger crisis, coming at a moment of unprecedented need as 345 million people face severe hunger and 50 million teeter on the brink of famine around the world. The grant will support WFP's emergency food assistance and resilience-building initiatives, reaching millions of people in Ukraine and in hunger hot spots around the world.

²⁰ As of report publication.



“We thank Cargill for their transformational grant, which will help provide people in communities across the globe with lifesaving food and greater stability for the future.”

Barron Segar
President and CEO
World Food Program USA

Responding to and recovering from Hurricane Ida

As Hurricane Ida roared ashore from the Caribbean Sea in late August 2021, much that got in its way was destroyed or damaged—including a Cargill grain export terminal in Louisiana, U.S. But our primary concern was offering assistance to the dozens of employees who were impacted by Hurricane Ida's disastrous effects.

Immediately, and over the ensuing days and weeks, Cargill provided cash, food, water, and supplies to those impacted —many of whom were homeless or without electricity and other utilities. Temporary hotel facilities were provided, employees banded together to remove debris from damaged homes, and local human resource teams provided onsite support. Cargill employees from other areas of the U.S. rallied around their affected colleagues, offering supplies and support.

Cargill also stepped in to support nonprofit organizations offering food security and recovery aid to communities impacted by Hurricane Ida, with donations going to:

- World Central Kitchen
- Team Rubicon
- Second Harvest Food Bank of Greater New Orleans and Acadiana
- Living Lands & Waters



Cargill Cares Employee Disaster Relief Fund

In response to Hurricane Ida, the conflict in Ukraine, and other crises impacting employees around the world, financial support is made available through the Cargill Cares Employee Disaster Relief Fund.

This year, the Fund distributed more than \$14 million across 32 countries to support employees directly impacted by COVID-19 and catastrophic, personal, or natural disasters.



Ethics and Compliance

Since our founding in 1865, Cargill has acted on the belief that doing the right thing sets the foundation for long-term success. This belief permeates our culture and our Code of Conduct. Our Code is grounded in our seven Guiding Principles, which serve as the foundation for the behaviors expected from all of our employees in all parts of the world.

Our approach

We continuously promote, monitor, and enforce ethics and compliance across our entire organization and through our value chain, including through our **Code of Conduct** and **Supplier Code of Conduct**.

Code of Conduct

Cargill's **Code of Conduct** is foundational to our business. Grounded in our **Guiding Principles**, the Code of Conduct outlines the shared ethical standards and key compliance policies that apply to all Cargill employees worldwide. The Code of Conduct is translated into 24 languages, shared with new employees during onboarding, and reinforced through annual mandatory training.

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.



Compliance with Cargill's Code of Conduct is mandatory. Every employee must comply with, and report known and suspected violations of, the Code of Conduct or Cargill's compliance policies. We do not tolerate retaliation against anyone who reports concerns or violations in good faith, or who participates in an investigation. Any employee who fails to comply with our Code of Conduct or fails to report violations may face disciplinary action, up to and including termination.

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, but employees can also reach out to the Ethics and Compliance Office or their Human Resources manager. Employees also have the option of contacting our confidential, third-party hotline, **Ethics Open Line**, which is available 24 hours a day, seven days a week for employees, contractors, and any external party anywhere in the world.



“We have set our sights on becoming the most ethical and trusted source of sustainable products and services.”

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

Setting a foundation for success

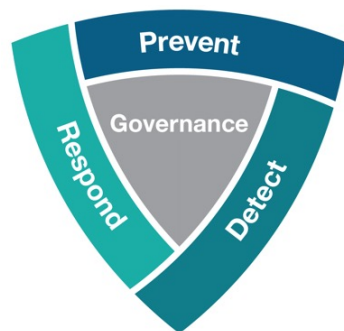
To provide actionable guidance and training for our teams, we created two frameworks: our Ethical Compass, which helps our teams recognize and navigate dilemmas in order to “do the right thing;” and our Compliance Shield, which reminds teams to “do things the right way” as part of their everyday business.

“Do the **right** thing; do things the **right** way.”

Ethical Compass



Compliance Shield



Promoting employee ethics and compliance

We promote ethics and compliance in many ways. Cargill employees must complete compliance training annually. Employees are required to complete online courses covering such topics as Cargill’s Code of Conduct, our ethical culture, conflicts of interest, competition, anti-bribery, information security, and data privacy.

This year, eligible employees completed more than

80,000 hours

of mandatory online compliance training.

We also conduct additional, instructor-led compliance training for employees on issues of corruption and bribery, and monitor government donations and gift and entertainment expenses closely. In addition, we send out periodic advisory emails to remind employees about our anti-bribery policies to keep ethics and compliance top of mind.

Conflicts of interest are another key focus of our ethics and compliance program. This year, we launched a new tool that allows employees to disclose potential conflicts of interest. Based on the tool, we can review an employee’s self-disclosed relationships and activities and provide guidance to help avoid even the appearance of improper influence on the employee’s business judgment and commitments to Cargill.

In January 2022, we celebrated Ethics Week, an entire week dedicated to promoting ethics among our employees worldwide. Throughout Ethics Week, business leaders promoted messages that helped make ethics relatable, local, and relevant to our customer-driven focus. We experienced tremendously high engagement among our employees—underscoring our collective commitment to fostering an ethical culture.

Supplier Code of Conduct

At Cargill, we prioritize ethics and compliance among our suppliers, too, recognizing the important role they play in our business. For this reason, we adopted Cargill’s **Supplier Code of Conduct**[↗], which complements our Code of Conduct for employees. The Supplier Code of Conduct specifically enlists our supplier partners in upholding the same seven Guiding Principles. This stems from our belief that joint 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 our goal is that, together, we help communities and the world thrive while meeting high standards of ethics and complying with applicable laws. We routinely request information, certifications, and/or audit access from our suppliers. When a concern is identified, 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.



Assessing and managing risks

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

Cargill prevents ethics and compliance 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 reporting, investigations, and enforcement.

This year, Cargill completed our second corporate-wide compliance risk assessment of current business practices across 15 compliance risk domains for 20 business groups. The 20 business groups then prioritized their top risk domains and are now focused on risk mitigation.

In May 2022, Ann Shazell, lead lawyer for our Ocean Transportation business, was appointed chair of the Maritime Anti-Corruption Network (MACN), an important organization that takes collective action to drive change in the industry. Working towards a goal of a maritime industry free of corruption, MACN raises awareness of the challenges faced, implements and shares best practices, and collaborates with governments, NGOs, and civil society to create a culture of integrity within the maritime community.



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. Historically, the supply chains in the following chapters have published their own reports; in an effort to increase transparency, we are including those reports as chapters within Cargill's first global Environmental, Social, and Governance (ESG) report.



Aqua Nutrition

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This report chapter covers the operations of Cargill Aqua Nutrition’s (CQN) 19 dedicated aquafeed mills in the calendar year 2021. Information herein is for those facilities during that time period, unless otherwise noted. Throughout this chapter, reference to coldwater and warmwater mills is common. This distinction reflects the species for which each mill produces feed: coldwater mills produce feed for salmonid species, while warmwater mills produce feed for shrimp, tilapia, and other species. This chapter has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards: Core option. It also includes disclosures—labeled CQN—specific to our business. This chapter is an abridged version of the 2021 Cargill Aqua Nutrition Sustainability Report. The full report, as well as previous reports, can be accessed on our [website](#)¹².

Cargill’s mission is to nourish the world in a safe, responsible, and sustainable way. To deliver on this highly important purpose, we are constantly raising the bar to support good practices in aquaculture, protect the environment, and help farmers succeed.

As the world continues to face climate, economic, geopolitical, and COVID-19 uncertainties, it is fundamental to continue tracking our progress, ensuring we deliver tangible, measurable results and contribute to a positive transformation of the industry, year after year. That is the spirit of this chapter, highlighting how our aqua nutrition business is focusing on people, the planet, and our products, to make sustainable growth a reality.

The challenges ahead of us are significant: aquaculture accounts for over half of the seafood produced globally, and with a rapidly increasing global population, there will soon be even more demand on our industry to provide healthy nutrition for all. As one of the largest aquafeed businesses worldwide, producing feed for multiple species globally, like salmon

and shrimp, Cargill Aqua Nutrition has the scale and expertise to drive the necessary changes to meet this demand sustainably.

The good news is that we are not alone in this journey: in this chapter, you will see how Cargill continues to build partnerships and collaborations with scientists, NGOs, partners, and other stakeholders who share our values. You will learn how we accelerate sustainable ingredient sourcing, how we prioritize animal health and welfare, and how we innovate to help our customers do more with less. Sustainability challenges in aquaculture are complex, but as we demonstrate in this chapter, they are also possible to address. With the right vision and collaborative attitude, we will make it happen.

Thank you and best regards,



Helene Ziv-Douki
President and Group Leader
Cargill Aqua Nutrition

Business overview

Introduction

Cargill Aqua Nutrition (CQN) is the aquafeed business unit of Cargill, Incorporated. As one of the largest global producers of feed for aquaculture, we operate 19 dedicated aquafeed mills across 12 countries on four continents. A further 21 feed mills across 19 countries produce aquafeed for local customers, though they operate primarily as facilities for livestock feed and feed premixes; their

combined aquafeed production accounts for less than 5% of all aquafeed produced.

In addition to our commercial aquafeed production, CQN is a recognized global leader in innovation, investing heavily in research and development that advances the productivity and sustainability of the global aquaculture

industry. At our Cargill Innovation Centers in Chile, Norway, and the United States, our laboratory teams develop and test new products and technologies for the future of aquaculture. And across the globe, their outputs are tested in field trials at our Technology Application Centers (TACs) to ensure success and share knowledge with local farmers.

The KPIs reported below can be mapped to the GRI 102-7 and GRI 102-8 indicators.

Feed production

Total feed produced (t)		Coldwater	Warmwater	Group total
	2021	1,102,769	732,347	1,835,116
	2020	1,152,637	667,831	1,820,468
	2019	1,236,491	643,097	1,879,588
	2018	1,030,842	560,729	1,603,156
	2017	984,638	661,802	1,646,440
	2016	930,774	532,496	1,520,347
Total feed sold (t)	2021	1,098,185	898,713	1,996,899
Change from 2017 (%)		+12.0	+10.6	+11.4
Number of feed mills	2021	6	13	19

Feed produced in 2021 exceeded

1.8 million tons

Feed delivered was nearly

2 million tons

Warmwater feed production grew more than

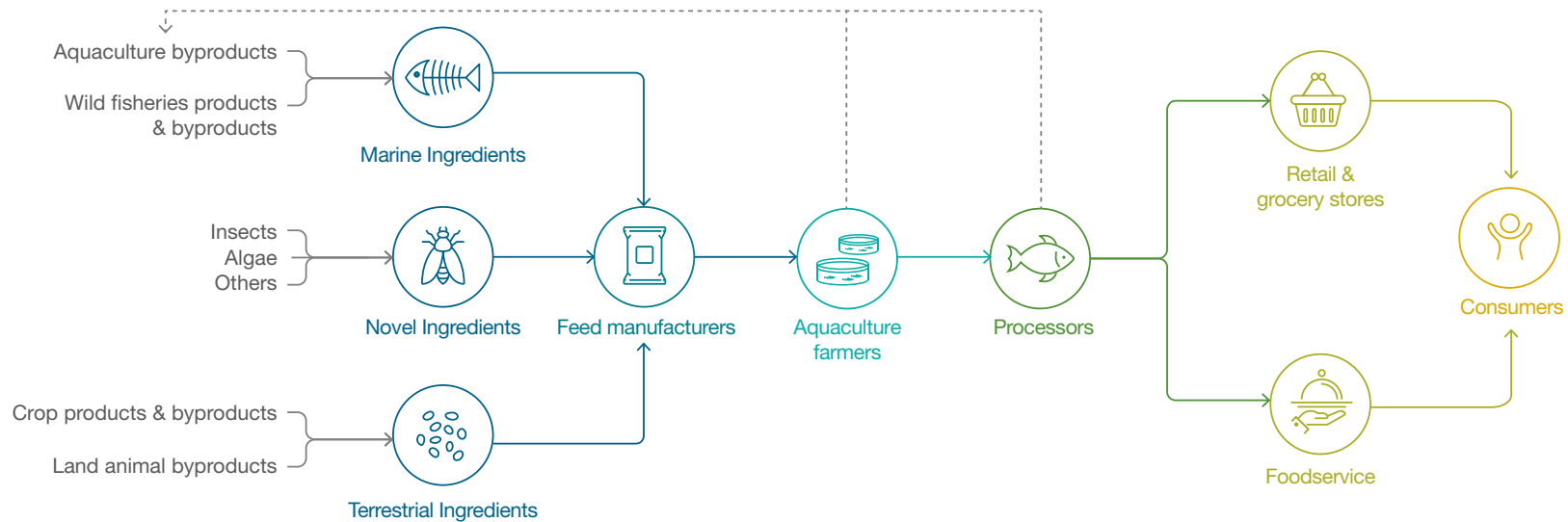
9.6% since 2020

Our place in the aquaculture value chain

CQN provides critical linkages in the seafood supply chain. For decades, we have taken upstream ingredients and transformed them into nutrient-rich feed for global aquaculture production, driving sustainability in wild capture fisheries, terrestrial agriculture, and the development of new and novel ingredients. By working

directly with our downstream farming partners, we have also helped them raise more seafood more sustainably by providing targeted nutritional solutions, on-farm support, and a growing range of digital tools. As we expand business activities across the seafood value chain, our expertise and the scale of our operations provide

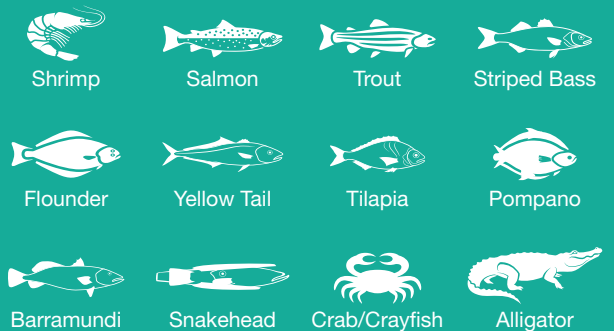
us the opportunity and the responsibility of positively impacting the food system in all directions. We look forward to continue connecting farmers to consumers, and nourishing the world in a safe, responsible, and sustainable way.



The species we feed

We produce feed tailored to the specific nutritional needs of 12 species groups and all life stages for which they are under farmers' care. In many cases, we work with our farming customers to formulate feeds that are specific to their operations and the environments they farm in.

Feeds for salmon and shrimp account for three-quarters of our annual produced tonnage, but several species of importance to local and regional producers—and markets—complete our portfolio (listed to the right). This cross-industry expertise and capacity drives our reputation as a trusted partner in aquaculture markets around the world.



The brands we produce

Our brands are the face of our expertise. They represent the knowledge and experience we have built over many years across the Cargill, Purina, EWOS, Aquaxcel, and Liqualfife brands. As a trusted supplier to the international aquaculture industry, we provide producers with distinctive, proven products and services that promote productivity and sustainability, and support their brands, all with the goal of enhancing their 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, and our feed formulation and mill management systems are recognized as the best in the industry.

EWOS® is a long-time leader in the aquaculture industry, with a well-earned reputation as a trusted feed supplier in all major salmon farming regions as well as in Vietnam, offering feed for tropical fish species.

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

AQUAXCEL® starter feeds combine superior nutrition and modern extrusion technology to match the needs of individual species like shrimp, giving the young animals a great start to life and supporting farmer success.

Liqualfife®—engineered specifically for shrimp post-larvae—employs microencapsulation technology that keeps nutrients intact until consumed, increasing feed availability in the water, nutrient delivery to the shrimp, and reducing the impact on water quality.



Locations of feed mills

Classification	Country	Facility	Classification	Country	Facility
Coldwater 	Canada	Surrey	Warmwater   	China	Yangjiang Zhenjiang
	Chile	Coronel		Ecuador	Guayaquil
	Norway	Bergneset Halsa Floro		India	Rajahmundry Vijayawada
	Scotland	Westfield		Indonesia	Serang
				Mexico	Guadalajara Obregon
				Thailand	Petchaburi
				United States of America	Franklinton
				Vietnam	DongThap Long An Tien Giang

Sustainability performance

We believe that sustainability should be measured—and reported—across all aspects of business. That is why we have developed this chapter to include disclosures related to Product, People, and Planet. In each section, data tables clearly demonstrate our performance on key indicators that are material to our business, along with supporting information to clarify our reporting boundaries, communicate our calculation assumptions, and provide context where needed. Sustainability is a journey, and we are pleased to share our progress.

Product

Feed production: material use and origins

The source and quantity of ingredients used in our feeds is important to us and of great interest to stakeholders. To meet these expectations, average feed composition data are given below. The relative split of ingredients varies greatly between salmonids and other species, so they are reported separately as has been done in prior reports.

For the first time, our annual feed production—for both coldwater and warmwater species—surpassed the use of more than 50% co-product ingredients. For warmwater, these ingredients account for nearly 65% of feed tons produced. This demonstrates our continued commitment to closing waste loops and contributing to a more circular economy. In our coldwater feeds, we have reduced the inclusion of both fishmeal and fish oil compared to 2020, and we have increased the share of those ingredients that come from trimmings and other by-product sources. In our warmwater feeds, marine ingredient use is lower, but for the small inclusion of fish oil we have nearly doubled the contribution of byproducts to the total.

Cargill continued to meet commitments related to the source of ingredients. For example, blue whiting contributed less than 11.5% of our forage fishmeal in 2021, down from 30% in 2020; this reflects last year's pledge to not purchase from the fishery after it lost its MSC and MarinTrust certifications until an approved Fishery Improvement Project (FIP) was in place. As described later in this chapter, we joined the North Atlantic Pelagic Advisory Group (NAPA) and encouraged action. In October 2021, the blue whiting fishery was accepted into the MarinTrust Improver Programme as a recognized FIP.

Our sourcing of terrestrial-origin raw materials continues to emphasize local ingredients where possible but also relies on globally-traded commodities to meet supply needs and spread the risk of environmental and social issues, limiting reliance on any one supplier.

For our sourcing of marine-origin materials and our high-priority terrestrial origin materials, greater detail is reported in our full 2021 CQN sustainability report, accessed on our [website](#)¹. Since 2017, we have additionally reported our marine-origin materials data to the [Ocean Disclosure Project](#)² and we pledge to continue that commitment to transparency.

The KPIs reported below can be mapped to the GRI 301-1 and CQN 3-90 indicators.

