

Sustainable Supply Chains

Cargill leverages our size, expertise, and supply chain capabilities in a variety of ways to create a more sustainable, food secure future. The following chapters provide a deep dive into the sustainability initiatives of several critical supply chains.

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Aqua nutrition

About this chapter

The content in this chapter pertains to calendar year 2023 unless otherwise noted. For more in-depth reporting on all the topics in this chapter as well as all underlying data, please see the full [2023 sustainability report of our aqua nutrition business](#).



Supply chain overview

What we do

Cargill's aqua nutrition business helps customers meet the world's growing demand for sustainably grown fish and shrimp with high-quality feeds that are tailored to each species' nutritional needs. Our feeds account for variation in specific environments and markets while meeting the ESG goals of Cargill and our customers.

34
facilities in
15 countries

18
dedicated aquafeed
mills

3
R&D
innovation centers

2,000+
employees

1.85 million
metric tons of feed
sold in 2023

Our feed mills and innovation centers

● Coldwater mill ● Warmwater mill ● Innovation center



Nourishing 12 species groups

● Coldwater ● Warmwater



Our brands



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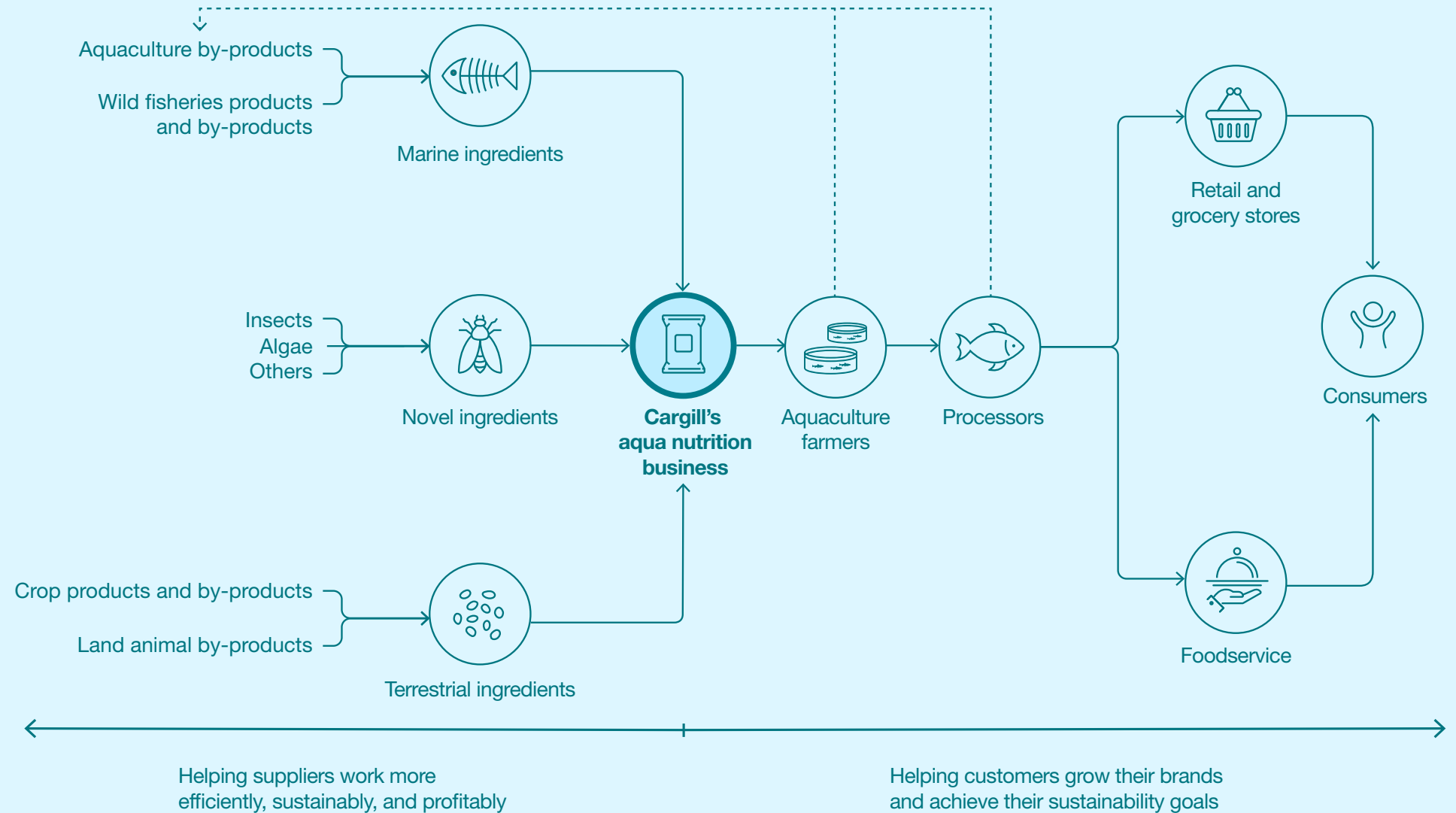
Making a positive impact from the center of the value chain

Our aqua nutrition business sources upstream ingredients, transforms them into nutrient-rich feed for global aquaculture production, and delivers it to our downstream farming customers, who produce the seafood that nourishes people around the world.

