

Our approach

Tackling the global issues of climate change, food security for a growing population, and resource depletion is a complex challenge. At Cargill, we strive to rise to this challenge by partnering with farmers, collaborating with stakeholders, and investing in solutions that bring both business and societal value. We believe this is essential for the future of our planet and for our business, which relies on healthy ecosystems and strong communities. Delivering solutions that benefit land, biodiversity, climate, and water enables us to protect natural ecosystems so we can continue to provide food and goods for people and communities.

Our work contributes to the following SDGs:





Cargill has developed or invested in many programs and projects that conserve land, enhance biodiversity, support regenerative agriculture, restore natural ecosystems, improve transparency through data, and support local farmers and communities. As science, external conditions, and circumstances evolve in the world around us, we will continue to modify and enhance our programs and practices to anticipate and respond to these changes. For example, as the urgency for land conservation in South America has increased, we have partnered with stakeholders to accelerate our efforts to protect native vegetation in this critical ecosystem.¹

Our approach to land and water is informed by the Science-Based Targets Network Action Framework, which outlines actions to avoid future impacts, reduce current impacts, regenerate and restore ecosystems, and transform the systems in which companies are embedded in order to have a positive impact on nature. This framework is built on several well-established hierarchies to help organizations understand, plan for, and address their impact to take proactive steps for nature.

Land

To meet the demands of the growing global population, we strive to ensure that our food system can adapt to challenges and extreme weather events — such as changing climate and growing conditions, droughts, and floods — while continuing to produce enough food grown sustainably and responsibly. At Cargill, we seek to create a more resilient food system by conserving, protecting, and restoring ecosystems and minimizing the key drivers of nature loss.

We put farmers at the center of our strategy. Their success means they can run operations that provide economic stability while producing the food needed to meet the demands of a growing global population sustainably. Around the world, we have programs and initiatives that provide upskilling, education, and incentives for farmers to continue adopting practices that protect the environment, support sustainable supply chains, improve productivity, and maximize farmer resiliency.

As a guide across our land and biodiversity efforts, we look toward Alliance for Regenerative Rehabilitation Research and Training (AR3T), which prioritizes avoiding deforestation and conversion. In parallel, we continue to restore and regenerate deforested, converted, and degraded lands, leveraging our supply chains to transform commodity sectors.

Learn more about our Policy on Forests.

Learn more about the actions we're taking to protect forests.

Accelerating our land conservation efforts

Mitigating the impact of climate change is crucial to global food security, and conserving vital ecosystems plays a central role.

To protect South America's natural ecosystems and to advance our goals for responsible land use, in 2023 we announced an <u>accelerated commitment</u> to eliminate deforestation and land conversion from our direct and indirect supply chains of soy, corn, wheat, and cotton in Brazil, Argentina, and Uruguay by 2025, with a cut-off date of January 1, 2025.

To drive meaningful change, we cannot act alone. With farmers at the center of the food system, we will continue to invest in solutions that support their livelihoods and transition to more sustainable agriculture practices. We must work hand-in-hand with farmers, governments, customers, NGOs, and more.

Cargill is leveraging World Resources Institute's (WRI) geospatial expertise alongside improved traceability to strengthen our monitoring, reporting, and verification of natural ecosystems and farm areas.

Learn more about how we are advancing sustainable land use through our website, <u>Together on This Earth</u>, which reflects our efforts to feed a growing population sustainably.

¹ In order to achieve this objective and better address climate change, we have refocused some of our resources toward this effort and away from less impactful programs, such as our previous vision to help restore 100,000 hectares in Brazil. Continue reading for more about our global restoration work.









Satelligence: Creating greater visibility into deforestation

Cargill partners with <u>Satelligence</u>, a company that helps businesses transition to more sustainable sourcing models. As part of this collaboration, Satelligence provides Cargill with near-real time, satellite-powered deforestation risk monitoring across its soy, palm oil, and cocoa supply chains. This enhances our monitoring capabilities for these critical supply chains in support of our goal to be deforestation-free by 2030.

