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

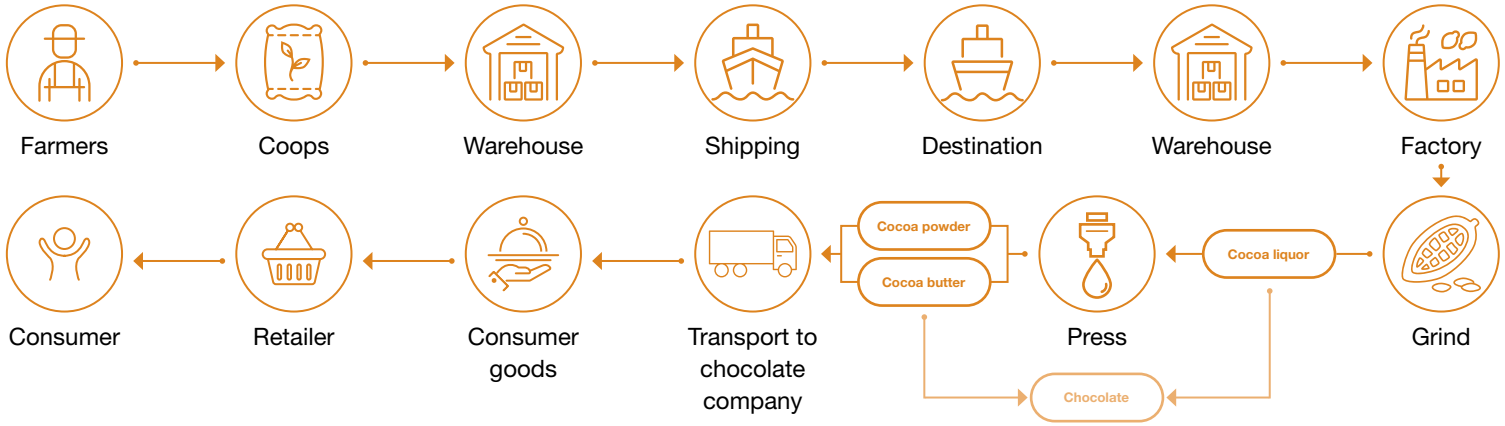
2nd
largest producer of cocoa and chocolate in the world

4,400
employees

31
processing plants

5
origins from which we source cocoa directly

From bean to bar How our supply chain operates[34]



[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*
	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%
Community wellbeing	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.

Photography by imagfera

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.

⊕ Read more on our website

◎ **At a glance**

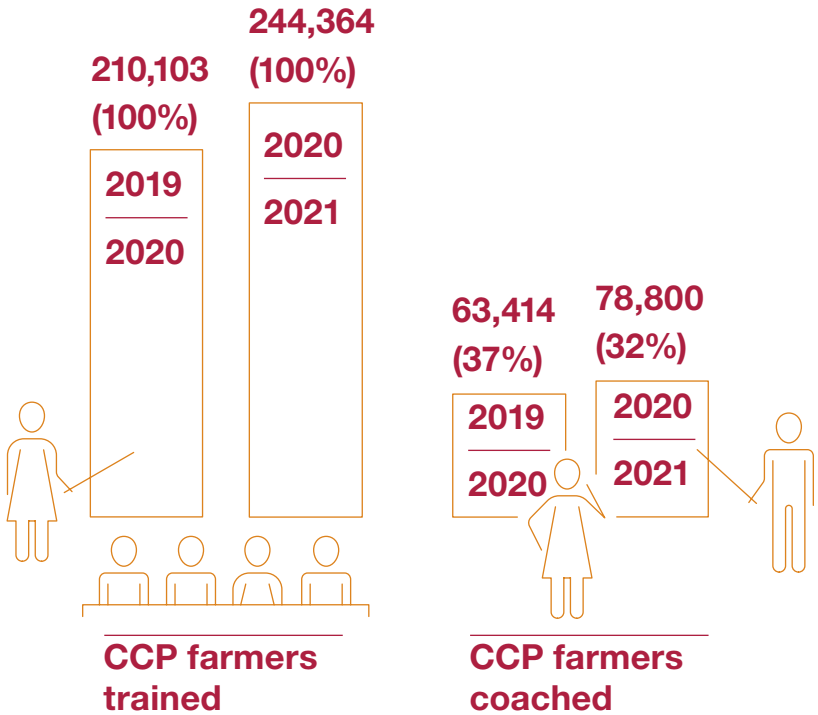
Advancing sustainable farmer practices with more tailored training and coaching

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.