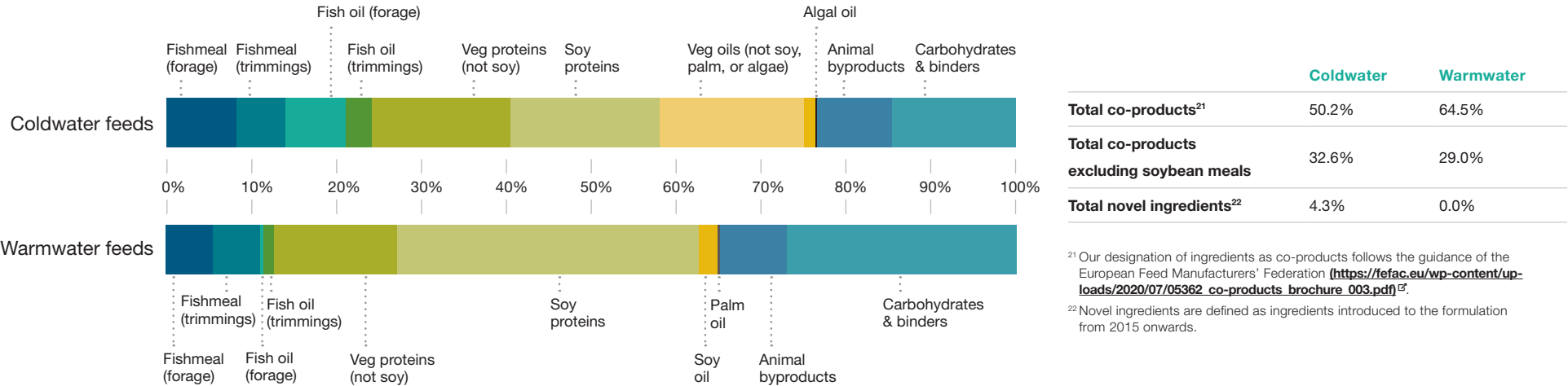


For the first time, our feeds contained more than

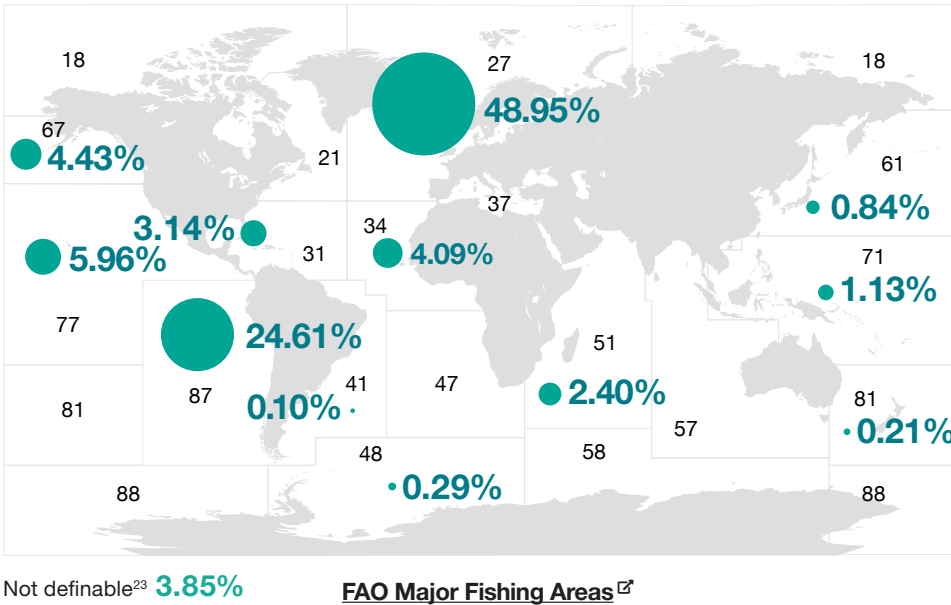
50%
co-product
ingredients

Our raw materials and their origins

Global feeds composition

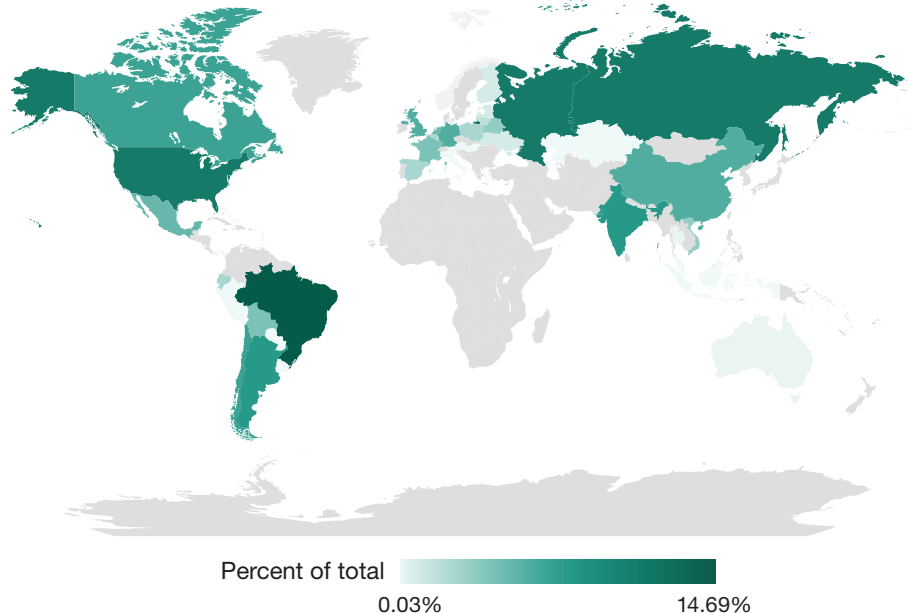


Origins of marine materials



²³ Country of origin is known, but as many countries transgress multiple fishing areas, the Major Fishing Area is not always known.

Origins of terrestrial materials



Safeguarding animal health: Feeds to support fish health

Healthy farmed fish play a powerful role in the health of communities—and the environment. The feed that farmed fish and shrimp eat can be a vehicle for delivering not just the nutrients they need, but immune system boosters (functional feeds) and—when necessary—medicated treatments for disease. This centers Cargill's opportunity and responsibility of delivering feeds that support fish health and welfare. Our customers continue to rely on us to formulate the feeds that help them and their stocks thrive.

The KPIs reported below can be mapped to the CQN 3-87, CQN 3-88, and CQN 3-89 indicators.



We put the fish first in everything we do

Cargill delivers the best solutions for the aquaculture industry by focusing on the fish. In April 2021, we formalized that approach in our North Sea business with the creation of Fish First.

Our nutrition expertise and capabilities in R&D enable us to formulate feeds that equip fish with the tools they need for thriving growth through multiple production stages, changing environmental conditions, and occasional health challenges. By putting fish first

in both formulation and farming, good fish welfare and high productivity are ensured at the same time. Healthy fish convert feed more efficiently, requiring fewer resources and carrying a lower footprint. Furthermore, our knowledge of raw materials and our diverse supply chains make it possible to meet these varying needs in a sustainable way.

By always putting fish first, we create better results. For the fish. For the farmer. For the environment.

Feeds to support fish health

Percent sales of health or health and performance functional feeds

	Coldwater	Warmwater ²⁴	Group ²⁴
2021	20.6%	0.7%	13.0%

²⁴ No data from India and Vietnam

Percent sales of anti-parasitic feed sales for coldwater feeds

	Coldwater total	Canada	Chile	Norway	Scotland
2021	1.14%	1.23%	0.21%	0.93%	4.52%

Change from 2017 (%)

-32.9%	-34.2%	-68.7%	-72.7%	+122.6
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Percent sales of antibiotic feed sales for coldwater feeds

	Coldwater total	Canada	Chile	Norway	Scotland
2021	1.52%	1.53%	6.84%	0.00%	0.00%

Change from 2017 (%)

-76.3%	-27.5%	-28.2%	0.0%	-100.0%
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People

Our purpose begins with our people. Without a safe, supportive working environment, we could not achieve the material production we strive for or the services we faithfully deliver to our customers. Across Cargill, initiatives are underway to further the diversity, equity, and inclusion of our workplace, and their integration into CQN is in development.

This year, we identified 20 projects for deployment across regions of the business, including mother's rooms, showers/lockers, parking, bathrooms, quiet rooms, break rooms, and providing female employee uniforms at all factories. In Chile, our team published its third Community Relations Report, an important accountability and communications tool to disclose our progress in the priority areas of environment and community, education, and economic development.



Promoting gender parity and women's empowerment along our supply chain have always been top of mind. In 2016, Cargill signed onto the Paradigm for Parity Coalition, committing to achieving gender parity across all levels of corporate leadership by 2030. Reporting on progress towards that commitment is the anchor of this section. For CQN, the proportion of females in senior management positions fell since last year, but we have increased the proportion of females within our Global Leadership Team (GLT) by more than 10% since last year—now at 36%. We also significantly increased the percent of female contractors in 2021 across the business, especially in warmwater countries, going from 20% in 2020 to 33% in 2021. Across our entire workforce, the gender balance has a far greater proportion of males. This reflects the predominance of manual and factory-based work.

Outside of our own walls, we continue to support Latin American women shrimp farmers. In 2021, Cargill and the Edes Business School of the Universidad Técnica Particular de Loja (UTPL) in Ecuador signed an alliance to carry out a training program for female shrimp producers from Mexico, Central America, and Ecuador. The program is helping the women access technology and technical knowledge, eliminating obstacles to improve their sources of income and enrich the industry and their communities. More than 100 women have signed up, and as of October 2021, more than 70 have graduated.

Finally, our **Cargill Supplier Code of Conduct** enlists our Supplier Partners in upholding Cargill's Guiding Principles, and makes clear our expectation that they stand with us in prioritizing the safety, well-being, and dignity of all individuals, whose talents and hard work help us deliver our products and services.

The KPIs reported below can be mapped to the GRI 102-8, GRI 202-2, GRI 205-2, and GRI 408-1 indicators.



We have increased the proportion of females within our Global Leadership Team (GLT) by more than

10%

since last year—now at 36%

We identified

20 projects

for deployment across the business to make our facilities more inclusive

More than

70 female shrimp farmers

have graduated from our new training program built specifically for women

Workforce

	Coldwater	Warmwater	Group total ²⁵
Total workforce	1,083	1,308	2,457
Employees—female proportion (%)	17.1%	17.0%	17.7%
Contractors—female proportion (%)	17.9%	33.3%	21.7%

²⁵ Group total is larger than the sum of coldwater and warmwater due to some personnel covering both groups.

Gender parity in management & leadership

	Coldwater	Warmwater	Group total
Management and administration employees	407	758	1,215
Proportion of females in management and administration (%)	34.6%	24.4%	28.4%
Senior management²⁶ employees	26	15	48
Proportion of females in senior management (%)	23.1%	13.3%	20.8%
Global Leadership Team²⁷ employees			11
Proportion of females in global leadership (%)			36.4%

²⁶ Senior management teams are the teams directly responsible for each country.

²⁷ Global Leadership Team is the central team responsible for the management of Cargill Aqua Nutrition as a group.



Females in
global leadership

36.4%



Total workforce
females in management
and administration

28.4%



Total workforce female
contractors

21.7%



Total workforce female
employees

17.7%

Planet

Many components of our sustainability strategy are detailed in prior sections of this chapter, but considering them in a comprehensive and planetary context is key to understanding our business-wide sustainability performance. In this section, we report on the third-party assurances we seek to demonstrate our efforts and the climate-focused indicators that link those efforts to topics of global concern.

Sustainability and improvement assurances

We seek sustainability assurances at both the factory and the ingredient levels. We continue to leverage the cross-sector power of International Organization for Standardization (ISO) standards for quality management, environmental management, and food safety management, as well as Best Aquaculture Practices (BAP), Global G.A.P., and organic standards for industry-specific assurances.

In addition to holding the certifications outlined below, 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 impending implementation of the ASC Feed Standard—expected in January 2023—our factory and sourcing teams are ensuring we are 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.

At the ingredient level, we continue to use the Marine Stewardship Council (MSC) and MarinTrust certifications

for marine ingredients and the ProTerra, the Roundtable for Responsible Soy, and organic certifications for soy and palm ingredients. We also continue to report on our sourcing of marine materials from recognized fishery improvement programs (FIPs), emphasizing the importance of working with our supply chains to become more sustainable over time.

Our use of certified and improving marine ingredients for coldwater feeds continues to be strong, with 95% of last year's total tonnage meeting those benchmarks. One notable shift occurred in 2021: due to the blue whiting fishery's loss of MSC certification in 2020 and subsequent work to enroll in the MarinTrust Improver Programme (IP), there was a decline in forage fish that was MSC certified and an increase in forage fish in the MarinTrust IP. Progress has been achieved for more

sustainable sourcing of marine ingredients in warmwater feeds, but with 41% of last year's use not certified or in a recognized FIP, there is room for improvement. A challenge, particularly in Asia, is access to local material engaged in FIPs or certified. Our work with the Global Marine Ingredients Roundtable seeks to address this and encourage more initiatives in that region.

We have maintained our use of certified soy and palm products for coldwater feed production, mitigating the risk of deforestation and other sustainability issues.

The KPIs reported below can be mapped to the GRI 301-01, CQN 1-80, and CQN 3-90 indicators.

Sustainability assurances

Factory certifications

Standards to which our factories are certified to, by location	Region	Country	ISO 9001	ISO 14001	ISO 22000	OHSAS 18001	Global GAP	BAP	Organic
	Americas	Canada	•		•	•	•	•	•
		Chile	•	•	•	•	•	•	
		Ecuador					•	•	
		Mexico							
		USA					•	•	
	Asia	China			•			•	
		India			•			•	
		Indonesia			•			•	
		Thailand			•			•	
Vietnam		•	•	•	•	•	•		
Europe	Norway	•	•	•	•	•		•	
	Scotland	•	•	•	•	• ²⁹	•	•	
Total plants certified ²⁸			9	7	10	7	9	12	4

²⁸ Some countries have more than one mill and not all mills are certified to the same level within a country.

²⁹ Scotland is certified by UFAS, which is recognized as equivalent to Global GAP.

Sustainability assurances *continued*

Ingredient certifications

Standards to which our marine ingredients are certified to

	None	MarinTrust IP	MarinTrust	Comprehensive FIP	MSC ³⁰
Coldwater feeds					
Forage fish	5.6%	11.3%	83.1%	3.2%	49.9%
Trimming	4.9%	0.0%	95.1%	0.0%	56.6%
Total	5.4%	7.2%	87.4%	2.0%	52.3%
Warmwater feeds					
Forage fish	19.7%	2.0%	78.3%	0.0%	11.3%
Trimming	59.8%	7.8%	32.4%	0.1%	8.4%
Total	41.0%	5.1%	53.9%	0.1%	9.7%
Group total					
Forage fish	7.9%	9.8%	82.3%	2.7%	43.5%
Trimming	20.8%	2.2%	77.0%	0.0%	42.6%
Total	13.0%	6.8%	80.2%	1.6%	43.1%

³⁰ MSC certified fishery shows that the fish were caught from a fishery that has been certified by MSC, but not necessarily by certified boats.

Standards to which our soy and palm ingredients are certified to: coldwater feeds

		Canada	Chile	Norway	Scotland	Coldwater total
Soy products	Certifications	n/a ³¹	RTRS	ProTerra, USSEC - SSAP ³²	ProTerra, Organic	
	% certified	n/a	100%	100%	100%	100%
	Origins	n/a	Argentina, Brazil, Chile, USA	Brazil, Finland, Russia, USA	Belgium, Brazil, China, India, Spain	
Palm oil	Certifications	n/a ³¹	n/a ³¹	n/a ³¹	RSPO	
	% certified	n/a	n/a	n/a	100%	100%
	Origins	n/a	n/a	n/a	Indonesia	

³¹ No material was purchased in 2021, so "n/a" indicates not applicable for that reason rather than indicating we purchased uncertified material.

³² US Soy Export Council—US Soy Sustainability Assurance Protocol. SSAP is recognized according to FEFAC's soy-sourcing guidelines to have equivalence to ProTerra and RTRS (and therefore also accepted by Cargill).

Climate-related footprints

Most sustainability metrics we collect and report on are specific to the aquafeed, aquaculture, or broader seafood industries, but measuring and understanding global sustainability performance—of all actors and industries together, and each one in context to the others—has become more important than ever. It is required, then, to have common currencies of measurement and reporting, and the use of energy and the emission of greenhouse gases (GHGs) are two of the most globally important and widely used. Since 2017, CQN has been reporting on these metrics—as well as the global warming potential (GWP) of the feeds we produce and the water consumption it takes to do so—in an effort to integrate our sustainability performance into the global dialogue. Cargill has set a corporate reduction target for Scope 1 and 2 GHG emissions of 10% by 2025 relative to a 2017 baseline, so this report uses 2017 as a benchmark.

The total amount of energy used to produce coldwater feeds has slowly reduced over time since 2013, with

some fluctuations. As feed production has increased, total energy use has marginally increased, but efficiency gains have been made, as seen with decreased energy use per ton. In Norway, our Bergneset factory has undergone extensive energy-savings investment, as well as switching almost entirely from natural gas to electricity which enabled the installation of state-of-the-art electric feed dryers. These steps set the Bergneset factory on track to be a zero-emission facility in the coming year, as we are purchasing hydroelectricity from the local supplier. Scotland is using renewable direct energy (which is derived from wood chips), and Chile switched the majority of direct energy source from fuel oil in 2018 to LPG in 2019 and continued purchasing renewable electricity throughout 2021.

In warmwater feed production, Vietnam and India use renewable fuels to provide some direct energy, but much of the rest comes from fuel oils, LPG, or natural gas. Electricity provides almost half of the total energy used and many countries still have fossil fuel-reliant electricity generation, so the GHG footprint can be high. There

continues to be a rapid increase in the use of energy in the warmwater feed production. There were some efficiency gains from 2020 to 2021, as the increase in total energy use was greater than the increase in energy use per ton of feed production, but both metrics represent significant need for attention. We are working to understand the cause and find solutions for reduction.

The KPIs reported below can be mapped to the GRI 302-01/302-3 and CQN 3-83 indicators.

**Our Bergneset factory
in Norway is on track to be
zero emission
—the first of its kind in the world**

Global warming potential (Scope 3 emissions) of feeds produced

Global warming potential: Coldwater feed raw materials delivered to the factory

	GWP E_LUC		GWP I_LUC	
	Raw materials (tCO ₂ e)	Raw materials (tCO ₂ e)	Raw materials (tCO ₂ e)	Raw materials (tCO ₂ e/t)
2021	1,663,025	1.36	2,535,792	2.07
2020	1,575,112	1.37	3,001,619	2.60
2017	1,380,306	1.40	2,497,984	2.54

Global warming potential: Coldwater finished feeds ready to leave the factory (not including packaging)

	GWP E_LUC		GWP I_LUC	
	Raw materials (tCO ₂ e)	Raw materials (tCO ₂ e)	Raw materials (tCO ₂ e)	Raw materials (tCO ₂ e/t)
2021	1,740,669	1.42	2,613,436	2.14
2020	1,645,701	1.43	3,072,261	2.67
2017	1,446,325	1.47	2,564,062	2.61

Focus areas



www.cargill.com/seafurther

Our launch goal: To help fish farmers chart a path to net-zero emissions, with a program aiming to reduce their carbon emissions by at least 30% by 2030.

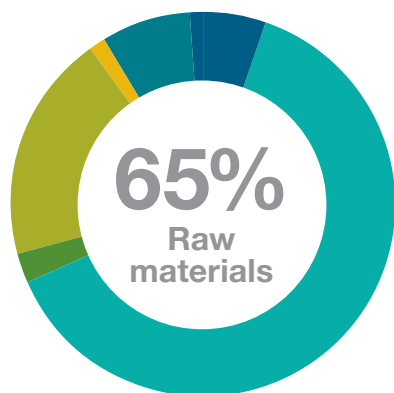
With a growing global demand for seafood and the need for aquaculture to support it, there is an unprecedented demand on the sector to do more with less. Emerging research, such as the [Blue Food Assessment](#) of 2021, highlights how important aquaculture is for human nutrition—but aquaculture production must grow sustainably. Farmed seafood can be a low-carbon source of protein and micronutrients that supports human nutrition worldwide, but we still have a role to play in meeting the carbon reduction goals that will stabilize our planet's climate. As a global leader in aquaculture feed and animal nutrition, we support the production of seafood the world needs while minimizing its impact on the planet. And now we're stepping up to do more—with less.

In 2021, we launched SeaFurther™ Sustainability, our signature program to help farmers chart a path to net-zero emissions, with a goal of reducing their carbon footprint by 30% by 2030.

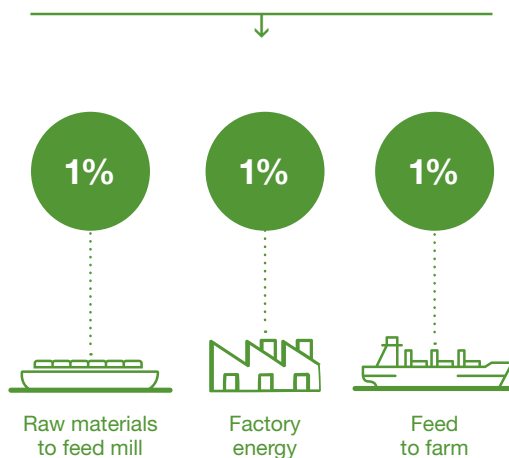
This commitment requires a systematic approach. We are working throughout the aquaculture value chain—from our suppliers to our customers—to calculate, reduce, and track the GHG emissions per kilogram of our customers' harvested seafood and managing the role our feed plays in that reduction. Credibility and innovation are key and will underpin everything we do. To keep us on track, we've set a target of a 15% reduction in GHG emissions by 2026.

Feed and its use can represent up to 90% of the GHG footprint of farmed fed seafood—depending on the other inputs. The raw materials used and the amount of feed required to grow 1 ton of seafood to harvest (the FCR) are key factors determining the overall footprint of the seafood. We have identified three key areas for us to work on towards our ambitious target: transforming raw materials, optimizing production, and safeguarding animal health.

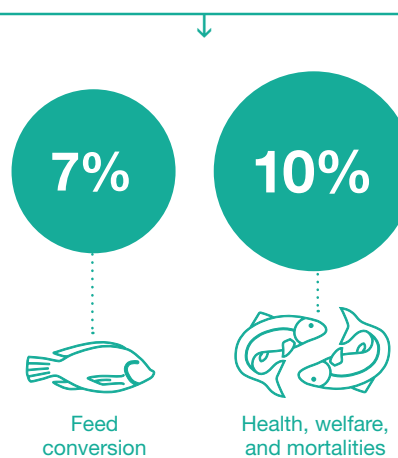
- Marine proteins
- Vegetable oils
- Vegetable proteins
- Carbohydrates & binders
- Marine oils
- Micro ingredients



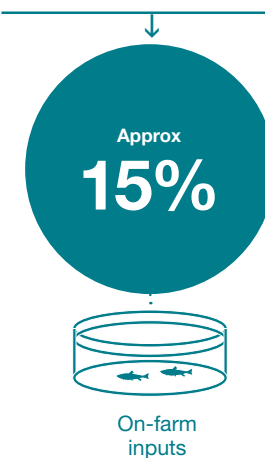
Raw material properties and distance to feed mill affect energy use for logistics and feed production.



Optimizing feeds for best conversion and safeguarding fish health and welfare through nutrition.



Reducing the need for farm inputs, such as treatments and on-farm energy.