Partners like Satelligence are critical to ensure Cargill has lasting solutions that will help protect, regenerate, and restore landscapes that nourish people, animals, and the planet.





Brazil

Conservation Science Partners: Helping to improve biodiversity impact measurement

Cargill is partnering with <u>Conservation Science Partners</u> (CSP) to develop a biodiversity baseline for soybean-producing landscapes within Brazil's Cerrado biome. To do this, CSP uses a modeling approach informed by multiple data sources to predict and reveal where critical biodiversity is expected to be found within native vegetation directly adjacent to soybean fields. For example, the model estimated there are 3 million hectares of habitat capable of supporting jaguars in soy-adjacent areas, with a portion of this being on soy producers' land protected by Cargill's sourcing commitments.

CSP also developed a first-of-its-kind map of multi-species connectivity across the Cerrado, capturing important movement pathways for 20 mammalian species, including giant anteater, giant armadillo, jaguar, maned wolf, and tapir. The biodiversity maps generated are being explored for various use cases, such as prioritizing future landscape interventions and quantifying the impact of ongoing protection and restoration activities.







BeefUp: Revitalizing land in the beef supply chain

Within our North American beef supply chain, Cargill helps protect biodiversity on productive land by working with customers, farmers, ranchers, and nonprofits to advance regenerative agriculture practices like rotational grazing, grassland restoration, cover cropping, and reduced tillage across grazing lands and in fields where corn is grown to feed cattle. These practices help store carbon in the soil instead of the atmosphere, revitalizing agricultural lands, increasing water availability in the ground, and bringing benefits to both ranchers and our planet.

As part of our **BeefUp Sustainability initiative**, we work with the National Fish and Wildlife Foundation (NFWF) to restore functioning native grasslands, such as those in the U.S. Northern Great Plains. An element of this work includes grassland bird monitoring to measure population responses to activities driven by NFWF grants, which are partially funded by Cargill. Initial results of this monitoring show statistically significant increases in bird populations, including in areas where BeefUp programs have supported improved grazing management that produces a greater diversity of grass species and heights. In addition to improving soil health, increasing carbon sequestration, and increasing forage for ranchers, these interventions are increasing the quality and quantity of habitat available for native bird species.

"We believe beef can be a force for good: a force to address the urgency of climate change, feed a growing population, and build a stronger, more resilient food supply chain."

Jon Nash Executive Vice President, Food Cargill

Anticipated outcomes from the NFWF Northern Great Plains program

299,000+ acres restored

420+ miles

of fencing removed or improved to wildlife-friendly specifications 163,000+ acres placed under conservation easement

Impact Report 2024

1.7 million+ acres of habitat experienced

improved management





Scaling regenerative agriculture

As a company, we sit at the intersection of farmers and customers. This makes us uniquely positioned to help drive scale and support farmer adoption of regenerative agriculture, which encompasses farming and ranching systems that build resilience and deliver positive environmental outcomes for people and our planet. Cargill's vision is to make regenerative agriculture commonplace across our global supply chains.

We focus our efforts in areas that support farmers' goals and business objectives, as well as programs that can help maximize impact by delivering multiple benefits, such as climate action and sustainable land use in our supply chains.

We are partnering with farmers to help them increase their productivity and resiliency by promoting innovative agricultural practices, providing inclusive market access, and building resilient agricultural communities.

Our goal:

Advance regenerative agriculture practices across 10 million acres of North American agricultural land by 2030

Regenerating 10 million acres across North America

1.1 million acres1





Cumulative acres since 2020.







Benefits of regenerative agriculture



Regenerative farming practices build resilience and deliver positive outcomes for people and our planet.