Thanks to the scale of our operations and our central position in the supply chain, we can positively impact the food system in all directions.

Backed by our decades of experience, technical capabilities, and market expertise, we are uniquely positioned to connect supply and demand, facilitate the exchange of best practices and information, and help our partners up and down the value chain work profitably while producing more food and using fewer resources.

In aquaculture feeds we use a variety of ingredients and work with our suppliers as much as possible to process materials that were traditionally considered waste or by-products and recapture nutrients back into human food chains. Similarly, we use certain lower-value co-products like rice bran or wheat gluten, which are generated during the processing of rice and wheat for direct human consumption. This helps to reduce the overall environmental impact of our feed and recaptures important nutrients that would otherwise be lost to the food chain.



Focus Areas

Achieving progress across many dimensions

We know that positive impact can take many forms, and across our global aqua nutrition business we seek to improve how we operate and the legacy we leave when we go home at the end of the day. We take a data-driven approach, making sure we can measure our impact and use that information to keep learning and achieve even more tomorrow.

Our progress shows up in several ways: improving products to help our customers get healthier and more productive aqua species; protecting people and fostering positive working relationships; and safeguarding the shared natural resources on which our business and humanity depend. We lean on Cargill's global capabilities and the dedication of our employees around the world, who strive to reach higher every day.

Product

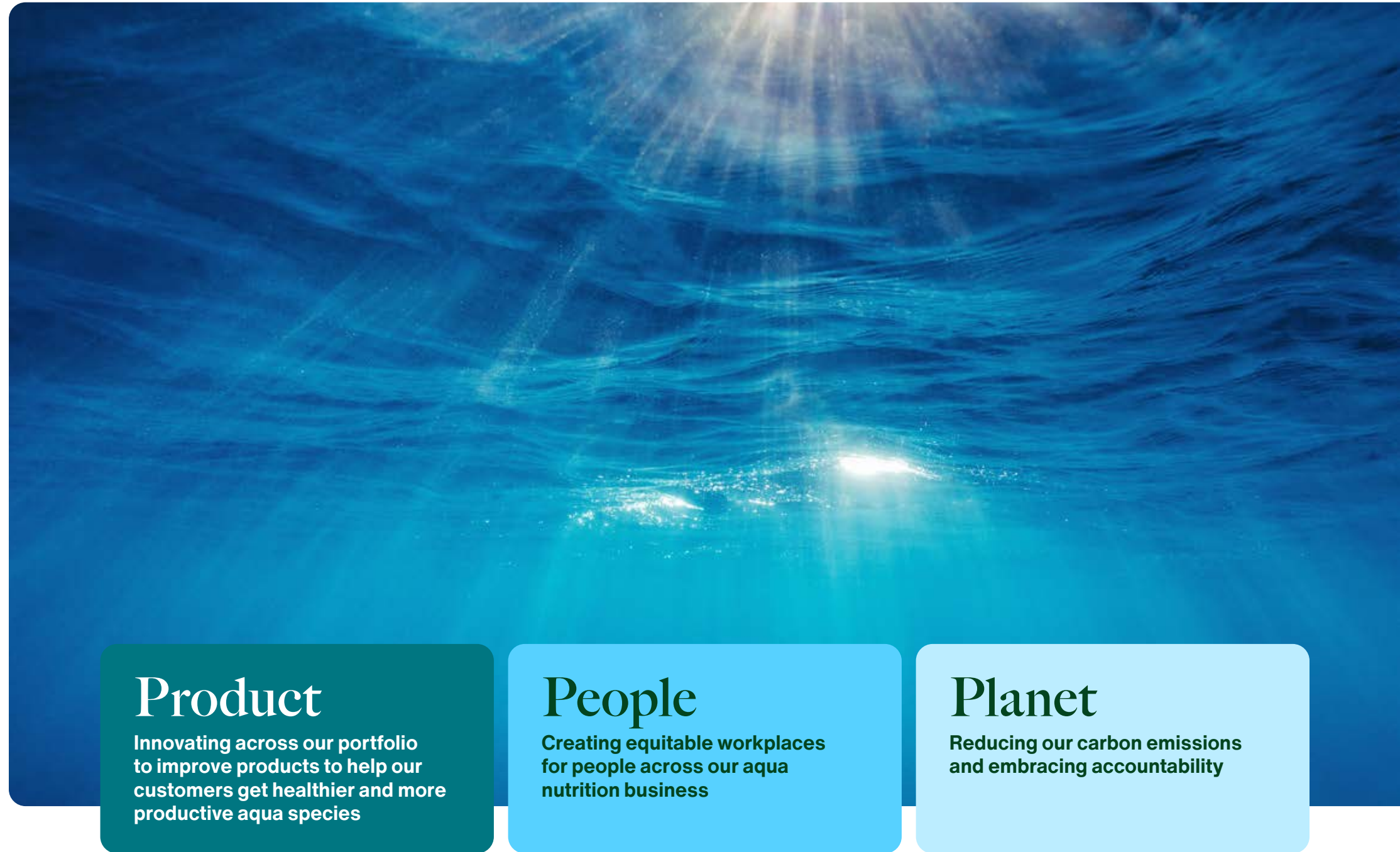
Innovating across our portfolio to improve products to help our customers get healthier and more productive aqua species