Source: transforming raw materials

Our feed is designed to help minimize the environmental footprint of aquaculture. That's why we work closely with our suppliers to develop ways to grow planet-friendly ingredients and find ways to reuse byproducts, like fish trimmings that would normally be discarded, whenever we can. Together, we strive to identify and source novel ingredients that create even more sustainable feed, helping our customers and partners achieve our shared sustainability goals.

Optimize: optimizing production

By seeking to put fish nutrition first, we are harnessing the power of nature and science to do more with less environmental footprint. We focus on ways to increase fish efficiency, getting the most out of production while using fewer resources and reducing our impact on the ocean and the climate. Through SeaFurther™, we will work with our customers to identify the GHG hotspots in their production—from raw materials and feed, through to fish production. We can then work with the customers to identify interventions to address the opportunities for reducing the emissions strategically.

Care: safeguarding animal health

Healthy farmed fish play a powerful role in the health of communities—and the environment. So, we take time and care to develop fish nutrition that promotes and enhances the health and welfare of farmed fish. We are committed to working with our customers to make sure the fish in their care are managed to the highest standards. Providing optimal nutrition for the fish we feed will keep them healthier. Healthy fish grow more efficiently, so more fish can be grown using fewer resources—with fewer GHG emissions.

First year's results

In the first year, we developed the approach that we will use to account, report, and mitigate GHG emissions in SeaFurther™. This has been documented for us by Quantis, demonstrating that our approach is grounded in current best practice, such as the Product Environmental Footprint Category Rules for Feed, the GHG Protocol, and the Science Based Targets initiative. We recognize that the landscape for these activities is changing and will continue to change, so we will update our documentation and make it public for scrutiny as part of our commitment to credibility.

A central database of LCA data for each of our raw material suppliers for the feed mills engaged in SeaFurther™ has been established. These data are then shared with the local businesses, so that they can create reports on the footprints of feed provided to the customers. We have worked with our suppliers to obtain data from their activities and will continue on this, to more and more accurately reflect the emissions from their processes and their initiatives to reduce emissions. This will be a continuous process going forward.

We have piloted the approach with two customers, finding solutions which can enable a reduction of the fish footprint up to 20%. It is clear that different customers have different opportunities, depending on their farming conditions and their appetite for change. We are building a system which can enable us to support individual customer solutions, in a credible and verifiable manner, that delivers value to the whole supply chain.

The raw materials provide the nutrients required for the feed and here we can look at how to find lower

footprint sources of the nutrients, find alternative suppliers of the same raw materials, or work with current suppliers to reduce their GHG emissions. With the FCR, we can work to ensure that the nutrition is optimized for the seafood being fed and work with our customers to identify health, welfare, and environmental issues that can be addressed to ensure better survival and thriving growth to harvest. Through working with our current suppliers to reduce their emissions and with our customers to reduce their FCR, we are working to reduce GHG emissions to the atmosphere, not just avoiding hotspots and leaving them unaddressed.

The production and processing of agricultural crops is critical to feed, but can add a significant quantity of emissions. Pilot projects with crop farmers to reduce the emissions of wheat and rapeseed through regenerative agriculture practices for the 2022 harvest were established, enabling us to start GHG footprint reduction pathways for our feeds.

Together, these actions will enable us to increase our customer base in the next year and also make us broaden our supplier approaches so that we have more capacity to help our customers reduce their footprints year on year to 2030.

“We are proud to lead the way for reducing emissions from the trout industry through this partnership with Cargill. However, carbon efficiency resulting in reduced emissions will only be fully achieved if we work together across the whole supply chain, so it's fantastic that this initiative and open communication is happening rapidly and at scale.”

Neil Manchester

Managing Director, Kames Fish Farming Ltd. (Scotland)

Sustainability in action

Through Cargill's long history, we have seen agriculture be part of the solution to the world's most urgent challenges. We have been working on issues material to our business, which includes the interests and priorities of our suppliers and our customers. We take a value chain approach to drive sustainability throughout the seafood sector, focusing on the raw materials we source, how we formulate and deliver them, and how they are used on farms around the world.

Historically, we have focused on sustainability in marine ingredients like fishmeal and fish oil, terrestrial ingredients like soy and palm, waste in our feed mills, and delivering high quality, nutritious feeds so our farmers increase their feed efficiency. While these priorities have not changed, the scope of impacts that we measure and work to improve has grown. Today, we consider responsible

fisheries management to include not just science-based quotas, but also safeguards for human and labor rights. We consider best practice in our own operations to include accounting for all materials we use and ensuring we have a team of people dedicated to managing sustainability across the business. We are working to improve our feed's efficiency not just because it is good

for the farmer, but because we know the impact it has on our own—and our global—GHG emissions. Our work to ensure and improve sustainability looks inward and outward—we dive deep into our own facilities and operations and extend out into those of our supply chains. This section relays much of those efforts.

Sustainability management

The structure of Cargill's sustainability teams and CQN enables local and global management of topics and impacts and demonstrates our commitment to being a leader in sustainably nourishing the world. Corporate management of sustainability is led by the Chief Sustainability Officer, who reports to the Chief Executive Officer and oversees the development of global commitments and policies and programs to deliver them. Our CQN sustainability approach is aligned with the enterprise and [corporate strategies](#) but the materiality and details of the aqua nutrition industry require dedicated sustainability management. This is achieved by embedding sustainability personnel within CQN and the Cargill Global Impact Team. Cargill's Executive Team reviews progress on a quarterly basis for each enterprise and the businesses within them. Cargill reports externally on material topics through our annual report, and businesses produce supply chain reports annually and/or biannually. These reports, our supply chain grievance dashboards, and other public information can be found on our Reporting Hub.

CQN is part of Cargill's animal nutrition and health enterprise and is led by the group president, who is supported by the Group Leadership Team (GLT). This team is comprised of regional managing directors and global directors of finance, risk management and sourcing, strategic marketing and technology, operations, information technology, and human resources. They are each supported by regional and local teams which contain sustainability managers.

The global impact team works alongside Cargill enterprises and contains sustainability leadership for animal nutrition & health and protein & salt. A dedicated CQN sustainability lead and a sustainability program lead support the enterprise leadership and act to centralize sustainability management by working with regional and local sustainability managers and the aforementioned directors and their teams.

Functionally, this structure allows sustainability topics and their management to be both locally-relevant and

globally-focused. Customer and stakeholder engagement, market conditions, raw material availability, and other relevant topics are addressed by leveraging the power of local and central expertise. We are continuing to build capacity throughout the business and the global impact team, further advancing our capabilities to reliably deliver on our quality and our sustainability goals.



Sustainability in our supply chains: working upstream and downstream

Institutionalizing sustainability

Cargill's ambition is to have the most sustainable food supply chains in the world. CQN has developed a precautionary approach to managing sustainability as topics have developed. To create far-reaching sustainability strategies and drive them through the seafood industry, we deploy a variety of tactics. One of our primary tools is our Supplier Policy, which requires those who sell raw materials to us to abide by our sustainability principles and have environmental and social risk management procedures in place. The Policy sets out our expectations of our suppliers within good practice expected of them on environmental and social performance, aligned with third party standards where applicable. Each year, we also conduct audits of various suppliers to ensure they are meeting expectations.

We also leverage the power of certifications—on our products and on our suppliers. By meeting the requirements of standards—and having external parties verify our performance—we ensure that we are not the only ones who think we are doing a good job. Nearly all our feed mills are certified to the Best Aquaculture Practices (BAP) Feed Mill Standard and GlobalG.A.P. Compound Feed Manufacturing Standard, and as described elsewhere in this chapter, we preferentially source marine and non-marine raw materials that are certified to various sustainability-focused standards. This approach sets clear and consistent expectations both internally, for our sourcing teams, and externally, for our suppliers.

Finally, we have embraced the concept of an ESG-led approach, ensuring that our definition and action on sustainability encompass the pillars of environment, social, and governance. This has allowed us to broaden our risk assessments and deepen our due diligence, especially for human rights as we work towards demonstrating compliance with emerging legislation such as the UK Modern Slavery Act (2015) and in preparation for the Norwegian Transparency Act.

Marine ingredients

We have long placed emphasis on sourcing our fishmeal and fish oil from fisheries that are already managed responsibly. This effort is reflected in the increasing share of our marine ingredients that are certified by MSC and/or MarineTrust.

But purchasing material that already meets sustainability expectations is only part of our strategy. We also believe that our engagement with fisheries which have room for improvement is a tool to deliver those changes, reduce the risk of illegal, unregulated and unreported (IUU) fishing, and develop science-based management strategies. By working with the fishing sector and with standards holders, we play a key role in the development and support of Fishery Improvement Projects (FIPs). With time-bound commitments to achieve sustainability certifications and mechanisms in place to verify progress along the way, approved FIPs are a vehicle for improvement on the water while also ensuring the fishery has the resources to implement changes. We're proud financial contributors to FIPs working towards MarineTrust and/or MSC certification in the Northeast Atlantic, Mauritania, Peru, Ecuador, and Thailand.

FIPs we support



Terrestrial ingredients

Cargill is part of a globally integrated food system that plays an important role in food security across multiple food value chains. This gives us a unique perspective on how to build lasting solutions to sustainability and development challenges, balancing multiple and varied interests while also protecting the environment.

Cargill is committed to deforestation-free sourcing across our agricultural supply chains—including those serving CQN—and we are already showing it can be done. All soy ingredients incorporated into coldwater feeds, for example, remain deforestation- and conversion-free (DCF). We rely on—and engage with—certifications like those from ProTerra Foundation, Roundtable for Responsible Soy, and organic schemes to help us deliver feeds to our customers which highly prioritize land conservation. In Norway, we have continued the pre-competitive collaboration with other salmon feed producers, the ProTerra Foundation, and the soy protein concentrate suppliers Caramuru, CJ Selecta, and Imcopa to advance DCF beyond just the soybeans that end up in our supply chains. Under the name the Aquaculture Dialogue for Sustainable Soy in Brazil, this group has developed and implemented greater transparency and traceability of the soy supplies and committed to 100% DCF of the entire supply base with a cut-off date of August 2020. In 2021, an initial monitoring, reporting, and verification (MRV) audit for the three supplier companies confirmed that they all were 100% DCF for all their soy sourcing—not just the portion of their business with ProTerra certified beans, (which have a DCF cut-off date of 2008 under that standard). We are now working with the Dialogue stakeholders in 2022 to improve and strengthen the MRV process going forward.

More broadly, Cargill is also developing innovative, collaborative programs like the Land Innovation Fund for Sustainable Livelihoods. Launched in 2021 after more than a year and a half of research, stakeholder

engagement, and preparation, Cargill has pledged to contribute \$30 million to accelerate the development and implementation of innovative and economically viable options for farmers in South America. We are rolling out a series of initiatives that focus on the protection of undisturbed lands, better management of lands that have already been converted for agriculture, and the restoration of degraded lands into carbon-capturing areas. In combination, these efforts will provide farmers alternatives to converting biologically significant forests and other native vegetation in the Amazon, Cerrado, and Gran Chaco biomes, advancing the DCF and climate-related goals of ourselves and our customers.

Novel ingredients

To meet the continually growing demand for farmed seafood, traditional marine ingredients will need to be supplemented with those derived from other sources. Scaling up use of so-called novel ingredients requires commitment throughout the value chain. To date, insect meals and algal oils have been the products commercially implemented through our novel ingredient strategy, and in 2021, we helped launch the Millennial Salmon project to build on this. A collaboration with Norwegian research institutes Nofima and SINTEF Ocean, novel ingredient producers InnovaFeed and Corbion, and grocery retailer Auchan, the project will advance the commercialization of insect meal and algal oil as salmon feed ingredients. Alongside this effort, our relationship with InnovaFeed to produce insect meal for salmon feeds continues, and through it, we have been able to add more of this



product to specific feeds. Our long-term commitment to this has enabled InnovaFeed to invest and scale up their 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 Norwegian feeds effective almost immediately. We are working with our customers and their customers to build the market signal for greater novel ingredient use, encouraging increased production and expanding availability.

100%
of soy ingredients in
coldwater feeds are certified to
sustainability-focused standards

**We have increased our
inclusion of insect meal in
our feeds and our partnership
with its leading producer**



Sustainability in what we do: working within our teams

The greatest impact of the feeds we make are upstream—related to the origin of the raw materials we use—and downstream—how they perform on our customers' farms. To make improvements in these areas, we work in close collaboration with both our suppliers and our customers. However, it is essential that we also address sustainability in our own operations—where we have the greatest control. Cargill's supply chain teams are working hard to package and transport raw and finished materials to our plants and to our customers while simultaneously reducing the impact of those activities on the environment.

Efficiency in material use

Across Latin America, we are collecting and reusing our pallets, even if they require repair. In Chile, we are even buying our customers' pallets and working with suppliers to standardize pallet size for a broad range of uses. Currently, up to 70% of pallets in our Chilean operations are reused after repair and disinfection. We're doing the same for feed bags, with the aim to use 65% of bags three times before sending to the recycling facility.

In our Norwegian Florø plant, a \$6.7 million investment in new bulk loading infrastructure will eliminate more than 160,000 plastic feed bags per year.

Our Latin American teams have reduced the use of plastic by making feed bags thinner and reduced the use of cardboard by reimagining how materials are packed for transport from our facilities to those of our customers.

Efficiency in transport

Our FjordFrende logistics collaboration with Skretting continued in 2021. Instead of using separate ships for Cargill's EWOS feed and Skretting feed, feed from both



companies is shipped by the same vessels coordinated by an independent third party, thus limiting shipping traffic and reducing GHG emissions. By 2021, this collaboration has reduced the carbon footprint per ton of feed delivered by 25% compared to 2017. In North America, similar efforts are underway.

“It is very gratifying that Cargill and Skretting’s collaboration, ‘Friends of the fjord,’ has had an immediate impact, reducing CO2 emissions 25% in Norway. In addition, the shipping company that handles transport has improved on coordination of deliveries to further reduce fuel consumption and emissions.”

Fredrik Witte
Managing Director, CQN North Sea

Across our Mexico and Ecuador supply chains, we are working with our own teams and our customer teams to better plan and schedule transport and delivery of raw and finished materials. This results in fuller trucks, fewer trips, and fewer miles driven—all resulting in fewer GHG emissions.

Efficiency in operations

Our North American operations are upgrading plant equipment and machinery to increase the use of electricity as an energy source, much of which is generated by hydro, reducing reliance on carbon-based fuels and reducing GHG emissions.

In North America and Chile, the construction of more on-site capacity to store raw and finished materials reduces the number of deliveries to and from our facilities, saving the GHG emissions that would be emitted from more frequent transport trips.

In Chile, the use of an oleoduct to move oil by pipe from the supplier facility to our facility will eliminate the need for transport trucks to make the trip, removing 600 trucks from the road. In addition to preventing the emission of transport-related GHGs, fewer truck trips and vehicles on the road increases safety for our team and the community.

Continuous improvement

One of our facilities piloted a fuel additive technology that aims to improve the efficiency of engine combustion, and our expectation was to reduce diesel use in our feed delivery trucks by 10%. Unfortunately, our research showed a slight increase—0.7%—in diesel use by the trucks tested. We do not view this as a failure, but as one more action we have explored to continue reducing our impact. We will continue to keep innovating, researching, and testing technologies and strategies to do just that.

Our investment in bulk loading infrastructure will eliminate

160,000+

plastic feed bags per year

Partnerships and stakeholder engagement

Collaborative work across the value chain

Despite our efforts within our own business and supply chains, we know that maximum global impact is achieved through collaboration. That is why we work so hard to join hands with other stakeholders—and often with our competitors—to keep moving the needle. We are proud of our membership and participation in initiatives that bring together NGOs, governments, academic researchers, standards holders, and other industry members. Below is a sample of the work we engaged in 2021.

Full membership



Global Roundtable on Marine Ingredients

marineingredientsroundtable.org



North Atlantic Pelagic Advocacy Group

<https://buff.ly/2Rk3QbU>



Seafood Task Force

seafoodtaskforce.global

Committees we sit on



SeaBOS Task Force I

seabos.org/task-forces/task-force-i



SeaBOS Task Force III

seabos.org/task-forces/task-force-iii



ASC Feed Standard Steering Committee

asc-aqua.org/what-we-do/our-standards/feed-standard

Committees we sit on *continued*



MarinTrust Social and Ethical Committee

marin-trust.com/about-us/our-governance/social-and-ethical-committee



MarinTrust Governing Body Committee

marin-trust.com/about-us/our-governance/governing-body-committee



BAP Vanguard—Feed and GHG working groups

bapcertification.org



ProTerra Foundation Stakeholders Council

proterrafoundation.org/about-us



FEFAC Sustainability Committee

fefac.eu/wp-content/uploads/2021/06/FEFAC-Feed-Sustainability-Charter-Report-2021-1.pdf

Associate membership and general partnership and participation



Global Salmon Initiative (GSI)

globalsalmoninitiative.org



Global Dialogue on Seafood Traceability (GDST)

traceability-dialogue.org



World Wildlife Fund (WWF)

seafoodsustainability.org



Sustainable Fisheries Partnership (SFP)

<https://sustainablefish.org>



United Nations Global Compact (UNGC)

unglobalcompact.org



Millennial Salmon project

nofima.no/prosjekt/millennial-salmon

References

The following tables provide an index to GRI disclosures and customized reporting topics and impacts that we have identified as material in our operations. The full GRI Standards can be accessed at <https://www.globalreporting.org/standards/>.

GRI Standard number	GRI Standard title
GRI 102	General Disclosures
GRI 103	Management Approach
GRI 202	Market Presence
GRI 301	Material Topics

CQN customized disclosures

CQN Disclosure number	CQN Disclosure title	Topic boundary
CQN 1-80	Management standards	Internal
CQN 3-83	Global warming potential of raw materials and feeds	Upstream & Internal
CQN 3-87	Health feed sales	Downstream
CQN 3-88	Anti-parasitic feed sales	Downstream
CQN 3-89	Antibiotic feed sales	Downstream
CQN 3-90	Plant index	Upstream
CQN 3-90	Plant index	Upstream
CQN 3-91	Packaging for finished goods	Internal



Cocoa & Chocolate

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This chapter refers to the crop year which runs from October 2020 until the end of September 2021. Information in this chapter is for that time period, unless otherwise noted. For previous progress reports, visit [our website](#).

Dear Partners,

Our progress this year shows how the integration of sustainability issues continues to evolve within our business.

We support the empowerment of women with technical training and access to finance and we provide farmers with agroforestry support; both initiatives contribute to more solid and diversified household incomes.

Technology supports our efforts as it enables transparency and traceability of cocoa and chocolate for us, our customers, and their consumers. To date, the cocoa in our direct supply chain is traceable to the first point of purchase. This year, 117,111 farmers in our direct supply chain are delivering cocoa through first-mile digital traceability systems, up from 89,399 last year. Additionally, we continue to lead in sourcing certified sustainable cocoa, which represents almost half of all the cocoa we source.³³

Our reporting tools, such as CocoaWise™, provide visibility on provenance and impact and have been enriched with more features, such as cocoa and chocolate product carbon footprints. Collaboration and joint evaluation of progress remain vitally important. This was my last year as chair of the European Cocoa Association, a role I was honored to serve as, and which made me believe even more strongly in driving

transformation together. The impact we make through dialogue, sharing learnings, and working together is far greater than the sum of its parts. It already shows in partnerships such as the Child Learning and Education Facility (CLEF) and the Early Learning and Nutrition Facility (ELAN), led by Jacobs Foundation, the Cocoa & Forest Initiative, and the Roadmap to Deforestation-free Cocoa in Cameroon that was launched in 2021. Together, our shared purpose is clear. And in a turbulent world, we continue to make steady progress towards a thriving cocoa sector for generations to come.



Sincerely,
Harold Poelma
*President,
Cargill Cocoa & Chocolate*

³³ Third-party certified sustainable refers to certification standards such as Rainforest Alliance and Fair Trade.

Supply chain overview

We create cocoa and chocolate products for chocolate, confectionery, and food manufacturers across the globe

—producing cocoa powder, cocoa butter, and cocoa liquor as well as chocolate, coatings, and fillings for industrial applications. Our own sourcing and trading operations are established at origin in Côte d'Ivoire, Ghana, Cameroon, Indonesia, and Brazil.