Methods include:





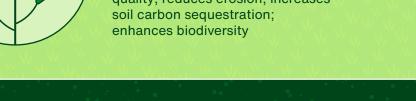


Improves soil health, pasture health, and water quality; reduces erosion; increases soil carbon sequestration; enhances biodiversity; promotes better animal health and productivity



Agroforestry

Improves soil health and water quality, reduces erosion, increases soil carbon sequestration, enhances biodiversity, promotes farm income diversification



No/minimum tillage

Improves soil health, soil

fuel and labor costs

water-holding capacity, and water

quality; reduces erosion; increases

soil carbon sequestration; reduces



Nutrient management

Improves soil health and water quality, reduces GHG emissions, reduces fertilizer costs, maximizes yields



System-wide benefits for farmers

Improves soil health and water outcomes, reduces GHG emissions and increases soil carbon sequestration, enhances biodiversity, builds more resilient farm operations, increases productivity



Regenerative agriculture projects, programs, and partnerships around the globe

We provide tailored solutions to deliver economic and environmental benefits for each farm's unique needs. By partnering with farmers, we account for factors like soil type, landscape, commodity grown, acres, equipment, and weather variability to ensure practices are suited to their specific operations and location.

NORTH AMERICA

Cargill RegenConnect®

Pays farmers for environmental outcomes created by the adoption of regenerative agriculture practices across a number of crops, as well as good nutrient stewardship and regeneratively-sourced cotton See also Europe

Success from the Ground Up

Supports U.S. soil health organizations in accelerating farmer training and adoption of regenerative agriculture practices

The Soil Health Institute

Makes data accessible to farmers and sustainability experts in North America, helping enhance drought resilience, soil health, and regenerative agriculture

BeefUp

Collaborates with customers, farmers, ranchers, and nonprofits to advance regenerative agriculture practices. See Case Study on page 23

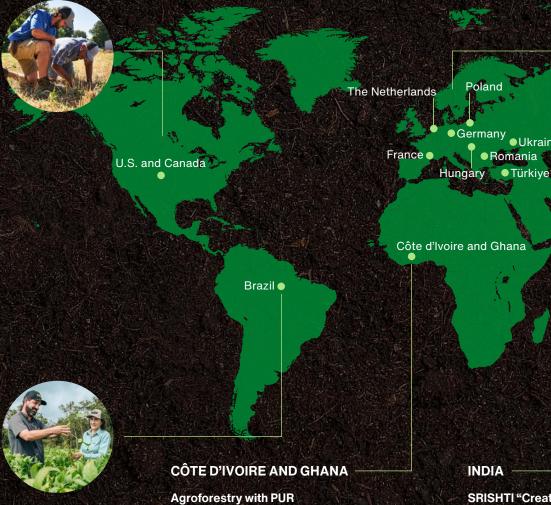
BRAZIL

ReSolu

Promotes resilient production systems by converting degraded areas through agronomic management and regenerative agriculture, and adopting sustainable practices to improve soil health

Regenera Cerrado

Validates the impacts and cost-benefit of regenerative agriculture in soybean and corn production



Helps restore and preserve forests by funding

the cost of seedlings and providing cocoa

growers with on-the-ground expertise

EUROPE

Cargill RegenConnect®

See description under North America

Wageningen University & Research

Researches common European crops to provide insights, identify gaps, and recommend transitions to regenerative agriculture

TÜRKIYE

1000 Farmers Endless Prosperity

Supports Turkish corn, sunflower, and canola farmers in sustainable practices to boost productivity and earnings and drive social and digital transformation in agriculture

CHINA

AUSTRALIA

Regenerative Agriculture Research and Farm Pilots

Enhances awareness of regenerative agriculture in China and advocates for supportive policies

China

India

Enables maize farmers in the state of Karnataka

to adopt regenerative agriculture practices

and conserve water

SRISHTI "Creation" program with TechnoServe Cargill SustainConnect™

Australia

Compensates Australian canola farmers for adopting sustainable practices that improve soil health and decarbonize the agricultural supply chain

Overview



Supporting industry coalitions

Transitioning global food systems requires urgent and collaborative action that includes support for farmers, government policies, and educational efforts. Collaboration in areas such as regenerative agriculture and food security enables us to accelerate these efforts.