People

Creating equitable workplaces for people across our aqua nutrition business

Planet

Reducing our carbon emissions and embracing accountability



Product

Every day, we seek to improve the feeds we sell. That includes enhancing the sustainability of our existing feed ingredients, as well as developing novel ingredients to unlock new possibilities. In all cases, we aim to deliver greater positive impact to our customers so they can improve fish health and performance while reducing negative environmental impact.

Boosting sustainability

Circularity is an important aspect of sustainability, and we seek to use ingredients derived from other food production sources, known as co-products. In 2023, a complicated year for sourcing raw materials, we held relatively steady on co-product ingredients in our feeds. For coldwater, 49.7% of raw materials were co-products. For warmwater, this was 68.2% — slightly below the prior year but still above the 64.5% we achieved in 2021. Year-over-year, we reduced coldwater fishmeal and fish oil inclusion by 1.5 percentage points. However, the share of trimmings in both fishmeal and fish oil declined, driven by challenges in coldwater. Still, 34.5% of all marine ingredients used in 2023 were trimmings.

These figures reinforce that we are striving to include co-products in our overall ingredient mix to a greater degree, and when our ingredients are from marine sources, we seek to draw on trimmings as much as possible. Both these efforts help reduce pressure on marine ecosystems and utilize a circular approach to sourcing as much as possible. Although there are limits to our inclusion rates of these ingredients based on both market availability and feed formulation requirements, we will continue to pioneer new ways to make as much progress as possible.

Sourcing from certified suppliers and Fishery Improvement Projects (FIPs) is a key contributor to our sustainability approach. Shortages in marine raw materials, due in part to the closure of the Peruvian anchoveta fishery, drove 2023 prices to all-time highs. However, our sourcing teams were prepared, and our overall share of certified or improving marine ingredients declined only slightly. We sourced significantly higher volumes of blue whiting — which was accepted into the MarinTrust Improver Program in late 2021 — and its share of our total forage fish sourcing for coldwater feeds more than doubled from 13.6% in 2022 to 30.6% in 2023.

Reducing materials

We are working to systematically reduce packaging materials and waste, while using recycled materials where possible to further cut our footprint. For instance, in Vietnam we have made significant reductions in plastic use by redesigning feed bags, shifting some products to bulk packaging, and using specialized ingredients in the bags to maintain their strength.

Often, we cannot directly collect and reuse packaging from customers because of the risk of biological contamination. However, we are exploring ways to reuse bags in some limited instances where we can be sure of protecting against biosecurity risks, and we are incorporating recycled materials that have been reprocessed from other sources.

700 metric tons

Reduction in annual plastics usage in Vietnam

A growing portfolio of novel ingredient options

Our aqua nutrition business has been at the forefront of discovering, commercializing, and scaling these types of ingredients with our partners, and this past year saw progress on several fronts. We lean on our innovation capabilities and knowledge of animal health and performance, as well as the broad reach of Cargill and our relationships across global food and agriculture. This makes us an ideal partner for our customers as they formulate the right feeds with the right results for their farming environments.

Algal oil: Two years ago, we committed to include omega-3 fatty acids from algal oil in all our Norwegian feeds. Now, we are working with supplier partners to see how this ingredient, which offers a nutritional cornerstone of aquaculture diets, can be scaled up and produced with a smaller footprint through techniques like fermentation.

Soy protein concentrate: Our multi-year partnership with U.S.-based Houdek helped the company scale up a soy protein concentrate called ME-PRO[®], which has a higher protein content than other concentrates and a potentially lower environmental impact in feeds through reduced phosphorous emissions. It is ProTerra-certified and uses non-GM soy.