CCP farmers using crop protection in West Africa

Côte d'Ivoire	Ghana	Cameroon
31,575	5,583	6,893
(69%)	(62%)	(92%)

CCP farmers composting and applying it on farms in West Africa

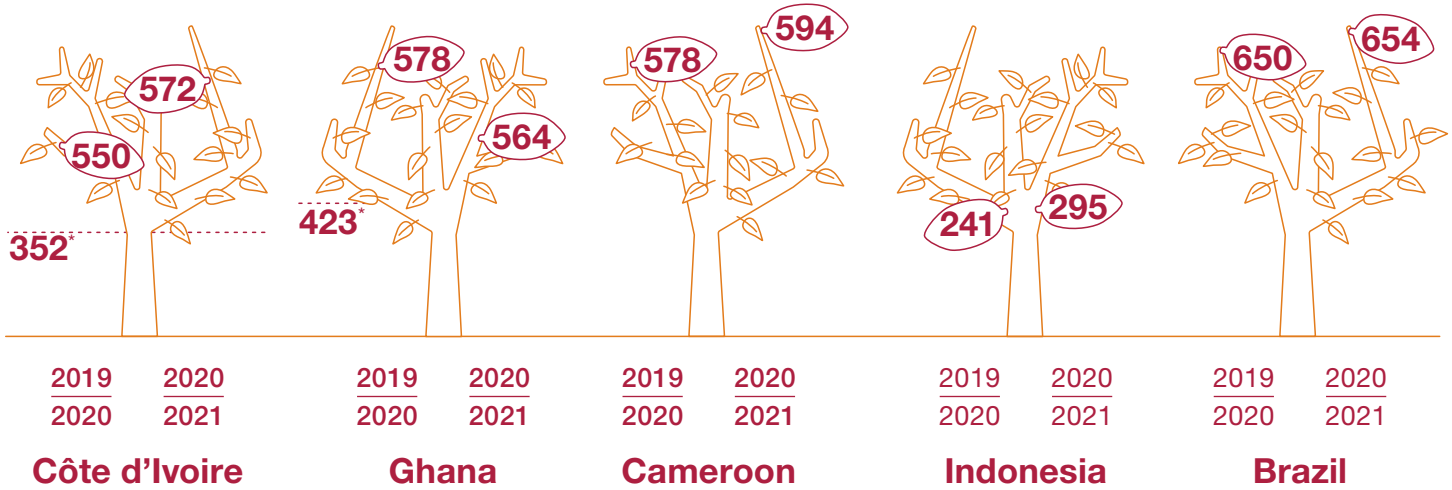
Côte d'Ivoire	Ghana	Cameroon
1,812	251	12
(4%)	(3%)	(0.2%)

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	2019-2020
2,576	2,491

Community action plans

2020-2021	2019-2020
613	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

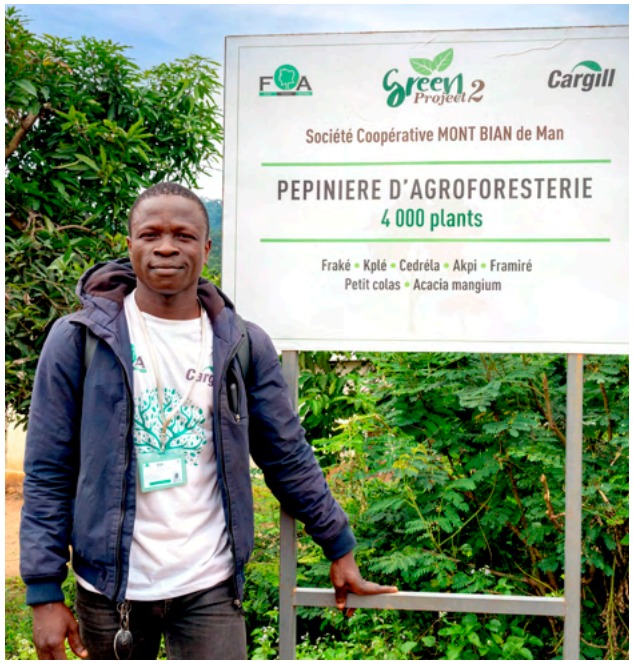
  200 women receive weekly direct cash transfers
- Training and education
  687 women receive entrepreneurial training as part of the Coop Academy