WBCSD Action Agenda on Regenerative Landscapes

Along with more than 30 other leading food and agriculture organizations, Cargill signed onto the COP28 Action Agenda on Regenerative Landscapes. This initiative was led by the COP28 Presidency, the World Business Council for Sustainable Development (WBCSD), and Boston Consulting Group, and was supported by the U.N. Climate Change High-Level Champions.

The Action Agenda aims to support the transition of large agricultural landscapes to regenerative landscapes by 2030. To support this, the initiative will connect farmers, value chain players, financiers, and the public sector across landscapes. Organizations involved in the initiative are engaging 3.6 million farmers across more than 160 million hectares of land in more than 115 countries. These best practices will then be amplified to encourage other organizations to embrace regenerative practices at scale.

Through 2025, organizations in the Action Agenda will act on their commitments to deliver impacts across climate, water, soil health, biodiversity, and improving farmers' livelihoods. Approximately \$2 billion has already been invested by participating organizations, to be followed by an additional committed investment of \$2.2 billion.



Vision for Adapted Crops and Soils: Leadership on global food security

The Vision for Adapted Crops and Soils (VACS) is a partnership embraced by governments around the world, NGOs, the private sector, and others to address the reality of climate change threatening our global food systems. As both catastrophic weather events and the global demand for food increase, VACS aims to find solutions by investing in climate-resilient, nutritious crop varieties and healthy, fertile soils.

Cargill supports the initiative, which was initially founded by the Food and Agriculture Organization of the United Nations, the African Union, The Rockefeller Foundation, and the Consortium of International Agricultural Research Centers, and has now become a movement to advance climate-resistant food systems and food security.





Overview



Water is essential for nature, people, industry, and agriculture. With about 70% of annual freshwater used for agriculture, the public and private sector must work together to produce food sustainably to meet the demands of a growing global population. Cargill is working to enable a water-positive impact across our operations, supply chains, and communities by 2030. We intend to do this by addressing the shared water challenges of availability, quality, and access to safe drinking water, sanitation, and hygiene (WASH) across our operations, agricultural supply chains, and communities.

Our approach goes beyond our own operational footprint to the communities where we operate and where we can have the greatest impact: our agricultural supply chains, which account for more than 90% of our water footprint.

Cargill's supply chain water strategy relies on partnerships with farmers, ranchers, and suppliers. Together, we develop and scale solutions to help address local water challenges.

Our water commitment

Operations: Implement water stewardship practices at all 68 priority water facilities

Supply Chains:

Enable the restoration of 600 billion liters of water and reduction of 5,000 metric tons of water pollutants in water-stressed regions

Communities: Enable improved access to safe drinking water and sanitation, reaching 500,000 people in priority communities

Our impact

85% average implementation of water stewardship practices at 68 priority facilities

38 billion liters of water restoration and 297 metric tons of nitrogen equivalent reduction enabled in water-stressed regions across our supply chains

More than 160,000 people reached in communities where we live and work, enabling improved access to safe drinking water and sanitation

Water in our operations

We are working to eliminate unsustainable water impacts within our footprint and increase understanding, compliance, and reporting of water use, impacts, and risks at Cargill facilities. We are also committed to providing access to WASH for employees and contractors at our facilities.

In our operations, we aim to apply industry-leading approaches to reduce our use of freshwater as part of our water stewardship program. In one of our wheat processing facilities in Manchester, U.K., we have applied predictive modeling to the daily control of our operations and have used historic performance data to reduce freshwater use and optimize the reuse of process condensate at the facility. This program resulted in approximately 100 million liters of reduced water use per year.