Single-cell proteins: What if you could pull proteins out of thin air? That's the promise of our research with partner **Gas 2 Feed** to develop fermentation processes where single-celled organisms like bacteria or yeasts consume CO₂ and hydrogen, converting them into proteins that are suitable for use in aquaculture.

Insect proteins: The rich protein content of insects and their resource-efficient production make them a competitive choice for fish feed formulations. We are continuing to scale up our partnership with insect ingredient pioneer Innovafeed, whose high-quality insect meal in aquafeed saves up to 16,000 metric tons of CO₂ for every 10,000 metric tons of insect protein.

Camelina oil: This promising ingredient can be grown as a winter cover crop, generating income for farmers while also providing ecosystem benefits as part of a crop rotation. The oil from camelina — which makes up more than one-third of the seed — is also high in omega-3 fatty acids. We are currently working with partners on field trials for camelina in the U.S.



People

People are at the center of everything we do. A safe, supportive working environment enables our workforce to deliver the quality goods and services our customers expect, while also helping us advance our sustainability goals. We are working to advance diversity, equity, and inclusion in our own business while safeguarding the rights of those in and around our supply chain.

Human rights

In 2023, we also reinforced our commitment to respecting human rights by conducting human rights assessments of high-risk supply chains. These helped us deepen our understanding of risks in our raw material supply chains for aqua nutrition and identify opportunities to collaborate with peers and other stakeholders to improve the aqua ingredients sector as a whole. One example is our work with the Global Roundtable on Marine Ingredients, which includes improving understanding of the social risks of marine ingredient production in Mauritania and using our collective leverage to realize advancements.

Stronger communities

Aquaculture is a vital industry for both nutrition and commerce in many communities, which is why we support small-scale tilapia producers in Honduras as part of Cargill's global partnership with CARE. In 2023, through market analysis and technical trainings, this project helped these farmers produce more fish for both selling and home consumption, while also enabling them to better access markets.



Planet

We seek to drive improvements across our operations and supply chains, while also providing a model for the aquaculture industry to reduce its impacts on climate and ecosystems. We strive every day within our business to reduce greenhouse gas (GHG) emissions, raise efficiency, and do more with less. In this way, our climate efforts and targets are aligned with Cargill's corporate targets (see [page 12](#)), as well as those of our customers, their customers, and our suppliers.

Frameworks for progress

We use common frameworks, best practices, and broad collaboration to be a catalyst for progress beyond the factors in our direct control. We work with partners to ensure a steady supply of more sustainable ingredients is available, which includes working on FIPs, certification programs, research initiatives, and more. Our standards, certifications, and assurances include:

- **ASC Farm Standards and the new ASC Feed Standard** based on customer demand
- **Best Aquaculture Practices (BAP), GlobalG.A.P., and organic standards** for industry-specific assurances
- **International Organization for Standardization (ISO)** for quality, environmental, and food safety management
- **Marine Stewardship Council (MSC) and MarinTrust** for marine ingredients
- **ProTerra, the Roundtable on Responsible Soy (RTRS), and organic standards** for terrestrial ingredients like palm and soy