40

years of experience in the cocoa and chocolate space



57

locations across the globe



2nd

largest producer of cocoa and chocolate in the world



4,400

employees



31

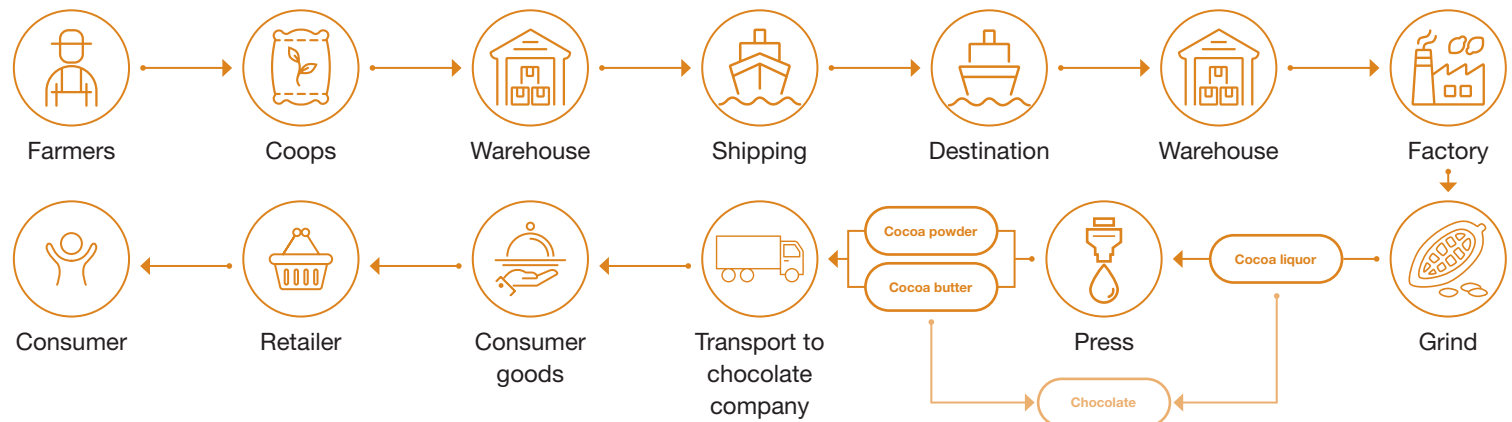
processing plants



5

origins from which we source cocoa directly

From bean to bar How our supply chain operates³⁴



³⁴ Representative supply chain flow for Côte d'Ivoire.

Dashboard

In 2017, we introduced our five sustainability goals, which serve as the structure for this chapter in alignment with our Theory of Change. In 2018, we created a new overview of datapoints, mapped to the five sustainability goals. As of the 2019-2020 reporting cycle, we appointed an external assurance provider, KPMG, to provide limited assurance on the selected sustainability KPIs in the table below. For some topics, we redefine the datapoints, and

as more data comes in, we improve the consistency and accuracy of data, for example by eliminating inactive farms. If KPIs are redefined year to year, this is explained in accompanying text in our chapter. The assured datapoints in the chapter are listed below:

Throughout the chapter, '2021' is written to enhance readability. Unless stated otherwise, it covers the crop year, which runs from October 2020 until the end of September 2021.

Our fiscal year runs from June 2020 until the end of May 2021.

Sustainability goals	Assured KPIs	Definition	Scope of assurance: Country of origin		
			Côte d'Ivoire	Ghana	Cameroon
	1. # of farmers supported through Cargill Cocoa Promise activities	The number of farmers that are sustainability certified and take part in at least one Cargill Cocoa Promise activity such as training or coaching.	138,575	37,090	42,377
	2. # of farmer organizations, districts, 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 cocoa farmers.	129	10	9
Farmer livelihoods	3. # and % of farmers coached	The number and percentage of farmers that received one-on-one coaching on Good Agricultural Practices.	48,125 (35%)	9,025 (24%)	7,530 (18%)
	4. # and % of farmers Good Agricultural Practice (GAP) compliant	The number and percentage of farmers that are successfully implementing the Pruning GAP, as well as 3 out of the other 4 GAPs.	12,713 (27%)	5,723 (63%)	1,787 (24%)
	5. Average yields	Amount of cocoa beans produced per area, an indicator of productivity of a cocoa farm.	571	564	594
	6. % of farmers using crop protection	The percentage of coached farmers that have reported to use either fungicide or insecticide.	69%	62%	92%

Sustainability goals	Assured KPIs	Definition	Scope of assurance: Country of origin		
			Côte d'Ivoire	Ghana	Cameroon
Community wellbeing	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.	4%	3%	0,2%
	8. # of farmers monitored through Child Labor Monitoring and Remediation Systems (CLMRS)	The number of households that received a CLMRS monitoring visit.	32,220	7,959	6,523
Protect our planet	9. # of farms GPS/polygon mapped	The number of plots that have been GPS/polygon mapped.	116,309	44,153	21,337
	10. # and % of farmers GPS/polygon mapped	The number and percentage of certified farmers that have had at least one of their plots GPS/polygon mapped.	106,940 (77%)	23,194 (63%)	18,079 (43%)
	# and % of farmers that do not have duplicate polygons and/or >20% overlap	The number of mapped farmers that do not have duplicate polygons or polygons that overlap by at least 20% with one or more polygons.	83,307 (60%)	20,583 (55%)	14,541 (34%)
Consumer confidence	11. # and % of farmers delivering volume through first-mile traceability system	The number and percentage of farmers who have delivered cocoa beans through either Cooperative Management Systems or digital first-mile traceability.	80,770 (58%)	21,050 (100%)	1,295 (3%)
	12. % of sustainable volume in first-mile traceability	The percentage of UTZ, Fairtrade, or Rainforest Alliance beans that was 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.	80%	100%	64%
	13. # and % of farmers paid via mobile banking	The number and percentage of farmers that have received premium payments through a mobile money solution.	Not in scope	21,050 (100%)	Not in scope
	14. % of sustainable volume sold (calendar year) ³⁵	The percentage of cocoa in bean equivalent sold as UTZ, Fairtrade, Rainforest Alliance, or under customer own programs.	-	49% (globally)	-

References

i. KPMG [complete assurance report](#)[↗]

ii. [GRI Content Index](#)[↗]

³⁵ For KPI 14, the timeframe is Calendar Year 2021 and it covers our entire supply chain (direct and indirect).

Focus areas

Our approach towards a thriving cocoa sector

Our vision

At Cargill, we have the responsibility and the opportunity to act across the cocoa sector, connecting different stakeholders to drive change. Our aim is to connect every dot in the cocoa supply chain for full transparency by infusing cutting-edge digital technologies. In this way, we take a holistic view of the sustainability of cocoa and work effectively with our partners towards a common cause: a thriving cocoa sector that benefits all.

Our commitment

The Cargill Cocoa Promise has been the cornerstone of our approach to sustainability since 2012. Our five Sustainability Goals are aligned with the UN Sustainable Development Goals (SDGs), and our [Theory of Change](#) and Results Framework outlines a methodological approach for continuous monitoring and evaluation across impact topics.

Our goals



Farmer livelihoods

Goal

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

Target

1 million farmers benefiting from the services of the Cargill Cocoa Promise

[+ Read more](#)



Community wellbeing

Goal

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

Target

1 million community members benefiting from the services of the Cargill Cocoa Promise

[+ Read more](#)



Protect our planet

Goal

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

Target

Zero deforestation in the cocoa supply chain

[+ Read more](#)



Consumer confidence

Goal

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

Target

100% farm to factory traceability of our cocoa beans

100% chocolate ingredients sourced in line with our Supplier Code of Conduct

[+ Read more](#)



Transformation, together

Goal

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](#)



Farmer livelihoods

2030 Target

One million farmers benefit from the services of the Cargill Cocoa Promise.

Approach

We empower farmers to become true entrepreneurs who maximize profitability and manage their farms as businesses, contributing to their prosperity. We do this through a holistic approach that goes beyond productivity to diversify farmers' incomes and strengthen their resilience.

[+ Read more](#)



Community wellbeing

2030 Target

One million community members benefit from the services of the Cargill Cocoa Promise.

Approach

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

[+ Read more](#)



Protect our planet

2030 Target

Zero deforestation in our cocoa supply chain.

Approach

Cargill has a strategic action plan called "Protect Our Planet" that details the steps we are taking to make our supply chain deforestation-free. It outlines concrete actions for achieving 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

2030 Target

To use the power of partnerships to achieve our goals and to accelerate sector transformation in a way that we cannot achieve by ourselves.

Approach

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

2030 Target

100% farmer-to-plant traceability of our cocoa beans. 100% of chocolate ingredients sourced in line with our supplier code of conduct.

Approach

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

Our entire industry depends on the success of cocoa farmers. Cargill helps smallholder farmers navigate fluctuating socio-economic and environmental conditions by building their capacity, improving their access to resources, and increasing their resilience.

Want to know more?

⊕ We participated in a **baseline analysis on living income** for cocoa farmers in Côte d'Ivoire by IDH—The Sustainable Trade Initiative, Le Conseil du Café-Cacao, and Agrilogic.



Key progress

As we support more farmers in farming practices, we are working on a longer-term approach to Farm Development Plans. With the Grameen Foundation and the FarmGrow application in Côte d'Ivoire, we have been successfully piloting three-year plans. In our learning approach on reaching a living income for farmers, we are piloting several different cash transfer and

entrepreneurship models. This includes diversification support services and the targeting of women and youth. This also lies at the core of the entrepreneurial support program of our gourmet brand, Veliche, and another program in Ghana which enabled 1,800 farmers to earn extra income by producing hot peppers in addition to cocoa.

Learnings & next steps

We will conduct an income diversification scoping study in Cameroon. An earlier study with IDH, The Sustainable Trade Initiative, on our diversification support showed the importance of farmer organizations in supporting farmers to achieve market access for non-cocoa

goods. We will therefore continue to work directly with farmer organizations to develop tailored capacity, building support for different farmer profiles. A detailed Cargill Cocoa Promise impact study framework aims to help us track farmer impact over the long term.

⊙ At a glance

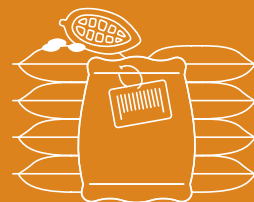
Advancing sustainable farmer practices with more tailored training and coaching

More farmers benefiting from one-on-one coaching and training in good agricultural practices (GAPs)

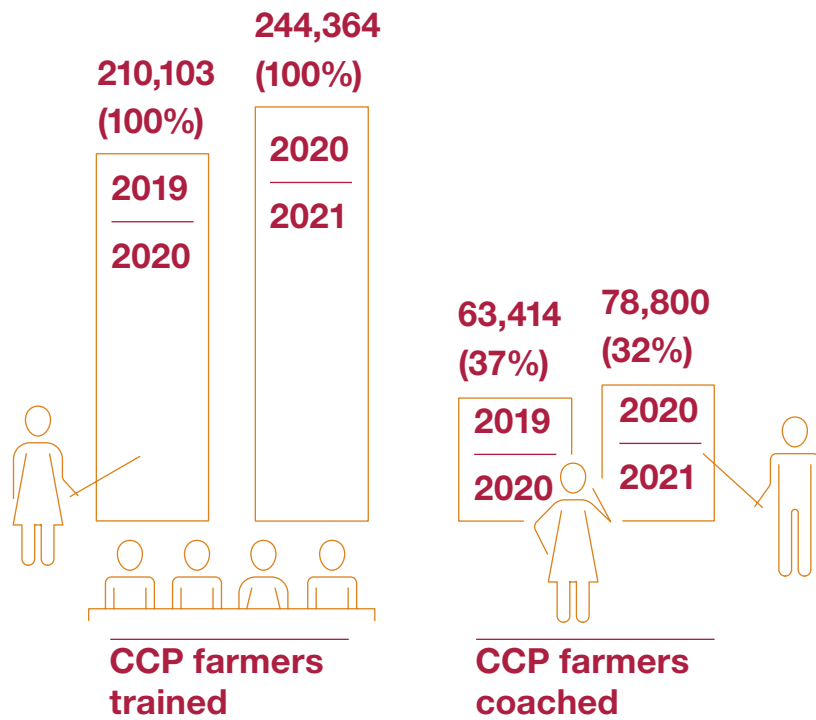
The total number of farmers in the Cargill Cocoa Promise (CCP) is growing—from 169,893 in 2020, to 244,364 in 2021 globally, which is why percentages fluctuate compared to total figures. (138,575 in Côte d'Ivoire, 37,090 in Ghana, 42,377 in Cameroon, 26,129 Indonesia, and 193 in Brazil).

Farmers we source from are making progress in agricultural practices

Next to supporting farming practices, we distributed 414,285 cocoa seedlings in Ghana and 53,926 in Indonesia.



⊕ Read more on our [website](#)



CCP farmers using crop protection in West Africa

Côte d'Ivoire

31,575
(69%)

Ghana

5,583
(62%)

Cameroon

6,893
(92%)

CCP farmers composting and applying it on farms in West Africa

Côte d'Ivoire

1,812
(4%)

Ghana

251
(3%)

Cameroon

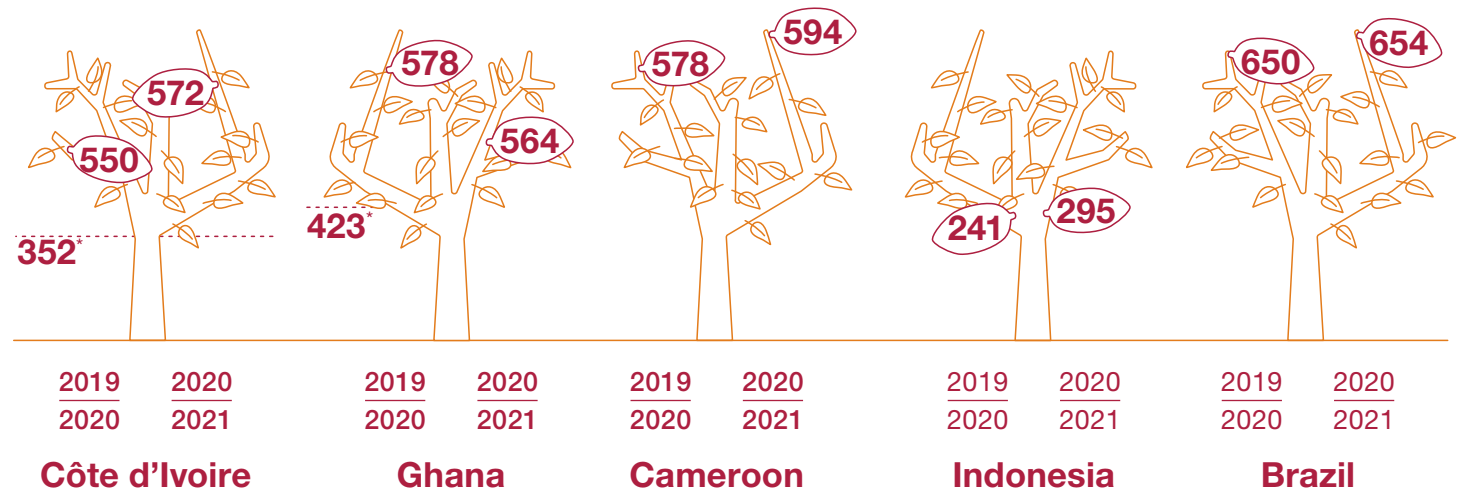
12
(0.2%)

Compliance with good agricultural practices and improving farm productivity

Farming practices and productivity are not changing linearly and depend on many factors, but overall, we continue to see positive performance compared to country averages.

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

* Country averages according to KIT study.



Programs and partnerships: Community wellbeing

Cargill is creating stronger, more resilient cocoa farming communities by investing in the wellbeing and progress of farming families. Together with our partners, we are implementing community-driven initiatives to help prevent child labor, enhancing women's economic opportunities, increasing access to quality education, and improving health and nutrition.

Want to know more?

- ⊕ Read about how we have provided access to quality education over the last five years in this [TRECC report](#).
- ⊕ Read about our work with CARE in tackling child labor in this [report](#) by WBCSD (the World Business Council for Sustainable Development) and UNICEF.
- ⊕ Watch this [video](#) to learn more about our capacity building for women, together with Empow'Her and IFC.



Progress at a glance

Community wellbeing

More coverage of our Child Labor Monitoring & Remediation System (CLMRS)

51,708 farming households have been monitored through CLMRS in Côte d'Ivoire, Ghana, Cameroon, and Indonesia. This year, initial preparations were made to set up a CLMRS in Brazil.



Key progress

In our CLMRS, we are working on scaling through a risk-based model. Farmers at risk—assessed through farmer, household, and regional factors—receive more specialized child labor surveying. Together with Save the Children Indonesia, we reached 5,000 households in 2021 and our collaboration has received an award from the Ministry of Women Empowerment and Child Protection. Prevention of child labor is most important, which is why we

scale our support for birth certificates and school enrollment and provide school kits. This year, we built a model that connects our interventions on women empowerment and gender equality in cocoa communities in the cocoa sector. We are a signatory to the United Nations Women's Empowerment Principles and continue to promote income diversification across households, such as in Cameroon with LadyAgri and in Brazil with Imaflora.

Learnings and next steps

The human rights risk assessment in Brazil taught us that certain farm types, such as family farms, are related to potential child labor risk and are therefore prioritized in our CLMRS. In Côte d'Ivoire, we piloted a monitoring system for potential forced labor

of adult workers which we plan to integrate in our CLMRS. Next, we are planning to support women's access to finance to pay for land documentation and setting up a women-centered WASH initiative with the Global Water Challenge.

⊕ [Read more on our website](#)

More communities benefiting from community action plans

We reached more communities with programs, and broadened their focus, with more attention paid to health and nutrition and gender equality.

Community projects

2020-2021

2,576

2019-2020

2,491



Community action plans

2020-2021

613

2019-2020

554

Accelerating access to Water, Sanitation & Hygiene (WASH)

+8,800
people benefiting
from improved WASH

+9
boreholes giving access
to clean and potable water

+35
water committees
established



Taking steps towards gender equality and women's empowerment

Gender awareness

- All 244,364 farmers participated in gender awareness training. As a result, more than 50% of women reported more participation in decision-making.

Access to resources for women

- Finance
11,359 women benefit from 686 Village Saving & Loan Associations (VSLAs), up from 4,098 last year
 - Training and education
687 women receive entrepreneurial training as part of the Coop Academy
- 200 women receive weekly direct cash transfers

Programs and partnerships: Protect our planet

Cargill is committed to transforming its supply chain to be deforestation-free. We help cocoa growers adopt sustainable farming practices and increase on-farm tree cover. This is how we build sustainable landscapes that balance cocoa production with the conservation of forests, and how we contribute to easing the impact of climate change on cocoa farmers' livelihoods.

Want to know more?

- ⊕ Hear more about the potential of agroforestry in this [Innovation Forum podcast interview](#).
- ⊕ Explore our [report](#) on making agroforestry work for cocoa farmers, developed with PUR Projet and the 1 for 20 Partnership.
- ⊕ Watch this [video](#) to learn more about supporting farmers in agroforestry with PUR Projet.
- ⊕ Read more about our support to the [pledge to end deforestation](#) in the supply chain launched at COP26.



© Progress at a glance

Protecting and restoring forests together with cocoa growing communities

Please note: In this chapter we refer to GPS polygon mapped farms of active farmers that were delivering our sustainable beans in 2020-2021. Farm maps reported may include geometry issues. We found that, depending on the country, 11% – 22% of our mapped farmers have duplicate polygons or polygons that overlap by at least 20% with one or more other polygons. Solving the issues is amongst our key priorities in the upcoming years. Read more in [Dashboard](#).

Key progress

We assessed the carbon impact of our operations (Scope 1), the impact generated by the energy we use (Scope 2), as well as the impact of our entire cocoa supply chain (Scope 3). This has been verified by a third party, Quantis (more in the [Responsible business](#) section). The results showed 66% of the Scope 3 impact comes from land use change, underlining this as our priority. The scaling of our GPS polygon mapping activities enables us to monitor deforestation risks in a larger portion of our direct supply chain

with Descartes Labs' new real-time forest monitoring technologies. Based on risk, we have engaged more farmers to address deforestation. With inclusive programming, we pay special attention to gender equality, such as in the Beyond Trees program with PUR Projet and Empow'Her. For more Ghana and Côte d'Ivoire progress, find our Cocoa & Forests Initiative (CFI) progress report [here](#). In addition, we are supporting the [Roadmap to Deforestation-Free Cocoa in Cameroon](#).

Learnings and next steps

We are continuing our partnership with Quantis to design a comprehensive climate change strategy including a greenhouse gas (GHG) reduction roadmap that links to

Cargill's science-based targets. We also continue to support the protection and restoration of classified forests, including with the Ministère des Eaux et Forêts in Côte d'Ivoire.

⊕ Read more on our [website](#)

More community and landscape-level restoration initiatives

+5,406

farmers supported adoption of high intensity agroforestry systems in 2020-2021, reaching 21,906 farmers since 2017-2018. These farmers are targeted based on deforestation risks at jurisdictional and cooperative levels.

+352,402

multi-purpose shade trees provided for on-farm planting in 2020-2021, reaching a total of

1,210,402

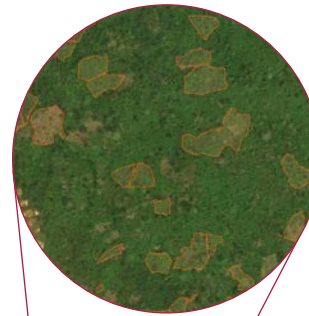
trees since 2017-2018.

As these trees grow and develop, they have the potential to sequester up to 136,929 tCO₂eq by 2040.