Water in our supply chain

By 2050, feeding a planet of 9 billion people will require an estimated 50% increase in agricultural production. Engagement across our supply chain can have the biggest impact on improving water quality and availability for the future. To create this impact, we work with farmers, ranchers, and other partners to develop solutions, such as regenerative agriculture, which improve water resiliency and quality.

We complement these efforts with programs and partnerships that protect and restore grasslands and aguatic habitats in critical geographies of our supply chains and through projects that support water quality improvements and protect biodiversity.



6 CLEAN WATER AND SANITATION

Land and Water

People





In 2023, Cargill was recognized by Ceres as "on track" in advancing water stewardship in its Valuing Water Finance Initiative Benchmark. Cargill received the highest percentage of available points demonstrating progress on water stewardship among the companies assessed.

The recognition was for our performance relative to the ambition of the Valuing Water Finance Initiative's Corporate Expectations for Valuing Water, which are aligned with the U.N. Global Compact CEO Water Mandate's six commitment areas and the U.N.'s 2030 Sustainable Development Goals for Water. The Initiative's Corporate Expectations outline six water ambitions for companies to reach by 2030 in areas such as access to water and sanitation. public policy engagement, and water quality.

Received the highest percentage of available points demonstrating progress on water stewardship

The benchmark evaluated water stewardship practices among 72 companies from four waterintensive industries including food, beverage, apparel, and hi-tech. In the report, Cargill is recognized as one of the few companies that has set water quality targets for the supply chain.

The six expectations include:

- Water quantity
- Water quality
- Ecosystem protection
- Access to water and sanitation
- Board oversight
- Public policy engagement

This recognition is based on the commitment to enable a water positive impact in Cargill's operations, supply chains, and communities by 2030, which includes engaging in collective action projects, promoting regenerative agriculture within the supply chain, and safeguarding or rehabilitating critical habitats.



"Cargill's water management efforts position the company well in advancing toward the 2030 ambition of the Corporate Expectations for Valuing Water. Strategies such as setting contextual water quality targets inclusive of both operations and the supply chain can also serve as an example for peers to emulate."

Shama Perveen







The Arkansas Irrigation Project: Conserving water

Approximately 80% of Arkansas' annual water consumption is dedicated to agriculture, and more than 70% of the water used annually for row crop irrigation comes from the Mississippi Alluvial Aquifer in the Arkansas Delta.

Cargill supports The Nature Conservancy in Arkansas through a grant to the state's Water Sustainability in Agricultural Irrigation project, which helps conserve water in the Arkansas Delta. The three-year project began in 2021 and, to date, has helped establish irrigation conservation practices on more than 34,000 acres of cropland. This work entails engaging 69 farmers, including those from underrepresented populations (including women, Black, and Hispanic farmers), providing technical assistance, and installing 381 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.





Water.org partnership: Providing access to water in Indonesia and the Philippines

Driven by our belief that clean and safe water is a human right, Cargill has committed \$2.1 million in funding to Water.org, a global nonprofit focused on removing the financial barriers between people living in poverty and access to safe water.

Reliable access to clean, safe water, sanitation, and hygiene are essential for communities to thrive. This twoyear project will directly impact an estimated 300,000 individuals by providing access to water and sanitation for people living in Indonesia and the Philippines via WaterCredit, a program that enables small loans for water and sanitation solutions. The grant will also support collaboration with local utilities to improve water quality and service coverage for many more households.





The Women + Water Collaborative: Taking collective action

Cargill, Gap Inc., and GSK, in partnership with WaterAid and the Water Resilience Coalition (WRC), launched an initiative to improve health, livelihoods, and climate resilience in water-stressed communities in India, beginning with the Krishna and Godavari basins.

The Women + Water Collaborative will improve the availability and quality of water in priority river basins, providing communities with safe drinking water, climate-resilient sanitation, and hygiene infrastructure and services. The Collaborative will leverage women's leadership to build water resilience, improve water security, and enable equitable access to water and sanitation for communities at scale.