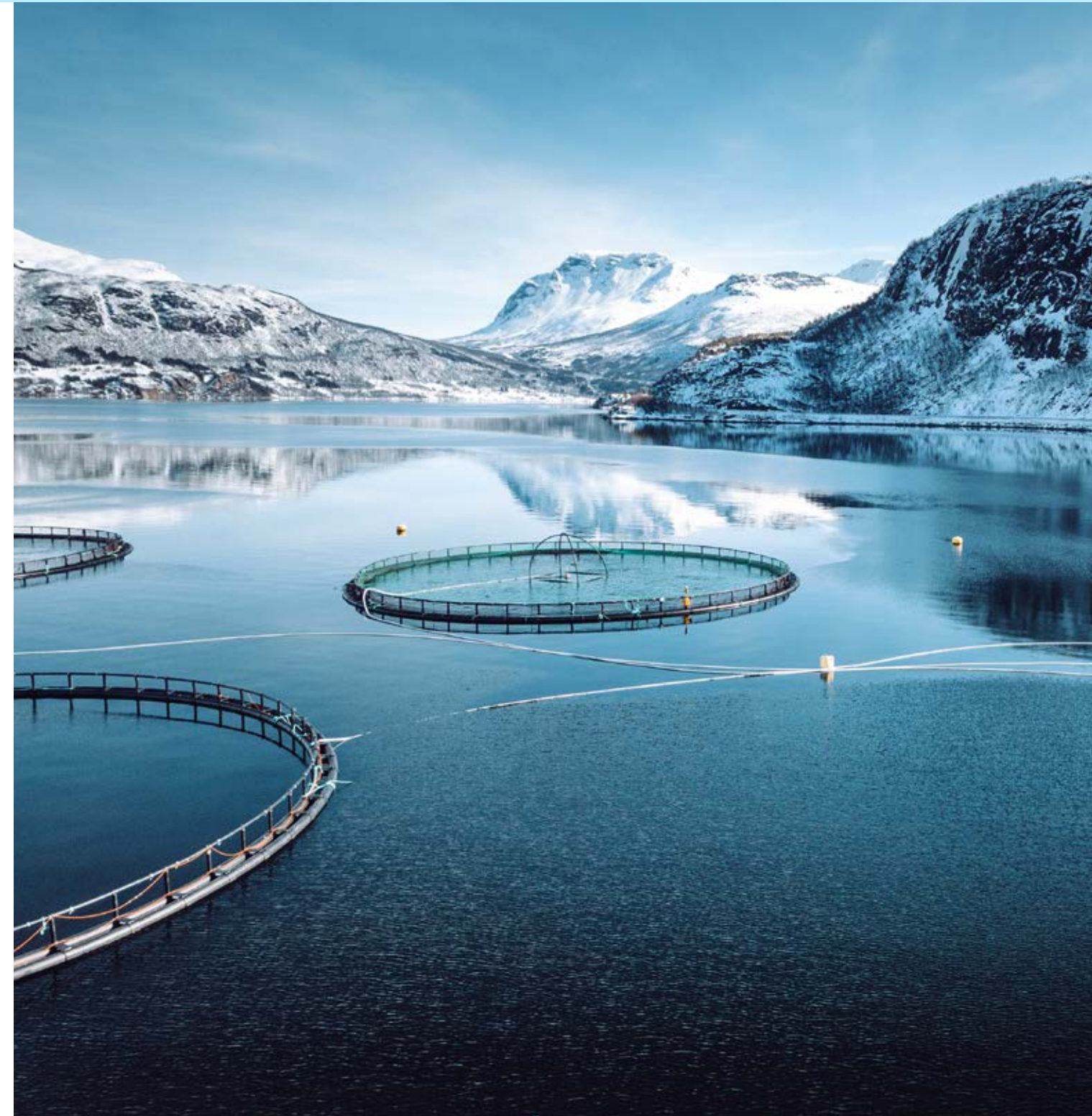
Steady improvement

Our aqua nutrition business has been reporting on climate metrics and water usage since 2017. Our focus for energy use and emissions reductions has centered on our coldwater feed production, as the data, technology, and market dynamics of implementing changes are more conducive in this segment. Total energy use in coldwater feed production increased by 134,000 gigajoules from 2022 to 2023, reflecting an increase in total feed production. However, our efficiency continued to improve, and energy use per metric ton of production is now down 8.6% compared to 2017.

Meanwhile, after a few years of steady increases, we improved our water use performance in 2023. The efficiency of use — as measured by cubic meters used per metric ton of feed produced — improved for both coldwater and warmwater mills.

8.6%

decline in energy use per metric ton of production in our coldwater mills compared to 2017.



Programs and partnerships

Engaging stakeholders across the sector

With the world more connected and interdependent than ever, participants and stakeholders throughout entire value chains must work together to produce results with lasting global impact. That's why we partner with our suppliers and customers to design sustainability solutions and actively contribute to an ecosystem of initiatives gathering diverse stakeholders.

Our work ranges from commercial programs like our SeaFurther™ Sustainability initiative (see [page 61](#)) to targeted interventions like FIPs to broad industry coalitions like Seafood Business for Ocean Stewardship (SeaBOS) and the Global Roundtable on Marine Ingredients. We are proud of how this work unites so many different types of stakeholders that have a hand in delivering seafood to the world's plates.

These programs and partnerships reinforce our commitment to sustainable marine ingredients and help us achieve our goals. Our ambition is to use our leverage as one of the largest global feed producers to improve ocean health and to support the sustainable growth of the aquaculture industry. To do this, we are on a journey to source all our marine ingredients from sources that continually align with scientific understanding of what is sustainable.

Highlights of our marine ingredient sourcing in 2023:

34.5%

of total marine ingredients by volume were sourced from trimmings, which have less impact on fisheries than ingredients from forage fish

89.5%

of marine ingredients in our coldwater feeds were from certified or FIP sources

62.2%

of marine ingredients in our warmwater feeds were from certified or FIP sources



SeaFurther Sustainability

Picking up speed toward 2030

A key goal of our signature sustainable aquaculture program is to enable our customers to reduce the footprint of their farmed seafood by at least 30% by 2030.