More mapping to protect our planet

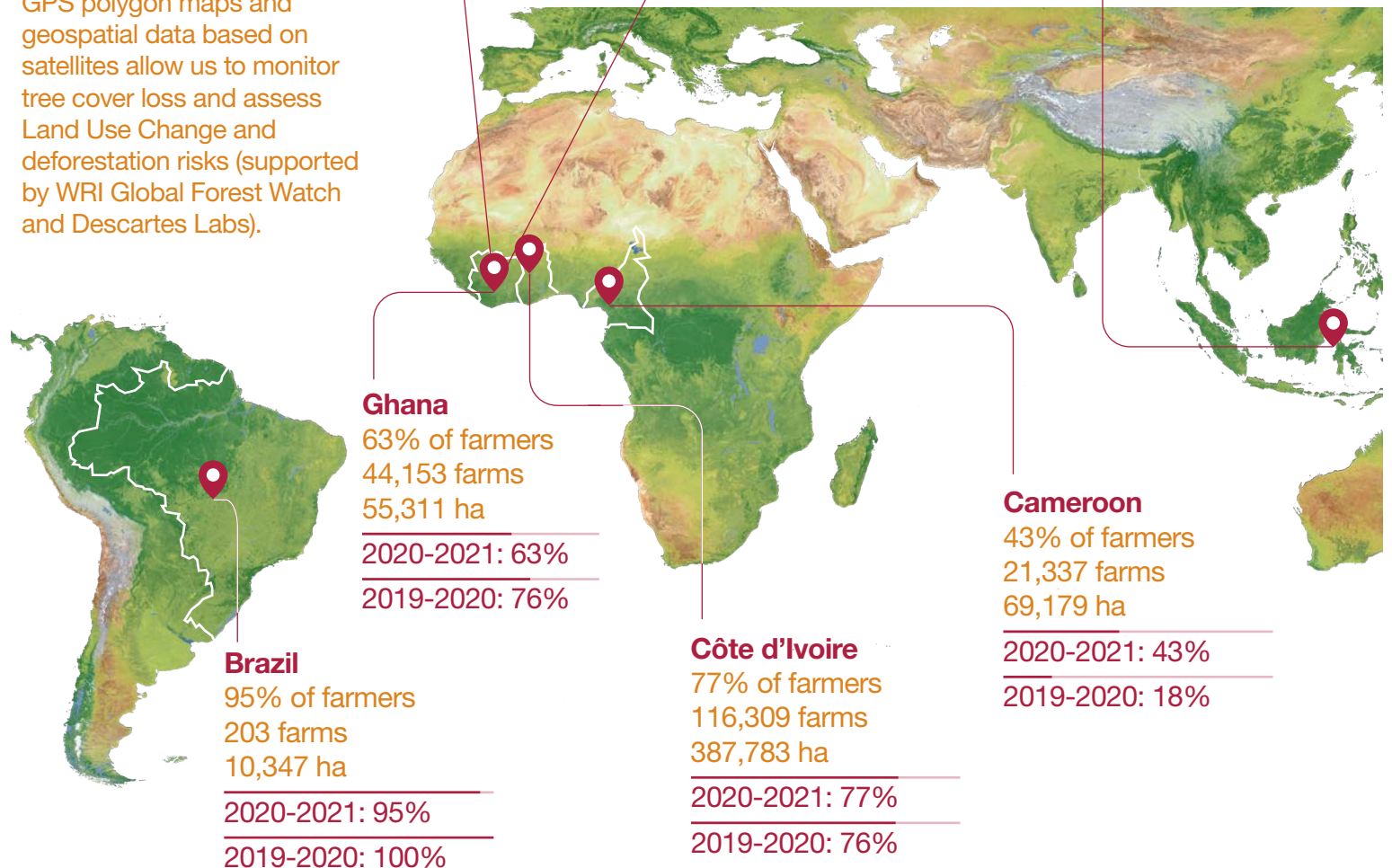
70%

of all farmers participating in our direct supply chain are mapped (64% last year). GPS polygon maps and geospatial data based on satellites allow us to monitor tree cover loss and assess Land Use Change and deforestation risks (supported by WRI Global Forest Watch and Descartes Labs).



Satellite imagery

Showing farm polygons located nearby primary forests, which are prioritized farmers we work with on forest protection and restoration.



Programs and partnerships: Consumer confidence

We know we must earn the trust of everyone who enjoys our products around the world. Cargill uses cutting-edge technologies to create transparency and connect with customers and their consumers to show how cocoa and chocolate produced the right way really does make a difference.

Want to know more?

- ⊕ Read our [CocoaWise whitepaper](#) to learn more about Cargill's approach to supply chain transparency, covering physical, financial, and impact transparency, all the way to farm level.
- ⊕ Cargill contributed to this [Technical Brief on Cocoa Traceability in West and Central Africa](#) by C-Lever.org, IDH, and GISCO.

© Progress at a glance

Increase transparency in our supply chain

More physical and financial traceability along our supply chain. Cocoa can be traced back to many different levels in our supply chain.



Photography by Koltiva

Sustainable cocoa volumes

More cocoa volume sold in calendar year 2021 is certified sustainable.



2020-2021

49%

of entire cocoa volume

2019-2020

47%

of entire cocoa volume

Key progress

We are further expanding our multi-level approach to ensure traceability of cocoa for our customers. We scaled first-mile traceability of cocoa and digitization of farmer support. In Côte d'Ivoire, 80,770 farmers deliver first-mile digital traceable cocoa, up from 53,267 last year. In Indonesia, farmers can not only register their cocoa but also purchase inputs via the mobile app established by Koltiva. With IDEO and Grab, we initiated a trial program for providing farmers with access to digital payments: 1,000 farmers participated in the program. Our customers

got access to new features in the CocoaWise™ Portal this year, such as the ability to compare carbon footprint and insights between different cocoa and chocolate products. Together with Twentyfifty, we work with our indirect suppliers on identifying and acting on environmental and social impacts. We have now engaged all our long-term suppliers in our due diligence program and started conducting an in-depth human rights risk assessment in Cameroon. Read more on our indirect supply chain in the [Responsible business](#) section.

Learnings and next steps

Collecting reliable data is challenging; our large direct supply chain, on-the-ground presence, and dedicated data teams

make it work. Our next step is to expand our supplier engagement to other ingredients, starting with vanilla and hazelnut.

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, 10% of the cocoa is traceable to the first point of purchase, 78% is traceable to sourcing region.

48%

of farmers, 117,111 in total, in our direct sustainable supply chain are delivering volume through first-mile digital traceability system.
Up from **89,399 last year**.

70%

of farmers in our direct supply chain are GPS polygon mapped and monitored on deforestation risk (see **Protect our planet**).

Continued digitalization with mobile banking systems

2019-2020

50,033

farmers registered in mobile banking systems (15% of total)

2019-2020

32,790

farmers are paid premiums through mobile money (18% of total)

2020-2021

56,664

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

2020-2021

26,245³⁶

farmers are paid premiums through mobile money (11%¹ of total)

³⁶ This is lower due to farmers and farmer organizations changing their buying locations.



© Progress at a glance

Expanding our partnerships to deliver systemic change

Key progress

Our strong partnerships with farmers and farmer organizations continue to help us reach our goals. For the new Rainforest Alliance standard, there has been a significant collective effort to support farmer organizations in this transition and build their capacity. As part of the Alliance for eTrade Development coalition, we onboarded 13,968

farmers on digital first-mile traceability systems in Cameroon, Indonesia, and Brazil in 2021. We have also continued working with government institutions on global national traceability and monitoring systems—a key step towards better data sharing. And we actively participate in the [EU multi-stakeholder dialogue for sustainable cocoa](#).

Learnings and next steps

We will continue to support where we can in the enabling environment for sustainability in cocoa growing regions. For example, we are working towards support for farmers on identification documents, such as through a collaboration with

Office National de l'Etat Civil et de l'Identification (ONECDI) in Côte d'Ivoire. Identification documents have a positive impact on better traceability of cocoa, as well as access to education, banking, and finance for farmer households.

⊕ Read more on our [website](#).

Programs and partnerships: Transformation, together

The journey toward sector-wide sustainability is far greater than the actions or interests of any one company. We all have a role to play. Cargill works closely with farmer organizations as well as competitors, customers, consuming country governments, NGOs, and smallholders, connecting our individual strengths to contribute to achieving a goal that is in all of our interests: a sustainable cocoa supply chain.

Want to know more?

- ⊕ We are actively working with public and private partners within the [EU multi-stakeholder dialogue for sustainable cocoa](#).
- ⊕ We are part of industry multi-stakeholder initiatives such as [Early Learning and Nutrition Facility \(ELAN\)](#), [Child Learning and Education Facility](#), and the [Cocoa & Forests Initiative](#).

Farmforce

“Together with Cargill, we have made great strides in pushing technology to provide some of the best first mile bag level traceability for cocoa across West Africa. Together, we have one of the largest footprints in the continent, providing the necessary transparency of sustainability topics in cocoa’s first mile. The traceability system we have set up together is setting an industry standard; for instance, on ways that national traceability systems can be organized.”

Anne Jorun Aas
CEO



Save the Children Indonesia

“Children in smallholder agriculture communities are at risk of harmful work and missing out on their education. Our work with Cargill helps parents, communities, and supply chain partners understand and mitigate these risks, giving children the opportunity to grow to their fullest potential. That’s an ambitious goal. But by working together, it’s a goal within reach.”

Erwin Simangunsong
Chief of Program Operations



Twentyfifty

“Alongside the Cargill team, we have developed a new third-party supplier due diligence system. This combines a supply chain roadmap and the roll out of human rights impact assessments in cocoa growing communities and concrete action plans. We know there is more to do but working together with Cargill to lay the foundations for long-term change in their supply chain is rewarding and we look forward to the next stage of the partnership, working together to deliver positive impact at scale.”

Hazel Culley
Managing Consultant



COOPADEUK in Cameroon

“I produce next to cocoa; also corn, cassava, and many other crops. The support by Cargill and Lady Agri helped me to produce better quality. This way I can become more autonomous, support my family, and earn an extra income.”

Marie Rose
Farmer and member



Supporting farmer organizations

+€3 million 630

secured in loans by farmer organization participating in Doni Doni (€12 million in total)

- financing +123 trucks (440 trucks in total)

farmer organizations

120 farmer organizations in Côte d'Ivoire, 10 districts in Ghana, 9 buying stations in Cameroon. 487 farmer groups in Indonesia, 4 farmer organizations in Brazil.

New partnerships

+7

new partnerships

with Lady Agri, The Starbucks Foundation, Grab, Education and Health for All Foundation (EHAF), Agromap, FOA S.A.R.L., and The Roadmap to Deforestation-Free Cocoa in Cameroon

+63

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.



Reducing our emissions

To gain a deeper understanding of the GHG emissions related to our entire cocoa supply chain, we used recognized benchmarks (greenhouse gas protocol, GHGP) and a state-of-the-art deforestation assessment methodology to calculate our footprint. Our methods were verified by a third party, Quantis. The results indicate that Cargill's footprint in cocoa is an estimated 7.48 million tons of CO₂ equivalent, with Scope 1 and 2 emissions accounting for just 1.74% and 2.03% of this.

We made great strides in Brazil, where our Porto Ferreira facility reached its goal of switching to 100% renewable energy. Our Ilheus facility is switching entirely to wind power in 2022, at which time our Brazil operations will be 100% powered by renewable energy. In Europe, Cargill and Vattenfall partnered with Windpark Hanze in the Netherlands to build a wind farm that is expected to reduce Cargill's CO₂ emissions by approximately 150,000 metric tons a year. As a result, our facilities in the Netherlands will be over 90% wind powered by the end of 2023. In Belgium, our cocoa plants will be 85% wind powered. Another great example is the solar park at our cocoa processing plant in Tema, Ghana. The solar panels generate 750 MWh of electricity annually—enough energy to power nearly 400 homes with electricity for a year.

Our Scope 3 emissions account for more than 95% of our carbon footprint. By looking at the supply chain emissions data, we see that products sourced from our direct sourcing network have a significantly smaller carbon footprint due to better farming practices. In our CocoaWise™ Portal, we offer carbon footprint data to all our customers and our online carbon footprint calculator tool helps customers make sourcing decisions that reduce their footprint. Next, we will continue partnering with Quantis to design a GHG reduction roadmap that outlines Cargill's ambitions in cocoa, in line with Cargill's science-based targets for Scope 1, 2, and 3 GHG emissions reduction. Find out more in our [ESG scorecard](#) and [CDP Responses](#).

Programs and partnerships: Responsible business

Our business has a global reach, covering the entire cocoa and chocolate ingredients supply chain—from the sourcing of cocoa beans in origin countries, through to processing cocoa and other raw materials in our facilities, packaging

them, and transporting them to our customers. We aim to carry out all these operations in a safe, responsible, and sustainable way that delivers business value and mitigates our impact on the world around us.

Low-carbon cocoa of the future through vertical farming

In August 2021, we established a multi-year research agreement with vertical farming pioneer AeroFarms aimed at improving cocoa bean yields and developing more climate-resilient farming practices. Together, we will experiment with different indoor growing technologies to identify the optimal conditions for cocoa tree growth.

By targeting factors like faster tree growth, greater yields, and enhanced pest and disease resistance, this initiative can help secure the future supply of cocoa beans in the face of climate change. Initial exploratory work has already begun at AeroFarms global headquarters in Newark, New Jersey, and will soon expand to the company's state-of-the-art AeroFarms AgX Research & Development indoor vertical farm in Abu Dhabi, UAE, which is slated to open in 2022.

Demanding high ethical standards in all we do

Based on our company's seven Guiding Principles, our Code of Conduct and Supplier Code of Conduct outline standards for conducting business around the world.

We require all employees and suppliers to follow the Codes. We take guidance from the UN Guiding Principles on Business and Human Rights and the International Labour Organisation ILO Declaration on Fundamental Principles and Rights at Work. These frameworks are used in our cocoa due diligence approach, which we established in line with the Organization for Economic Co operations and Development OECD MNE Guidelines to engage suppliers in our indirect supply chain. In 2021, we reached all indirect cocoa suppliers with this approach. Next year, we are expanding to other ingredients, starting with vanilla and hazelnuts. To improve overall transparency on social compliance, Cargill is a member of the Supplier Ethical Data Exchange (SEDEX), which allows our customers access to detailed assessments of our facilities.

In addition, we have established a transparent and predictable process for dealing with grievances. Any grievance, complaint, or concern can be submitted anonymously online or by phone via Cargill's secure Ethics Open Line, which is operated by an independent third-party.

Offering sustainability and transparency

Sustainability has been the cornerstone of Cargill's Veliche™ brand of Belgian chocolate since the gourmet line was introduced in 2016. All Veliche™ chocolate and cocoa carries the Rainforest Alliance Certification seal. In 2021, Veliche™ introduced its Support Your Farmers digital platform, where customers can directly support entrepreneurs in cocoa origin countries. The AWALE program, implemented together with Technoserve, empowers farmers and communities to manage their farms as businesses and become "agripreneurs" through individual coaching and entrepreneurship training.

Cargill's Made with a Promise initiative enables participating distribution customers in North America to support sustainable farming practices and help fund on-the-ground projects that empower women in West Africa. These projects provide capacity building and economic opportunities for women and cocoa growing families.

About Cocoa & Chocolate

Cargill provides high-quality cocoa and chocolate more sustainably throughout the world and brings our customers peace of mind, integrity, and excitement.

Our Glossary

CFI: Cocoa & Forests Initiative is an active commitment of top cocoa-producing countries and leading chocolate and cocoa companies to end deforestation and restore forest areas, through no further conversion of any forest land for cocoa production.

CLMRS: Child Labor Monitoring and Remediation Systems are the leading methods of detection and remediation of child labor among children aged 5-17. They were developed by the International Cocoa Initiative (ICI).

CMS: Cooperative Management System is a digital system that enables traceability of the supply chain and provides a full interface between the farmer and the buyer. It enables farmers to manage loans, stalks, collect beans, and check fixed versus variable costs.

Direct supply chain: Cocoa sourced from our direct sourcing network of farmers and farmer organizations.

ECA: European Cocoa Association is a trade association that groups European companies involved in the cocoa bean trade and processing.

FEM: Farm Economic Model predicts the incomes of farmers involved with the Cargill Cocoa Promise based on various input data, such as farm size, yield, and costs of inputs.

GAP: Good Agricultural Practices is a certification system for agriculture, specifying procedures that should be implemented to create food for consumers or further processing that is safe and wholesome, using sustainable methods.

ICI: International Cocoa Initiative promotes child protection in cocoa-growing communities, working to ensure a better future for children and their families.

IDH: Sustainable Trade Initiative brings governments, companies, and financiers together in action driven coalitions to create solutions for global sustainability issues at scale.

IFC: International Finance Corporation is the largest global development institution focused on the private sector in developing countries.

Indirect supply chain: Cocoa sourced through third parties. As we are further removed from the cocoa farmers, we conduct due diligence and hold the suppliers accountable to our Supplier Code of Conduct.

KIT: Royal Tropical Institute is an independent center of expertise, education, intercultural cooperation, and hospitality dedicated to sustainable development.

LiCoP: Living Income Community of Practice is an alliance of partners dedicated to the vision of thriving, economically stable, rural communities linked to global food and agricultural supply chains.

M&E: Monitoring & Evaluation is used to assess the performance of projects, institutions, and programs.

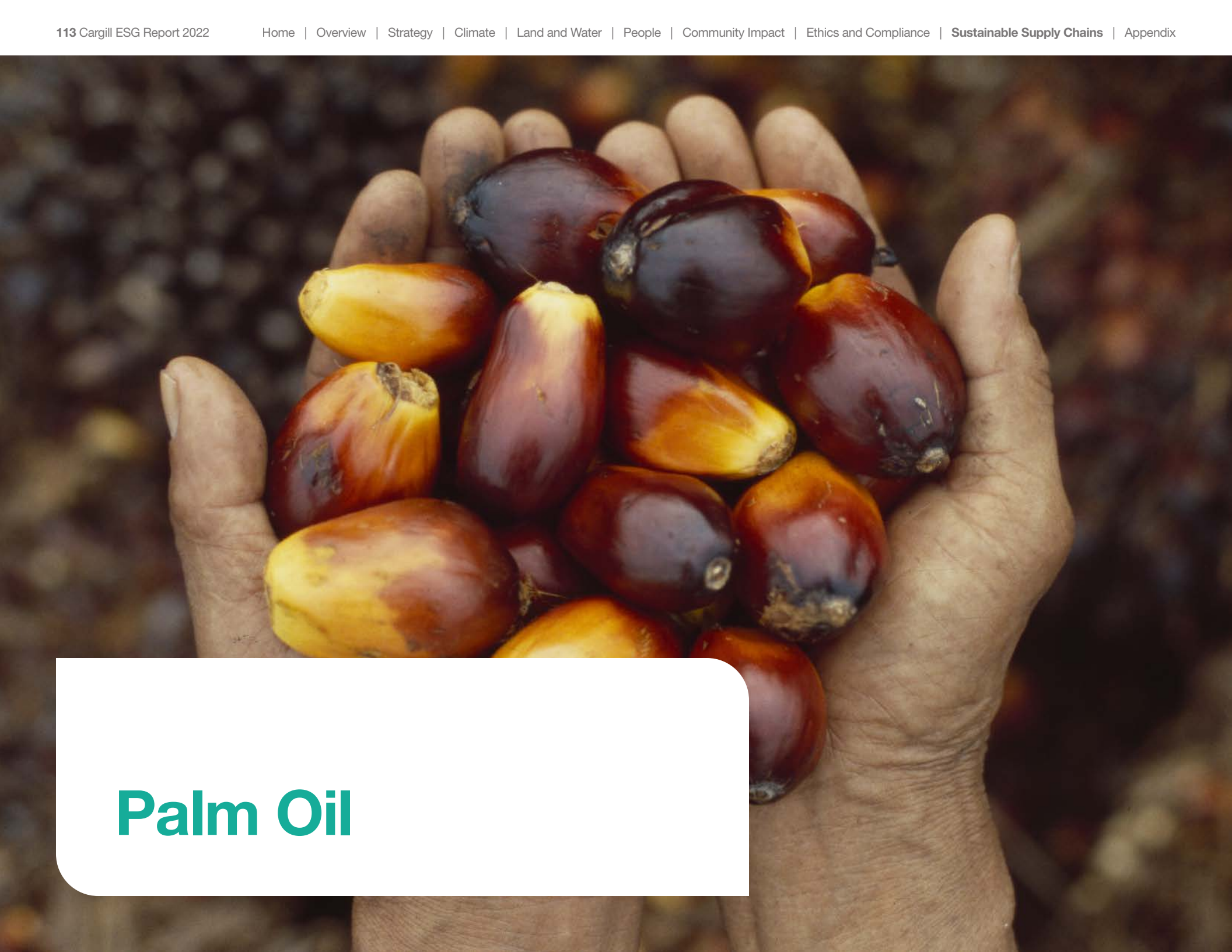
VSLA: Village Savings and Loan Association offers a model that provides simple savings and loan facilities in communities that do not have easy access to formal financial services, allowing whole communities to save and invest in income-generating activities.