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

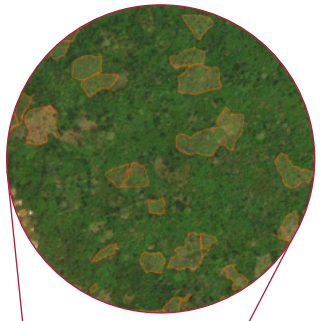
trees since 2017-2018.

As these trees grow and develop, they have the potential to sequester up to 136,929 tCO_2eq by 2040.

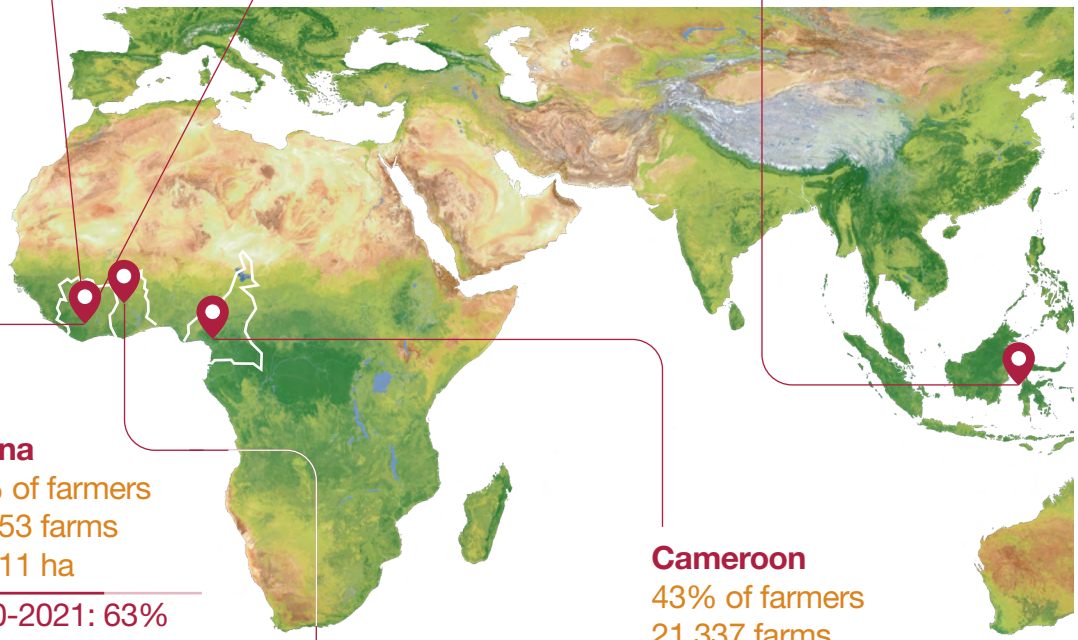
More mapping to protect our planet

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.



Brazil
95% of farmers
203 farms
10,347 ha
2020-2021: 95%
2019-2020: 100%

Ghana
63% of farmers
44,153 farms
55,311 ha
2020-2021: 63%
2019-2020: 76%

Côte d'Ivoire
77% of farmers
116,309 farms
387,783 ha
2020-2021: 77%
2019-2020: 76%

Cameroon
43% of farmers
21,337 farms
69,179 ha
2020-2021: 43%
2019-2020: 18%

Indonesia
88% of farmers
36,431 farms
25,710 ha
2020-2021: 88%
2019-2020: 79%

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

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.

Up to farmer level

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**.

Up to farm level

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

26,245[36]

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.

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**.

◎ **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

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

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

- financing +123 trucks (440 trucks in total)

630

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.

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.

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 CO_2 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**.

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 "agri-preneurs" 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.