Cargill's aqua nutrition business is well-positioned to help customers do this, with our scientific expertise on formulation and fish health, our access to the full breadth of Cargill for achieving scale in sustainable ingredients, and our close relationships with farmers and other ingredient suppliers. Feed is typically the largest component of farmed salmon's footprint and where we have directed the bulk of our focus. There are a number of ways we can help customers reduce the footprint associated with the salmon they deliver to consumers' plates, as outlined in the three pillars of SeaFurther.

This year, we worked with others in Cargill to significantly scale up the insets we source from our farmer partners (see next page). And we collaborated with SustainCERT and Soil Capital to produce [a white paper](#) that examines ways to monitor decarbonization in intricate agricultural systems — so we can ensure that the impact of investments in sustainability are fairly and credibly attributed along the value chain.

Reducing the footprint of farmed seafood by 30% or more is possible for customers, but it takes planning and extensive coordination up and down the supply chain – often with turnaround times of two years. We are working now with customers on supply chain actions for the next few years to get on a pathway to meet our goals together. And we have set an intermediate goal of 15% reduction across customers' feed footprint by 2026.

SeaFurther's three pillars

Source

We work with our suppliers to develop and design our feed to minimize its carbon footprint while delivering optimized nutrition.

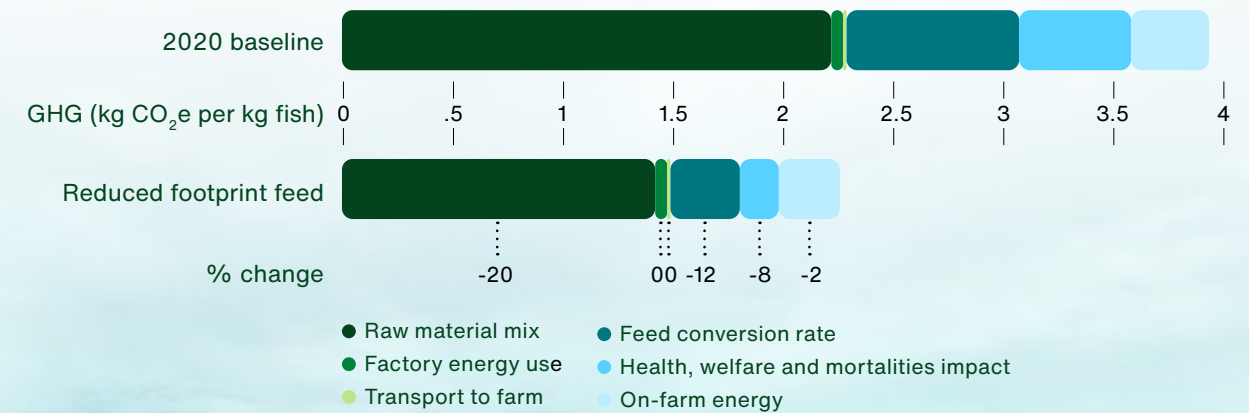
Optimize

We work with our customers to reduce energy use in feed production and farming, streamline transportation and logistics, and tailor our feeds to the fish and environments for which they are destined.

Care

We develop fish nutrition that promotes and enhances the health and welfare of farmed fish, keeping them healthier and growing more efficiently.

Reducing harvested fish emissions



SeaFurther Sustainability

Scaling up environmental benefits

Regenerative agriculture is a critical pathway to lower the carbon footprint and improve ecosystem services of terrestrial feed ingredients. Cargill is a market leader in this emerging space, working with farmers to help them implement regenerative practices like cover crops and reduced tillage. These provide environmental benefits like improved soil health, water quality and water use, and biodiversity, while also offering a new revenue stream to farmers.

After successful pilots in 2022, we scaled up SeaFurther's regenerative agriculture reach considerably in 2023 with farmer partners in the U.K. In 2024, we will build further on this and set our sights even higher. This will give our aquafeed customers even more options as we work together to reduce aquaculture's footprint.

Our customers value this partnership. For example, Norway-based Lerøy Seafood Group is one of the world's leading producers of salmon. It delivers 1.75 billion meals a year to the plates of consumers. Lerøy and Cargill work together through SeaFurther to reduce the carbon footprint of the fish Lerøy produces and help Lerøy meet its other goals

around fish health, certified marine ingredients, and more.

In 2023, this work helped Lerøy shrink its carbon footprint from our feed by 3.5% using carbon insets, a reduction of 12,000 metric tons of CO₂e equivalents. We also shifted all the marine ingredients in the feed we supply to Lerøy to being either certified or sourced from a FIP, and we continued to include insect proteins and algal oil in that feed as well. Working together, we aim to reduce the carbon footprint of Lerøy's harvested fish by a bold 46%.