VTET: Vocational, technical education & training

WASH: Water, sanitation & hygiene

WCF: World Cocoa Foundation is a non-profit international membership organization whose vision is a sustainable and thriving cocoa sector – where farmers prosper, cocoa-growing communities are empowered, human rights are respected, and the environment is conserved.

WRI: World Resources Institute is a global research organization turning big ideas into action at the nexus of environment, economic opportunity, and human wellbeing.



Palm Oil

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³⁷ Unless stated otherwise, the content in this chapter covers calendar year 2021; KPI progress metrics are based on Q4 2021 data.

Cargill’s palm oil supply chain extends from our own mills and plantations to trading and refining palm oil around the world. In 2021³⁷, we continued to evolve our approach focused on protecting the environment and human rights as we work to fulfill our commitment to build a transparent, traceable, and sustainable palm oil supply chain. Our actions support Cargill’s global sustainability targets in our priority areas of Climate, Land and Water, and People.

We made progress in each of our palm oil sustainability focus areas in 2021, including traceability, monitoring and verification, addressing grievances, supplier engagement, landscape initiatives, improving labor and human rights, and supporting smallholders. We helped to advance transparency

across the industry through the use of the No Deforestation, No Peat, and No Exploitation Implementation Reporting Framework (NDPE IRF).

Our global presence gives us unique insights. We use that understanding to collaborate in designing approaches that enable greater accountability, and we support legislative efforts to further environmental and social sustainability, such as the European Commission proposals for regulation on deforestation-free products and corporate sustainability due diligence.

Moving forward, we will continue to transform our palm oil supply chain guided by our roadmap outlining the path to 2025 and 2030.

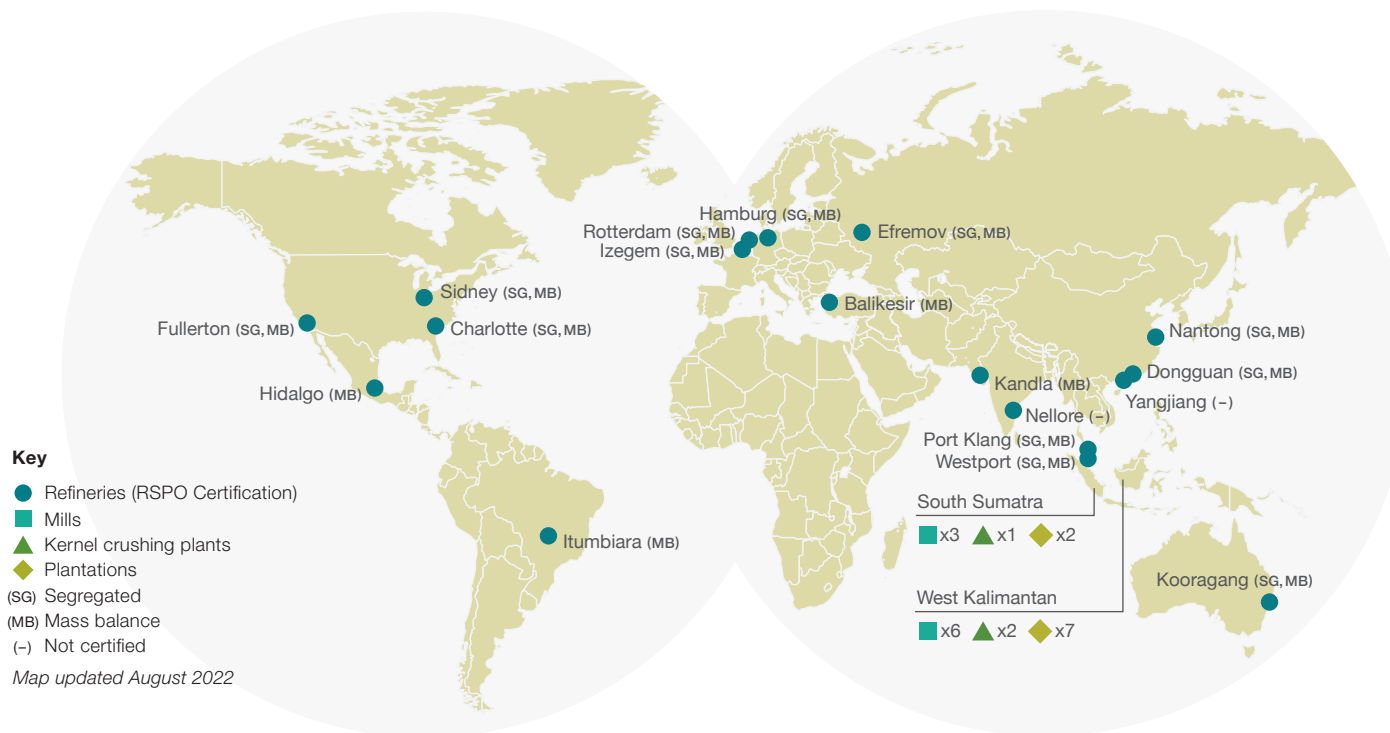


Robert Horster
*Sustainability Commercial Leader
for Agricultural Supply Chains,
Food Ingredients and Bioindustrial*

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.³⁸ 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.

³⁸ Our mill list can be found on our [Palm Sustainability Dashboard](#).



Origin countries

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

Destination regions and countries

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

 **18** Refineries

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

 **9** Plantations³⁹

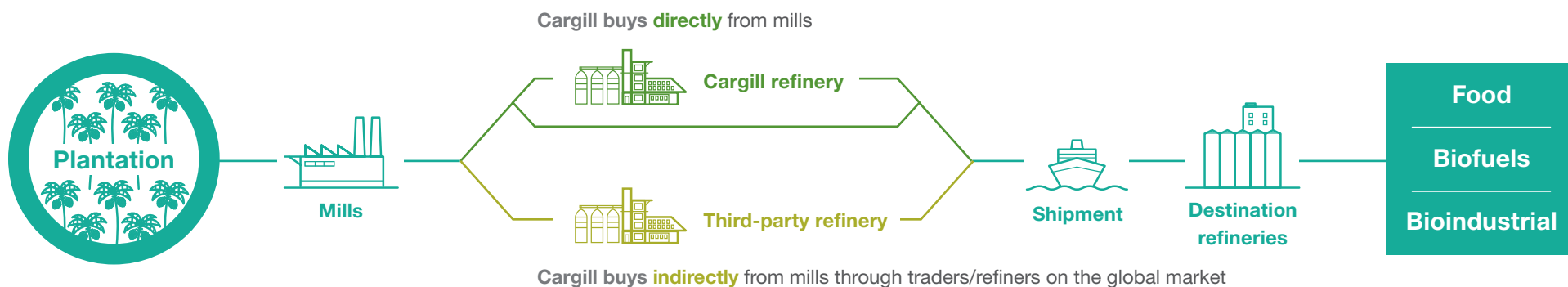
 **24,000** Smallholders
Cargill partners with 24,000 smallholders (plantations <2 ha)

Not part of Cargill operations

 **1,416** Third-party mills

³⁹ The increase in the number of reported plantations is due to a change in our definition and not due to developing or acquiring new plantations in 2021.

Our palm oil supply chain



Proportion of RSPO certified volumes out of global volumes

31% of all Cargill volumes physically certified (RSPO segregated and mass balance)

51% RSPO segregated sold in Europe

55% RSPO mass balance sold in Europe and U.S.

Origin of the volumes at destination

41%
Malaysia

29%
Indonesia

17%
Latin America⁴⁰

13%
Others⁴¹

Direct and indirect mills sourcing

1,300
Indirect mills

125
Direct mills

⁴⁰ Brazil, Colombia, Costa Rica, Guatemala, Honduras, Mexico, Nicaragua, Panama, Peru.

⁴¹ Cambodia, Papua New Guinea, Thailand.

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](#).



Protect 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 Commitment](#).



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 "No Deforestation, No Peat, and No Exploitation" (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

Dashboard

Protecting forests and human rights

Unless stated otherwise, the content in this chapter covers calendar year 2021; KPI metrics are based on Q4 2021 data.

Goal	Key performance indicators (KPIs)	Progress ⁴²			More info
		2019	2020	2021	

Cargill plantations



Cargill-owned mills/ plantations (and smallholders supplying to them) compliant with NDPE policy

Percentage of mills, plantations, and managed smallholders RSPO certified

92%	92%	100% of mills
72%	82%	69% of plantations ⁴³
73%	71%	63% of smallholders

[Learn more](#)

Percentage of fresh fruit bunches (FFBs) originate from NDPE-compliant sources

100%	100%	100%
------	------	------

Percentage of Cargill operations and surrounding communities covered by a fire prevention and awareness program

100%	100%	100%
------	------	------

Third-party supply chain



Traceability

Traceability to mills and plantations in our global supply chain

Percentage of suppliers traceable to the mill

93%	98%	99%
-----	-----	-----

[Learn more](#)

Percentage of suppliers traceable to plantation level

48%	48%	65%
-----	-----	-----

Traceability to plantations in high-priority landscapes

Percentage of direct mills traceable to plantation level (we began transitioning to risk-calibrated approach in 2019)

52%	57%
-----	-----

[Learn more](#)

⁴² Progress reported by calendar year.

⁴³ We changed our definition of our plantations in 2021 which led to their increase from 5 to 9.

(continued)

Dashboard

Protecting forests and human rights

(continued)

	Goal	Key performance indicators (KPIs)	Progress			More info
			2019	2020	2021	
 Monitoring and verification	NDPE compliance verified across Cargill supply chain	Percentage of traceable mills covered by satellite and/or radar monitoring	100%	98%	96% ⁴⁴	Learn more
 Grievances	Report on all grievances in our supply chain transparently and publicly	Percentage of verified grievances have an action plan		83%	91% ⁴⁵	Learn more
		Updates provided on management and monitoring		100%	100% ⁴⁵	
 Supplier engagement	Direct and indirect suppliers compliant with NDPE policy	Direct mills				Learn more
		Percentage of direct mills formally aligned with our Policy on Sustainable Palm Oil		89%	87%	
		Percentage of direct mills have completed self-assessments	49%	78%	82%	
		Percentage of direct supplier high-priority mills assessed and covered by continuous improvement plan	31%	49%	66%	
		Direct traders/refiners				
		Percentage of direct suppliers (traders/refiners) with credible NDPE policy and implementation plan to cover their mill supply base		76%	75%	

⁴⁴ The change in percentage of mills covered by satellite monitoring was due to the addition of new mills linked to Cargill's supply chain toward the end of the reporting year. Moving forward, these mills will be part of the scope of satellite monitoring for our internal monitoring system.

⁴⁵ Referring to all grievances registered up to the end of December 2021.

(continued)

Dashboard

Protecting forests and human rights

(continued)

	Goal	Key performance indicators (KPIs)	Progress			More info
			2019	2020	2021	
 Landscape initiatives	Common environmental, land, and labor issues addressed through relevant landscape programs and case studies	Number of landscape projects	1	6	9 ⁴⁶	Learn more
 Improving labor and human rights	Human rights protected in Cargill supply chains	Direct traders/refiners that have human rights commitments in their NDPE policy	34%	84%	90%	Learn more
 Smallholders	Smallholders included in supply chain and their livelihoods improved	Number of RSPO-certified smallholders in a Cargill program		356	648 ⁴⁶	Learn more
		Number of farmers preparing to attain RSPO certification in a Cargill program ⁴⁷		3699	4,437 ⁴⁶	
		Number of direct mills which performed an assessment of their smallholder supply base and engage smallholders in sustainable practices		16	17 ⁴⁶	
		Projects aiming to improve farmer livelihoods		8	13 ⁴⁶	

⁴⁶ As of August 2022.⁴⁷ Cargill program is focused on impacting smallholders in our direct supply chain.

Focus areas

Cargill plantations

2021 progress

Cargill has been advancing sustainable practices in our palm plantations in Indonesia since joining the Roundtable on Sustainable Palm Oil (RSPO) in 2004, including working directly with smallholders in the surrounding communities. At our nine plantations, 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.



Our goal: Cargill-owned mills and plantations (and smallholders supplying to them) are compliant with our Policy on Sustainable Palm Oil.

Certification

For the first time, all of Cargill's nine palm oil mills and three palm kernel crush plants are RSPO certified, and eight of those entities also are certified under the Indonesian Sustainable Palm Oil (ISPO) standard. Our Sungai Lilin mill in South Sumatra has been registered as a **Sedex** [®] member and assessed under SMETA (Sedex Members Ethical Trade Audit) and URSA (Understanding Responsible Sourcing Audit).

Biodiversity monitoring

To improve the effectiveness of our wildlife conservation efforts in and around all of our plantations, we have expanded use of the Zoological Society of London's Spatial Monitoring and Reporting Tool (SMART) conservation software to collect, measure, and evaluate data. We also are seeing positive results from our investment in the Nanga Lauk community forestry

conservation project in West Kalimantan, where orangutans have been returning to the area. The project supports the local indigenous community in protecting biodiversity and critical ecosystems that are vital to their livelihoods.

100%
mills RSPO
certified

69%
plantations
RSPO certified

63%
smallholders RSPO certified

100%
Fresh fruit bunches originate from
NDPE-compliant sources

100%
Cargill operations and surrounding
communities (5 km) covered by a fire
prevention and awareness program

Carbon emissions reduction

To reduce the greenhouse gas (GHG) footprint of our palm oil operations in Indonesia, we are implementing nine methane capture projects. Where feasible, the captured methane is used to generate power for use in our mill operations and housing for workers and their families.

The collective reduction in carbon dioxide equivalent (CO₂e) from these projects will play a major role in helping to meet Cargill's 2025 GHG emissions reduction targets as we continue to grow. Two biogas plants are already operational, two others are being built, and five additional projects are targeted for completion by the end of 2024.

Protecting women workers

Our PT Hindoli plantation in South Sumatra was appointed by the local government to create the **first Women Workers' Safe House for the plantation sector** in Indonesia. Assessments by the Ministry of Women's Empowerment and Child Protection showed that the values and commitments of PT Hindoli to its women workers were aligned with carrying out the safe house pilot project to protect women from violence and discrimination. The safe house, located in Musi Banyuasin Regency, opened in 2021.



The methane capture projects
will reduce our GHG footprint by

270,000
metric tons of CO₂e

Awards

Cargill operations in Indonesia were recognized in 2021 for leadership in advancing palm oil sustainability:

Green Industry Award: Eight of Cargill's palm oil mills received the Indonesian Ministry of Industry's Green Industry Award for sustainable production. The award recognizes Cargill's commitment to provide environmental, economic, and social benefits through our Policy on Sustainable Palm Oil and support of the U.N. Sustainable Development Goals.

Health award: Cargill's tropical palm business in Hindoli, South Sumatra received the Mitra Bakti Husada Award from the Indonesian Ministry of Health for supporting female employees through dedicated facilities and programs that enable them to work productively while caring for their health and families.

Cargill third-party supply chain

2021 progress

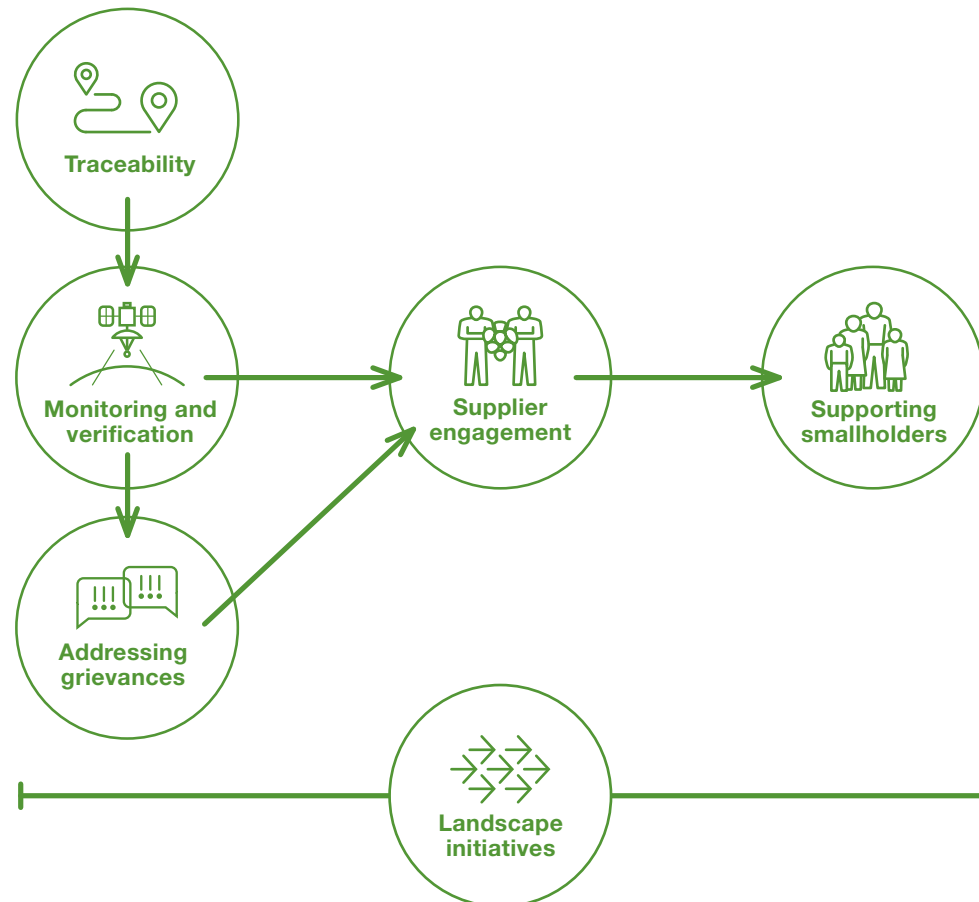
To achieve industry-wide change, we take a two-track approach focused on ensuring compliance with our Policy on Sustainable Palm Oil within our own supply chain and transforming practices beyond our supply chain.

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.

Protecting forests and human rights in our third-party supply chain





Traceability

We continue our journey to reach a 100% traceable palm oil supply chain.

Our goal: Traceability to plantations in high-priority landscapes.

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.

KPI PROGRESS

In 2021, we improved our traceability scores achieving more transparency.

Traceability to mill level

99%
Global score

Destination markets

Q3
Q4

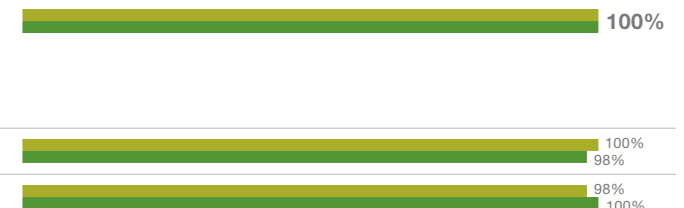
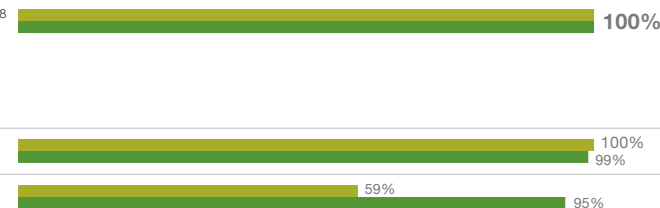
Palm

Kernel

Europe, Russia⁴⁸
USA, Malaysia,
Brazil, Mexico,
Other markets

India

China



Traceability to plantation level

65%
Global score⁴⁹

⁴⁹ See corresponding market data for palm and kernel.

57%
High-priority landscape score

Europe

Russia

USA

Malaysia

Brazil

Mexico

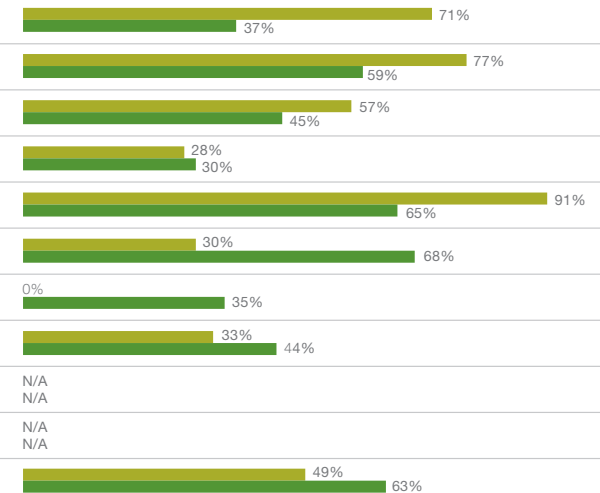
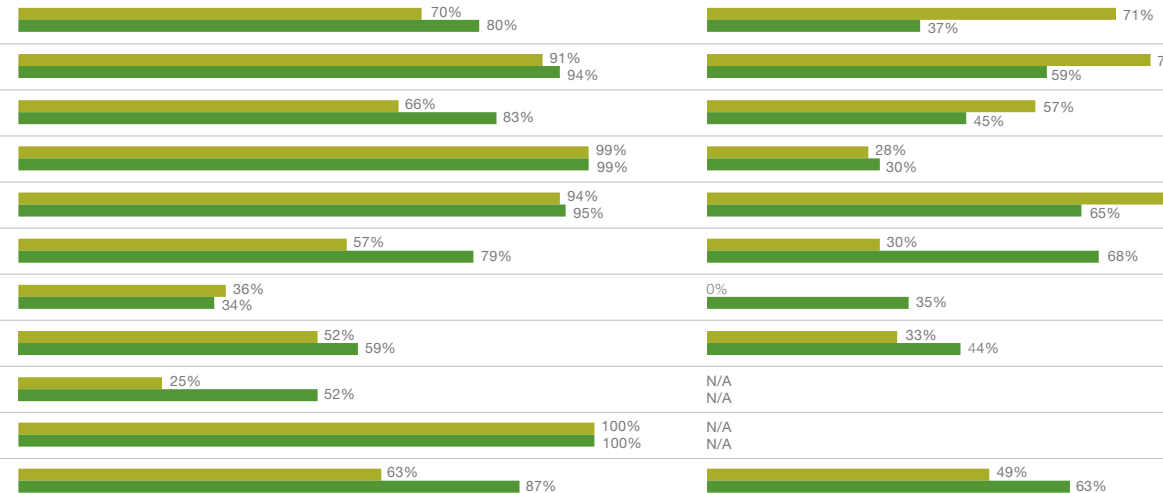
India

China

Pakistan

Australia/
New Zealand

Other markets⁵⁰



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

⁵⁰ Includes Indonesia and other countries.