“Lerøy is very happy with the change of pace in sustainability work on feed, and we are confident that the close collaboration with Cargill will ensure we reach our ambitions in an effective and holistic manner.”

Jørgen Skeide,
Feed Manager for Lerøy
Seafood Group

2023 highlights of our SeaFurther sourcing in the U.K.:

42

farms

5,000+

hectares

7,000

metric tons of
CO₂e reductions

8,000

metric tons of CO₂e insets
sourced from France

15,000

metric tons of CO₂e
reduced in total for
our customers

Our goal for metric tons
of CO₂e savings in 2024:

45,000



A focus on Fishery Improvement Projects

With time-bound commitments to achieve third-party seafood certifications and mechanisms in place to verify progress along the way, FIPs are a vehicle for improvement on the water while also ensuring the fishery has the support needed to drive change. [World Wildlife Fund](#) (WWF) and [Sustainable Fisheries Partnership](#) (SFP) provide information on key elements of FIPs and how they are formed.

Cargill engages with fisheries that do not yet meet certification standards to transition toward more sustainable and responsible practices. By working with stakeholders across the sector, we support FIPs in key sourcing regions that advance ocean health and secure future supplies of more sustainable raw materials. [FisheryProgress](#) is the authoritative registry for FIPs and it informs our decisions on sourcing from and supporting FIPs.

FIP highlights in 2023

We saw continued progress across the FIPs we support around the globe.

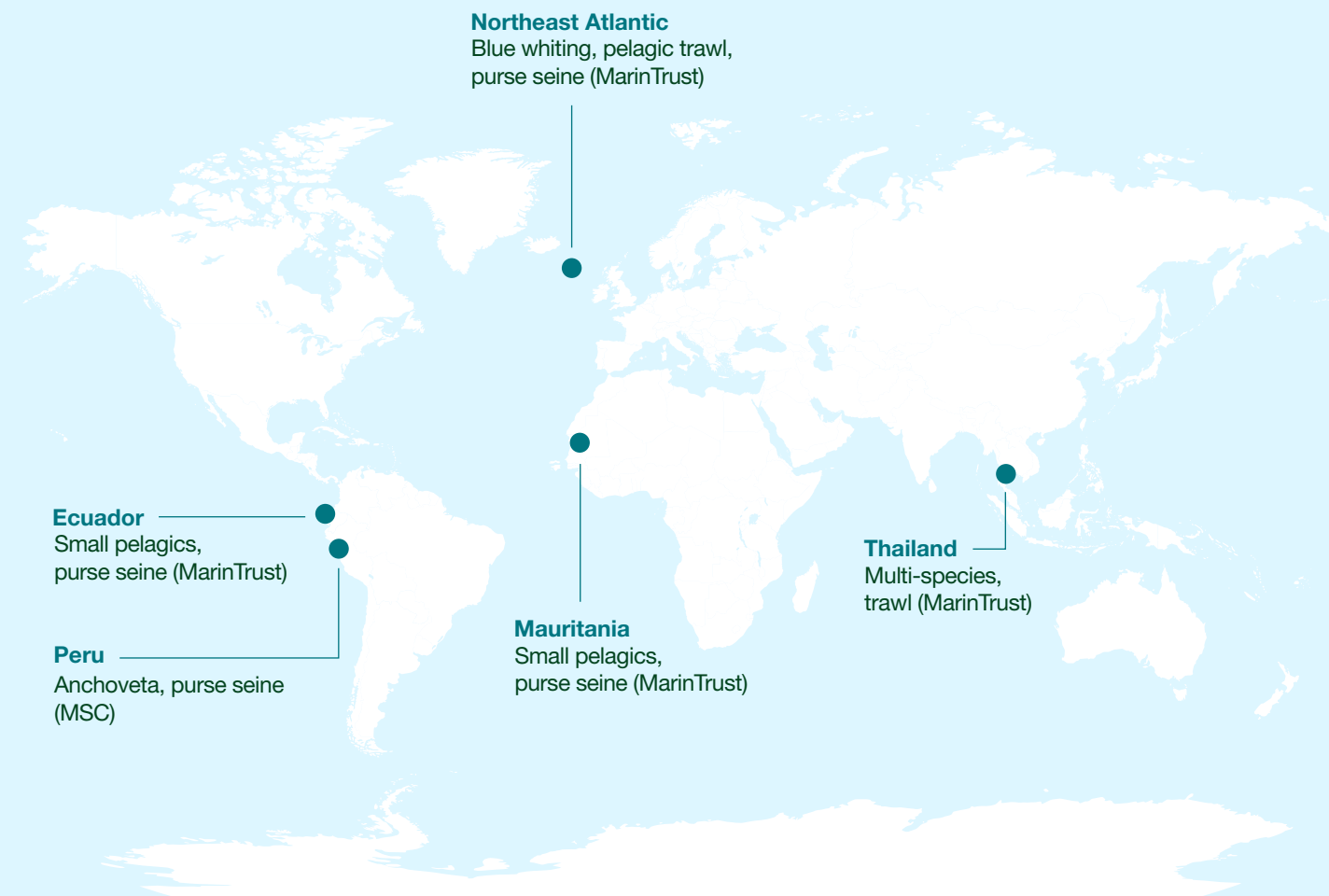
In **Ecuador**, the fishery is now very close to completing the FIP, which will enable participating suppliers to become [MarinTrust](#) certified. Though completion of the FIP was expected in 2023, one species in the complex did not pass all requirements during the assessment. A formal request for a FIP extension was made and subsequently approved, and the revised FIP deadline is now October 2025. We will continue to monitor progress. In the meantime, we were pleased to see the Ecuador FIP hailed by [Premios Verdes](#) as an important conservation project in its annual global listing.