Monitoring and verification

Our goal: NDPE compliance verified across the Cargill supply chain.

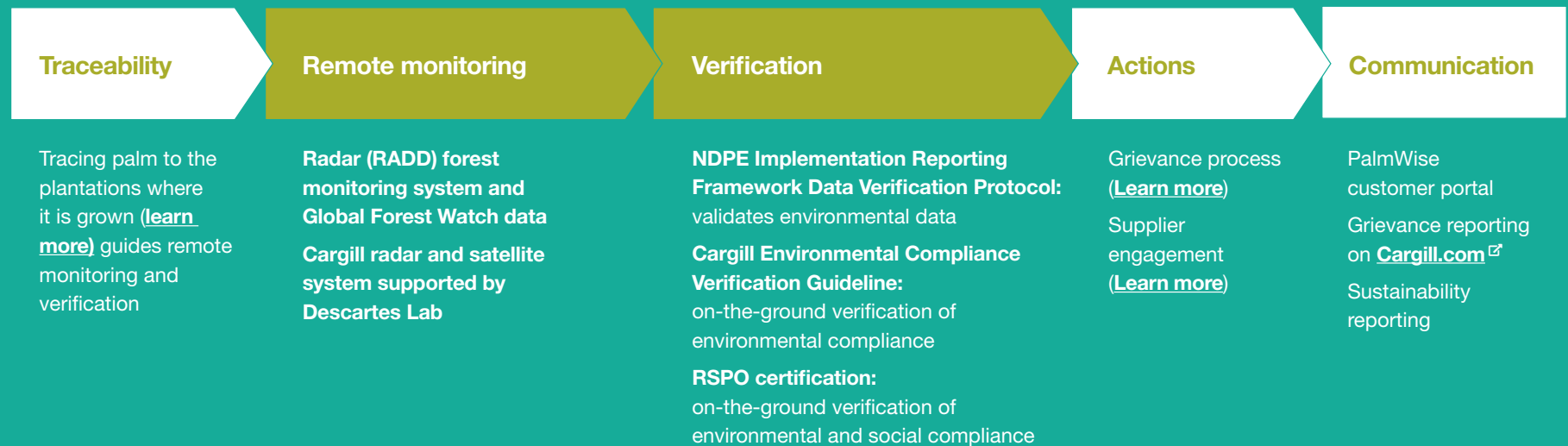
96% monitored
Cargill is using satellite imagery to monitor for potential land use changes in our palm supply chain.⁵¹

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.)

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.



⁵¹ The change in percentage of mills covered by satellite monitoring was due to the addition of new mills linked to Cargill's supply chain toward the end of the reporting year. Moving forward, these mills will be part of the scope of satellite monitoring for our internal monitoring system.



Addressing grievances

Our goal: Report on all grievances in our supply chain transparently and publicly.

Our approach

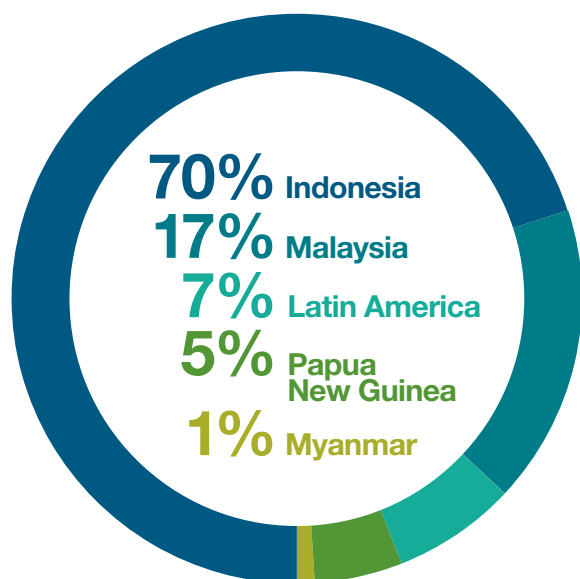
When an issue is identified through our monitoring efforts, we immediately take action to address it. For example, when deforestation grievances are identified and validated, we immediately suspend suppliers and work with them to define an action plan with clear timelines and milestones. Our supplier suspension process is outlined in our [Palm Grievance Procedure](#)⁵². 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 them 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 PROGRESS⁵²

Location of grievances



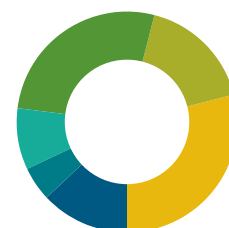
Grievances logged

24
Direct third parties

76
Indirect third parties

Addressing grievances

Deforestation



13% Investigation
5% Verification
9% Developing action plan
27% Monitoring implementation
17% Closed
29% Suspended

Labor/human rights



24% Investigation
0% Verification
4% Developing action plan
20% Monitoring implementation
28% Closed
24% Suspended

⁵² Referring to all grievances registered up to the end of December 2021.



Supplier engagement

Our goal: Direct and indirect suppliers are compliant with Cargill's Policy on Sustainable Palm Oil.

Our approach

To ensure our suppliers are operating in compliance with our Policy on Sustainable Palm Oil commitments and our **Supplier Code of Conduct**, 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.

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

KPI PROGRESS

Sustainability program impact



Total number of third-party suppliers



Direct mills



Mill prioritization for engagement



Our actions

Brazil: To support our Brazilian suppliers in meeting the criteria of Cargill's Policy on Sustainable Palm Oil, we partnered with **Earthworm Foundation** to roll out the Aggregator Refinery Transformation (ART) program action plan. The aim of the program is to help palm oil mills in our supply chain improve their environmental, social, and labor practices. We also mapped high conservation value (HCV) and high carbon stock (HCS) areas and supported suppliers with the implementation of their own grievance mechanisms.

Latin America: We updated our **Connected4Change platform** to integrate NDPE questions from the Implementation Reporting Framework (IRF) and provide

automatic reports on traceability. We continued to provide webinar trainings for about half of our suppliers focused on addressing forced labor and working conditions. In Colombia and Nicaragua, we also scaled implementation of our Continuous Improvement Program focused on NDPE best practices, providing more than 270 hours of training in the second half of 2021 to 12 suppliers. Four suppliers graduated from the program, demonstrating clear progress toward compliance with NDPE criteria.

Malaysia: With the help of CORE (Daemeter and Proforest), we are piloting a cloud-based portal that will allow suppliers to submit their traceability-to-plantation data online, consistent with our **risk-calibrated approach** to collecting data. In addition to improving efficiency, the portal enables comparison of mill volumes with

declarations from individual fresh-fruit bunch (FFB) suppliers so discrepancies can be resolved and analysis of supplier GPS locations can be conducted to check for proximity to mills, position on land/water, and identification of suppliers whose reported locations need to be examined further. These capabilities will help to improve traceability, monitoring, and verification of NDPE compliance. In 2022, we will work with Proforest to further scale use of the portal with more of our supplying mills through supplier workshops.

Indonesia: We have continued work with Daemeter to engage our direct supplying mills—and with refiners and aggregators in our Indonesian supply chain—to strengthen their NDPE action plans and hold them accountable for progress.



Improving labor and human rights

Our goal: Human rights are protected in Cargill supply chains.

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 Commitment** and our **Policy on Sustainable Palm Oil** and in line with international human rights principles and local applicable laws. We support the work being done to address labor and human rights issues by governments and organizations, including the **International Labour Organization** (ILO) and the **United Nations Children's Fund** (UNICEF), RSPO Human Rights Working Group, and **Earthworm** No Exploitation standard.

KPI progress

90%

Direct traders/refiners that have human rights commitments in their NDPE policy

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



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 goal: Common environmental, land, and labor issues are addressed through relevant landscape programs and case studies.

Our approach

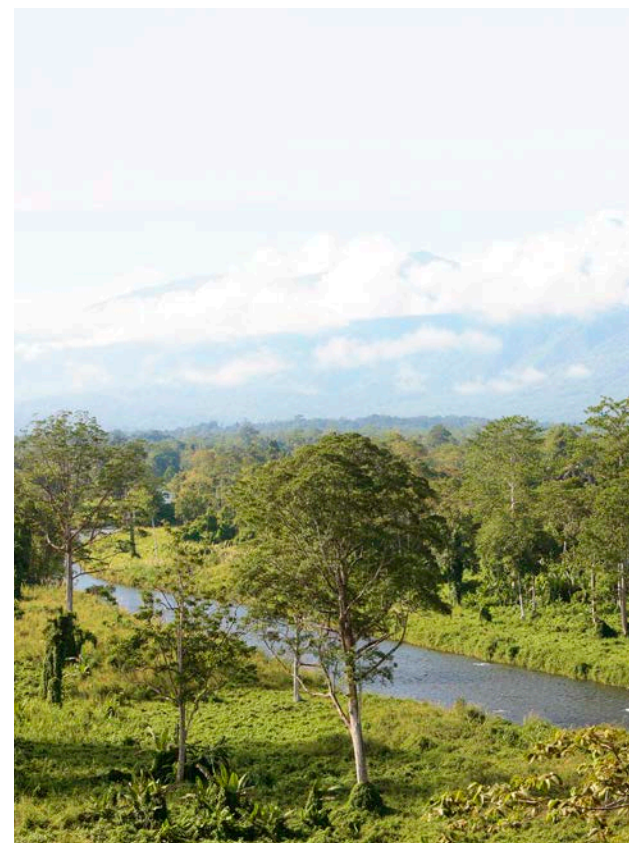
We collaborate through landscape-level initiatives and platforms, such as the Tropical Forest Alliance (TFA), to address challenges that span physical and political boundaries and involve multiple commodities. Cargill is currently participating in nine landscape programs around the world.

Our actions

Indonesia: We are participating in four landscape programs in Indonesia. 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, 5,519 smallholders are taking part in the landscape program covering 11,568 hectares of plantations. In the Musi Banyuasin region, 2,500 smallholders supplying Cargill's Tanjung Dalam mill participated in the Hindoli Landscape Program with the support of IDH. Activities included social mapping, land use assessment, preparation to attain RSPO and ISPO certification, trainings, and building capacity to help smallholders organize themselves into cooperatives.

In the Siak and Pelalawan districts, a coalition formed by Cargill and eight other companies working together with the Consortium of Resource Experts, known as CORE—which includes Daemeter and Proforest—continues implementation of activities to advance the [Siak and Pelalawan Landscape Program](#)[↗]. In 2021, 15 villages committed to participate in conservation activities, 1,215 oil palm smallholders were mapped and identified using smallholder business registration guidelines, 1,160 people were trained on good agricultural practices, and 53 palm oil mills were engaged—a 300% increase from the 2018-2019 baseline year.



We also joined the Sungai Linau landscape program, which focuses on implementation of community-based land use development, long-term protection of HCV and HCS forests, GHG emissions reduction through forest and peat protection, and supporting village members' livelihoods. We continue our active role in the Production and Protection Beyond Concessions (PPBC) Working Group by participating in pilots of the PPBC protocol in the Siak/Pelalawan and Sungai Linau landscape programs.

Malaysia: We support the **Southern Central Forest Spine (SCFS) landscape program**² and its efforts to balance sustainable production and forest conservation, train farmers to help improve their livelihoods and land tenure rights, promote inclusion of indigenous communities, improve working conditions for migrant workers, and establish partnerships with government agencies and wildlife ecology organizations. Cargill participates in the program with Earthworm Foundation and other partners in the SCFS region—a group of forested areas and critical wildlife corridors that have experienced significant land conversion to palm oil plantations since the 1980s.

Preliminary progress is encouraging on several fronts, and these include a 1,000 hectare pilot site for human-elephant co-existence that is mutually beneficial, while at another site, hundreds of farmers are building capacity for applying best agricultural practices. Efforts are underway to provide 1,000 workers with access to a grievance tool to safeguard workers' rights, and traceability to farms is being strengthened through collaboration with government agencies and oil palm fresh-fruit bunch (FFB) dealers. In 2021, as a result of the program, 26% of participating mills achieved traceability to plantations and 43% put NDPE action plans in place.

Brazil: We support the Tomé Açu landscape program, developed by the Earthworm Foundation, which encompasses the Tomé-Açu region in the northeast of the state of Pará and aims to promote resilience through a balance between agricultural production, forest

conservation, and the improvement in quality of life for small palm producers. The program aims to achieve the following outcomes for 258 smallholder farmers and their families: development of farm sustainability plans for 80% of participants; increased food security for 80% of families; improved livelihoods for 70% of families; and involvement of 60% of families in establishing local rural businesses.

Latin America: We participate in three landscape programs in Colombia. We began phase two of the Lebrija River Basin landscape program, a collaboration involving Proforest, palm grower associations, other NGO partners, six mills and their associated smallholders focusing on deforestation prevention, conservation, farm and water management. The program includes small, medium, and large palm producers and covers 30,000 hectares of plantation land and 120,000 hectares of important ecosystem areas across the region.

We have joined the Colombia Land Initiative (CLI) to support collaborative efforts to address issues related

to land rights and tenure in two palm oil producing landscapes within Colombia. During CLI phase one in 2021, the Institute for Intercultural Studies and Landesa conducted an assessment to identify priority land rights risks, with input from Cargill and a palm grower association. The results from this assessment were used to develop intervention strategies and begin collaborating with key stakeholders to plan for implementation. As the initiative moves into its second phase, Cargill has joined as a funding partner alongside three of our customers. Phase two will focus on increasing the effectiveness and use of reporting frameworks, such as the NDPE IRF and Sustainability Index methodology, promoting understanding and uptake of best practices related to land rights by mills, and strengthening the land tenure security of smallholder producers.

We also are partnering with Solidaridad to launch the Intel4Value landscape program to address employment and labor gaps among palm producers and workers in the Catatumbo region of Colombia. The program aims to benefit 1,200 participants.





Smallholder programs

Our goal: Smallholders are included in our supply chain and their livelihoods are improved.

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: Together with Proforest, we continued working with our supplier, Palmas del Ixcán, in the company's effort to support 110 smallholders in its supply base, many of whom are women, in adopting sustainable agricultural practices and working toward becoming RSPO certified. Proforest and Cargill are providing technical support to Palmas del Ixcán in the implementation of the action plan to close gaps identified in the RSPO pre-certification audit.

Mexico: We joined the [Holistic Program](#)²⁷ for sustainable palm in Mexico—together with the RSPO, Proforest, the Mexican Federation of Palm Oil (FEMEXPALMA), and Cargill customers—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, high conservation values, and HCS

carbon mapping. The program has supported four groups comprising 174 smallholders, who are reaching the RSPO certification for independent smallholders eligibility milestone, established nine demonstration plots, and trained more than 800 people in agricultural best practices.

Colombia: We are working with the Corporación Centro de Investigación en Palma de Aceite (Genipalma) to support production of sustainable palm oil in Colombia. Cargill contributed to field validation of the Sustainability Index mobile tool, which helps to identify oil palm producers' sustainability gaps and provides insights for direct actions to align their practices with NDPE criteria.

Malaysia: We continue to support independent smallholders under the Wild Asia Group Scheme (WAGS) program to attain RSPO certification. To date, 570 smallholders have been RSPO certified under the WAGS program.



Human rights programs

We participate in programs that address labor and human rights issues across our supply chain. In 2021, we took a series of actions to help our suppliers improve their processes.

Labor Transformation Program: In the second year of this program with Earthworm in Malaysia, we continued virtual supplier engagements focused on priority labor issues—including freedom of movement, recruitment practices, worker contracts, and grievance mechanisms—as well as palm oil industry requirements, progress check-ins, and documentation review. In 2022, we expect to engage three long-term contract, and high-volume mills through the Labor Transformation Program with the goal of confirming that their practices align with NDPE commitments.

Social Performance Program: We continued our engagement in Guatemala through the Social Performance Program, which focuses on four workstreams for suppliers: human rights defenders, community health and safety (relative to company impacts), Free Prior and Informed Consent (FPIC),

and consultation processes, freedom of association, and collective bargaining.

Ulula worker voice tool pilot: We finalized the implementation of the pilot with one of our suppliers in Guatemala. The aim of the pilot was to improve workers' ability to provide feedback and help suppliers appropriately respond to concerns. Findings from the pilot were integrated into the supplier's sustainability action plan. The pilot will be expanded to another supplier in Guatemala.

Labor formalization project: We are working with partners to launch a new project to strengthen the sustainability and competitiveness of the palm sector in Colombia through implementation of a labor formalization program aimed at medium and large palm producers.

Palm oil sustainability roadmap

Since the launch of our Policy on Sustainable Palm Oil in 2014, we have made solid progress toward our commitment to help ensure a traceable, transparent, and sustainable palm oil supply chain. To guide our future actions, we have updated our KPIs⁵³ and developed a roadmap to help us address the complex challenges facing the palm sector and our planet with 2025 and 2030 goals in the areas of Climate, Land and Water, and People.

Priorities



Goals

	Climate Change	Land Use	Water	Farmer Livelihoods	Human Rights
2025	Support our Science Based Targets initiative (SBTi) ⁵³ goal to reduce Scope 1 and 2 absolute greenhouse gas (GHG) emissions in our operations by 10% against a 2017 baseline	Direct mills: 100% traceable to plantation (TTP) and 100% deforestation-free with no development on peat Indirect mills: 100% TTP and 100% of mills are engaged to achieve deforestation free and no development on peat by 2030 <i>"Direct" refers to Tier 1 suppliers while "indirect" refers to Tier 2+</i>	Improving access to safe drinking water in our priority watersheds in Indonesia for 25,000 beneficiaries		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) ⁵³ goal to reduce our Scope 3 GHG emissions from our extended supply chain by 30% per ton of product, relative to a 2017 baseline	100% TTP 100% of supply is verified deforestation free, with no new development on peat	Maintain sustainable water management in all priority watersheds in operations and supply chains	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

⁵³ The 2021 progress KPIs in this chapter correspond with our previous roadmap. We will report progress against the 2025 roadmap starting from 2023.



Soy

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Programs and partnerships	138

This chapter covers the first half of calendar year 2022. Information in this report 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](#).

To mitigate climate change and protect vital biomes, we remain committed to ending deforestation in our supply chains in the shortest time possible, including in our soy supply chain in South America.

Our efforts the past several years have laid a strong foundation, shown us what works, and helped us establish strong relationships with key partners. Now, we are looking to accelerate our impact with a collection of new programs that will protect and restore essential forest resources. This includes restoring 100,000 hectares of altered land over the next five years through a variety of innovative programs and partnerships ([see page 138](#)).

We also continue to advance mechanisms like our Land Innovation Fund for Sustainable Livelihoods ([see page 139](#)). And we are using technology to establish even greater traceability in our supply chain. We have now completed mapping for 100% of our direct suppliers in

Brazil to the polygon level ([see page 142](#)). And we are working to complete this soon in the other South American countries where we source soy.

To achieve the sectorwide transformation that everyone is seeking, we must put farmers at the center. They are the ones who can and will drive the changes we need, and so we are investing our resources to engage with and support them.

Thank you to all our partners for your continued efforts to work together.



Robert Horster
Global Sustainability Lead for
Agricultural Supply Chains,
Food Ingredients and Bioindustrial

In November 2022, Cargill announced it will eliminate deforestation in its soy supply chain in the Amazon, Cerrado and Gran Chaco biomes by 2025. This accelerated milestone is critical to achieving a deforestation- and conversion-free (DCF) supply chain in South America soy by 2030. Learn more at [Cargill.com](#).

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 operationsⁱ

145

country elevators

13

processing plants

14

ports

26

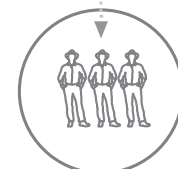
offices

How our soy supply chain operates

○ = Cargill operations

Suppliers

Farmers



Cooperatives and other indirect suppliers

Storage and processing

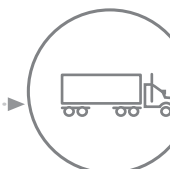
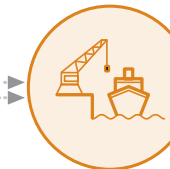
Elevators store beans



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 other cooperatives, processors, and traders. We are making good progress in mapping this supplier network using polygon mapping for all our direct suppliers' farm boundaries, aiming to complete this process as quickly as possible.

Although we buy from many of the same suppliers year after year, our supplier base does change somewhat each crop season. To keep this direct supplier network as complete as possible going forward, we are remapping it each calendar year and also requiring polygon map information from new suppliers. Over time, as we build a larger database of polygon farm boundaries, these mapping efforts will allow us to use polygon farm boundaries to monitor and report over larger areas.

All figures below are for calendar year 2021 and are for soy purchased and handled by our local sourcing businesses in each country. The figures were originally [published](#)^v in March 2022. Since that time, we have completed polygon mapping for all our direct suppliers in Brazil ([see page 142](#)).

Key performance indicators

Focus area	Metric	Progress Brazil	Argentina	Paraguay	Bolivia	Uruguay	
Transparency	Industrywide soy production (million tons)	135.9 ⁱⁱ	46 ⁱⁱⁱ	9.4 ^{iv}	3.3 ^v	1.7 ^{vi}	
	Approximate number of suppliers selling soy to Cargill	14,800	5,600	1,600	200	600	
	Percentage of Cargill suppliers by volume	Direct	58	54	58	100	80
		Indirect	42	46	42	0	20
Traceability	Percentage of directly sourced volumes coming from suppliers whose farms have been polygon mapped ^{vii}	92.3	88.6	82.5	39.2	54.8	
Deforestation- and conversion-free (DCF)	Percentage of directly sourced volumes estimated to be DCF ^{viii}	96	99	98	78	100	

Focus areas

Our four commitments regarding sustainable soy from South America:



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 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 Gran Chaco biomes^{ix} 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](#)^{ix}.

Our [soy action plan](#)^{ix} has shaped our approach to keeping these commitments and accelerating the soy sector's transformation with a variety of partners. It is anchored in [The Soy Toolkit](#)^{ix} created by Proforest, adapted for the specifics of our business and our previous learnings.

The six elements of our action plan:

Assess and plan implementation

Understand supply chain risks

Engage supplier partners

Deploy action levers

Advance transformational partnerships

Monitor, verify, and report

Programs and partnerships

New programs to accelerate progress

We are proud of the progress we have made on soy sustainability, and yet we know we have much further to go. That's why in June [we announced](#) [↗] we are continuing to partner with agricultural, environmental, academic, and business stakeholders to develop a new set of programs that will build on the foundation we have established together and propel us forward even faster.

These programs will help farmers and others protect forests and other native vegetation, manage production in a responsible way that meets the world's needs, and restore landscapes across crucial biomes. We are putting farmers at the center of these initiatives because we know that they are the ones who can ultimately drive the transformation we seek and because solutions need to work for them. By partnering with a wide range of organizations, we are putting innovation to work to help farmers create that change.

Restoration is a key area of our work. In Brazil, we aim to restore an estimated 100,000 hectares—an area similar in size to New York City—in the next five years. Projects are already underway in areas like carbon sequestration, conserving biodiversity, and improving soil and water

quality. For example, we are restoring altered areas in the Taquaruçu Grande River Basin, which supplies drinking water to a city of more than 300,000 people in central Brazil.

Mitigating the impact of climate change is crucial to global food security, and protecting vital ecosystems plays a central role. We are optimistic that with all the stakeholders across the soy sector working together, we can make this happen.

“My hope for the future—as a rural producer and a representative of the family—is that the world's population understands that the producer is not the enemy of them or of the nature. The rural producer cannot produce without ecological balance.”

Joel Carlos Hendges

soybean farmer in Brazil's Cerrado biome



Restoring 100,000 hectares

Cargill is launching numerous programs with local partners to restore 100,000 hectares of altered land in Brazil in the next five years

7 projects have been launched so far aiming to restore more than 16,000 hectares, with more to come

Unlocking new pathways to sector transformation

The **Land Innovation Fund for Sustainable Livelihoods**²⁷, launched by Cargill in 2020 with a commitment of \$30 million and managed by Chemonics International, supports innovative solutions for a deforestation- and conversion-free soy supply chain in South America. It has a portfolio of 28 projects developing and testing innovations from technology to policy, and a growing partnership base that includes farmers, startups, NGOs, industry associations, academic institutions, and innovation multipliers.

The fund seeks to build a robust and inclusive innovation landscape that can achieve truly sustainable and climate-smart agriculture at scale. Our shared goal is to bring to market and deliver in the field solutions that ensure that feeding the world is not at odds with protecting our environment.



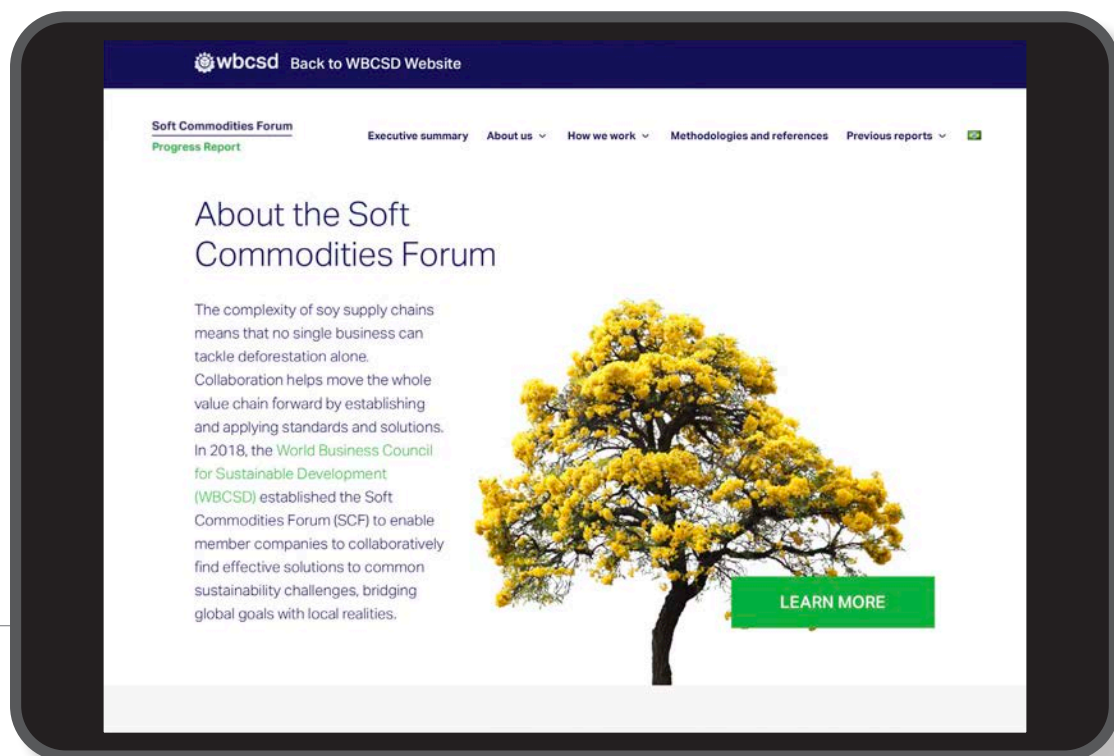
The fund's engagement to date	\$6.8 million in funding distributed				
	28 projects	34 partners	30 innovations	1,300+ farmers	1.65+ million hectares
	Interconnected focus areas	Farmer engagement	Technological innovation	Policy environment	Economic incentives
Impact with stakeholders		Connecting directly with farmers in crucial regions to help them adopt sustainable practices	Working with a constellation of startups to bring new technologies onto the playing field	Finding new solutions through policies and enforcement that prioritize forest protection	Developing new market-based mechanisms to appropriately value and conserve natural resources
		“Listening to other points of view about the difficulties of our productive sector made me understand the great opportunity we have to open our doors and minds to innovative solutions that come out of the exchange between the farming professionals with the turbocharged minds of the program participants.” Carolina Zuttion Rural producer, Associação de Agricultores e Irrigantes da Bahia (AIBA)	“Entrepreneurs who participate in the Sustainable Soy in the Cerrado Program can have 360° support in the development of their solutions, creating conditions to remove commercial, technological, and financial barriers.” José Tomé co-founder and CEO, AgTech Garage	“After mapping the restoration landscape and initiating partnerships with governments, we’re now able to design the roadmap to define actions to support environmental regulations of soy farms in the region.” Laura Antoniazzi project coordinator and partner, Agroicone	“Brazil’s carbon market reached US\$2 billion in 2021. Our project, implemented by a partnership between GSS and Treevia, will develop the technology to help farmers measure carbon capture in standing forest and market the carbon credits generated, realizing the potential of the environmental services provided by working farms.” Paulo Zanelli Director, GSS and Bioinnovation

Finding the right solutions for local contexts

We believe in the power of collective action to drive soy sector transformation, which is why we are devoting resources to the Soft Commodities Forum (SCF) and its pre-competitive solutions. We also believe that putting farmers in the driver's seat is key to making that transformation a reality.

SCF is launching the Farmer First Clusters Initiative in the four states of Brazil's Matopiba region. This program is employing a tailored, smart mix of solutions in different landscapes to address deforestation and drive more sustainable land use. The six SCF companies and our NGO partners are identifying which combination of mechanisms are most likely to have a positive impact in each critical area. These mechanisms include farming practices, green finance, land restoration, and more.

The latest [SCF progress report](#)[↗] includes details about the [Farmer First Clusters Initiative](#)[↗], as well as [Cargill's latest sourcing metrics](#)[↗] from SCF's 61 priority municipalities in Brazil.



Progress implementing novel approaches to restoration in Brazil

Cargill committed to providing \$1.8 million to World Resources Institute (WRI) as the secretariat for Initiative 20x20, an effort led by 18 countries to change the dynamics of land degradation in Latin America and the Caribbean. Initiative 20x20 seeks to protect and restore 50 million hectares of land by 2030. Cargill's grant has supported actions to build the investment foundation for transformative projects with innovative approaches to restoration. Some of these include:

- The establishment of a 146,400-hectare carbon concession (a concession with the objective of maintaining the existing vegetation and thus the carbon it contains) in the State of Rondônia
- The development of the capacity to propagate production of native species for commercial use and for restoration on 50,000 hectares
- The use of native species as anchors in agroforestry programs across 280,000 hectares
- An analysis of the applicability of new financial mechanisms for the restoration of degraded pastures

As a group, the initiatives will support restoration and conservation of 476,400 hectares. And there is a distinct possibility for further replication and expansion of these types of restoration approaches in Brazil and elsewhere.

Customer-driven sustainable solutions

At Cargill, we strive to be customer-driven. This includes working with customers to help them find the right solutions to achieve their sustainability targets. For example, Nestlé is a major customer of Cargill's and has a **commitment** to reach net zero emissions by 2050 at the latest.

To help Nestlé ultimately reach this target, we recently worked with its Brazilian subsidiary to understand its requirements for traceability in its soy supply chain. Based on this, we provided soybean oil and related soy products through our **Smart Soy** offering that matched Nestlé's needs. This product helps customers understand where

their soy comes from and can be adjusted to meet certain customer criteria like cutoff dates for being deforestation- and conversion-free (DCF). Additionally, Nestlé will begin buying our **Triple S** certified soy late in 2022, which has verified production methods and other positive attributes such as being DCF.

We consider farmers to be our customers, too. So we work with them to help understand what the market is demanding in terms of soy sustainability. When influential customers like Nestlé purchase sustainable solutions, it sends economic signals—including premium payments—to farmers about what types of sustainability attributes that end users of their soy want.

Additionally, we are developing new tools for farmers to better understand and adopt the practices required by programs like Triple S. This year, we developed a special financing line for Triple S-enrolled farmers through our capital markets business in Brazil and we worked with Mosaic to provide those farmers with better commercial terms when they purchase fertilizer.

“Cargill proactively works to understand our sustainability journey and needs, and then helps us find the right solutions to get there.”

Mariane Gatto
Nestlé Procurement Specialist

An aerial photograph showing a dense, vibrant green forest that meets a calm body of water. The shoreline is irregular, with patches of brown earth and small clearings visible. The water reflects the surrounding greenery, creating a serene and natural landscape.

1.74 million hectares

Amount of land we are monitoring across South America
as part of various certification programs

Tracing our direct soy supplies

We are pleased to share that we have completed polygon mapping of all our direct soy suppliers in Brazil. From now on, any new direct suppliers will be required to provide polygon information about their farms before they can be registered in our system and sign commercial agreements. This will enable us to maintain a full registry of our direct suppliers going forward. With our mapping work in Brazil complete, we are focused on gathering polygons for our direct suppliers in the other South American countries where we source soy.

Polygon mapping is crucial to our efforts to build a deforestation-free supply chain because it enables us to monitor land use changes connected to the soy we buy. We will be able to respond to such land use changes on an ongoing basis through direct engagement with the farmers involved. Meanwhile, we will also use polygon information to report annually the amount of soy in our supply chain that is deforestation- and conversion-free (DCF).



Working with indirect suppliers

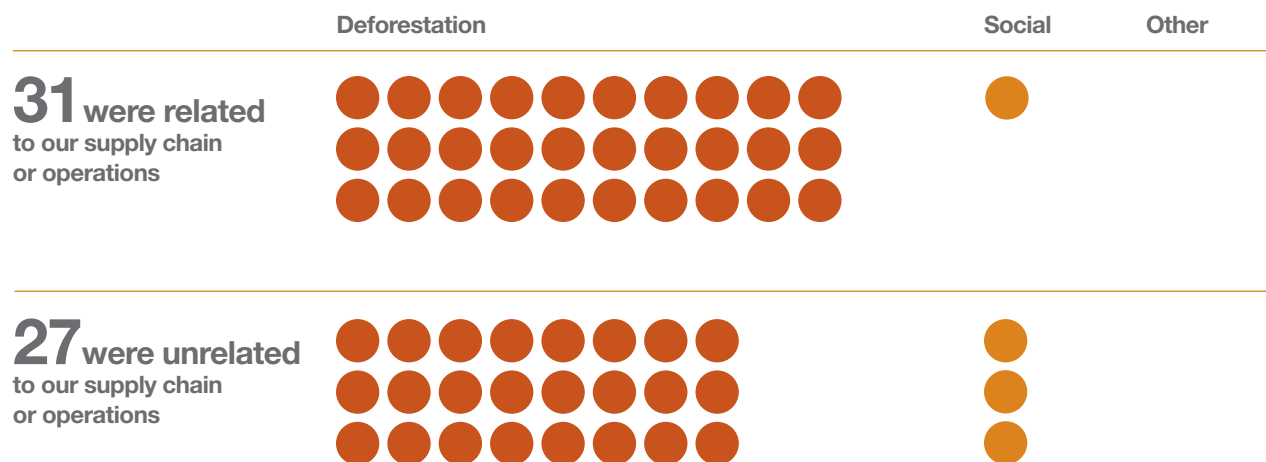
Where we can, we buy soy directly from farmers. But farmer cooperatives and other companies are also essential to ensuring we can provide the volumes our customers need. There are 18 cooperatives that account for 76% of the soy volumes we buy indirectly in Brazil. We are engaging with these indirect suppliers to understand more about the soy they are selling us.

Our partner Instituto BioSistêmico (IBS) conducted a broad assessment regarding the traceability, social and environment risks, management, and systems of these cooperatives and assessed their adherence to Cargill's sustainability protocols. IBS provided a report on this assessment and feedback for how to improve in these areas. Our target by the end of calendar year 2023 is to be able to audit these cooperatives to confirm that they have instituted the policies, procedures, and traceability systems outlined in our assessment.

“It was very important to participate in Cargill’s diagnostic program, being able to demonstrate the efforts and practices already adopted by our cooperative in agricultural production, in addition to understanding best practices that can still improve our quality management system.”

Daiane Cristina Wagner

Quality, Environment and Innovation Manager, Cooperativa Agroindustrial



How and why we block farms

Our strong system of controls helps ensure the integrity of our direct soy supply chain in Brazil. Every day, our automated system consults lists managed by various agencies and organizations. When a farming operation appears on one of these lists, it is 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 owned by family members and those with whom they have a 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. All these unblocked farms are re-evaluated each new crop season to confirm they are still complying.

As deforestation has increased recently in some parts of Brazil, we have seen more farms being added to blocked lists. We passed our most recent third-party audit in November 2021 that confirmed our compliance with the Amazon Soy Moratorium and the Green Grain Protocol. No non-compliant soy was found to have entered our supply chain in this audit.

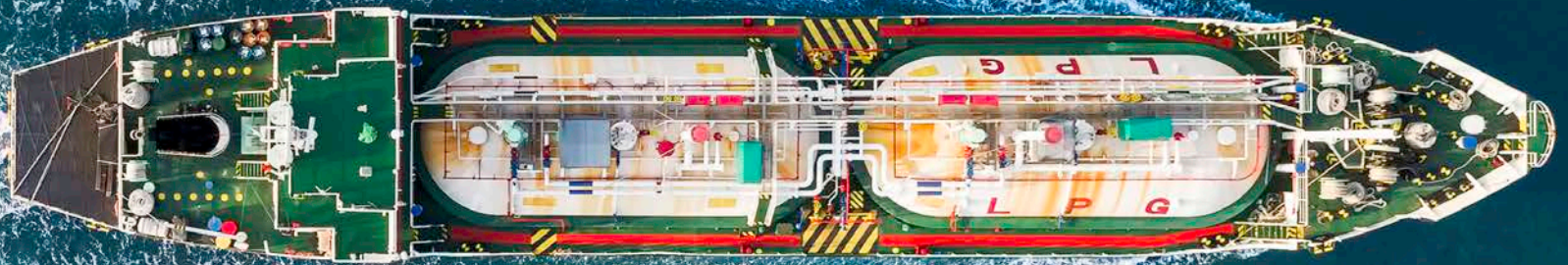
Blocked farms by list in the first half of 2022

		Number of farms we blocked	Additional farms we blocked 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	93	116
	ICMBIO Covering all protected conservation areas within Brazil, this list includes embargoes for deforestation violations inside those areas	2	1
	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	16	0
State lists	Embargoes Mato Grosso A list managed by the state's environmental agency recording all environmental violations	131	66
	List of Illegal Deforestation (LDI) from Pará A list run by the state's environmental agency covering illegal deforestation	1	0
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	39	5
	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	94	21
Total		376	209



References

- i Includes assets owned by Cargill, by Cargill joint ventures, and by third parties that provide toll manufacturing capacity.
- ii Source: [CONAB](#)
- iii Source: [MAGYP](#)
- iv Source: [CAPECO](#)
- v Source: [ANAPO](#)
- vi Source: [Uruguay's Ministry of Agriculture](#)
- vii For polygon mapping in Brazil, we use two methodologies. For suppliers who own the land, we use automated consultation of the INCRA-SIGEF [website](#). For suppliers who rent land to grow their soy, our own commercial team identifies them and collects data. In other countries, all the data collection is done by our commercial team.
- viii See details of our methodology for how we calculated DCF figures on page 12 of our [March 2022 report](#).
- ix For more information on these biomes, see page 23 of our [March 2022 report](#).



Appendix

To provide further context on our ESG performance, we have included our Task Force on Climate-Related Financial Disclosures (TCFD) in the following Appendix. Additional disclosures, including our 2022 CDP Climate Response, can be viewed in our online [reporting hub](#)².

TCFD Appendix

Category	Recommended disclosure	Disclosure reference
Governance	a. Describe the board's oversight of climate related risks & opportunities	2022 CDP Climate Response: C1.1a, C1.1b ESG Governance pg 12
	b. Describe management's role in assessing the managing climate related risks and opportunities	2022 CDP Climate Response: C1.2, C1.2a ESG Governance pg 12
Strategy	a. Describe the climate-related risks & opportunities the organization has identified over the short, medium, and long term	2022 CDP Climate Response: C2.1, C2.1b, C2.2, C2.2a, C2.3a, C2.4a
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning	2022 CDP Climate Response: C3.3, C3.4
	c. Describe the resilience of the organization's strategy, taking into consideration different climate related scenarios, including a 2C or lower scenario	2022 CDP Climate Response: C3.1
Risk management	a. Describe the organization's process for identifying and assessing climate-related risks	2022 CDP Climate Response: C2.1b, C2.2, C2.2a
	b. Describe the organization's processes for managing climate-related risks	
	c. Describe how processing for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	
Metrics and targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	2022 CDP Climate Response: C1.3, C1.3a, C4.2, C6.1, C6.3, C6.5
	b. Disclose Scope 1, Scope 2 and if appropriate, Scope 3 GHG emissions, and the related risks	2022 CDP Climate Response: C6.1, C6.3, C6.5
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	2022 CDP Climate Response: C4.1a-b 2022 CDP Water Security response: W8.1a ESG Scorecard pg 15



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