The **Northeast Atlantic** FIP saw continued dialogue among governments for the coastal nations surrounding this crucial fishery, although no details were agreed upon in terms of how catch quotas will be shared among them, and the nations deferred further negotiation. We are disappointed in this delay and continue to [strongly advocate for governments](#) to establish quota-sharing agreements through our membership in the [North Atlantic Pelagic Advocacy Group](#) (NAPA).

For the FIP off the coast of **Mauritania**, where seas are heavily fished, we have focused on provision of the European pilchard for fish oil, reserving other key species for direct human consumption in local and export markets. This will help ensure a balance between drawing on the fishery to support aquaculture around the globe and providing essential nutrition for local communities. We also worked through the [Global Roundtable on Marine Ingredients](#) to advocate for greater participation in this FIP as well as key progress in other areas like [human rights](#).

Meanwhile, a FIP that we previously supported off the coast of **Panama** was completed and our suppliers [became certified under MarinTrust in late 2022](#). The FIP focused mainly on Pacific anchovy and Pacific thread herring. Improvements included a new management plan, total allowable catches, and trainings for fishers to help protect vulnerable species. Panama is a vivid demonstration of how a credible FIP can make a tangible positive impact for key fishing resources.

Key Fishery Improvement Projects we support



A new finance mechanism for progress

Innovation for sustainability takes many forms, including the models we use to fund and drive sector-wide efforts. In 2023, Cargill joined with WWF, Finance Earth, and several other major companies to conceptualize, design, and launch the Fisheries Improvement Fund (FIF), an innovative blue finance mechanism to accelerate progress with FIPs. The FIF, which is managed by Finance Earth, aims to catalyze more than \$100 million in new funding for fisheries improvement by 2030, enabling trusted partners to realize improvements on the water through a range of tools, technologies, and local partnerships.

Cargill was able to lend our commercial, supply chain, and marine ingredient expertise to test and prove the financing model for a pilot project in Chile. In March 2024, an important step in this pilot was announced. A new FIP in the Central-South region focusing on anchoveta and sardine was formally registered and approved with **FisheryProgress**, the authoritative FIP database. The FIP has now started, and Cargill is purchasing fish oil from it.

The new FIP is the first to be supported by the FIF, initially utilizing funding provided by a repayable finance provider. With every metric ton of marine ingredients that Cargill and other participating companies buy from the FIP, a levy will be paid that contributes to ongoing FIP delivery and eventually repays the initial investment.

Meanwhile, WWF Chile will be working jointly with actors from the artisanal and industrial fishing sectors, government representatives, NGOs, and scientists to contribute to the FIP's overall objective. This includes implementing an ecosystem-based approach to fisheries management and reducing both bycatch and illegal, unreported, and unregulated (IUU) fishing. As with all FIPs, tracking mechanisms and reporting deadlines through the registration with FisheryProgress will keep stakeholders on track to achieve these outcomes — in this case, by March 2029.

“Cargill has been a cornerstone partner in the development of the Fisheries Improvement Fund. Their commitment to pay a multi-annual, volume-based fee was critical to enabling the launch of the FIF and will provide necessary support for implementation of the pilot FIP in Chile.”

Lucy Holmes,
Senior Director of Blue Finance
for WWF US



Using scientific collaboration to solve systemic issues

We take a science-based approach to sustainability, and we are proud to work with others in the industry to use science in creating change. SeaBOS brings together nine of the world's largest seafood companies with leading scientists to drive a science-based, global transformation toward sustainable seafood production and a healthy ocean. We are a proud member of this group and a leading participant in its task forces and dialogues, which are catalysts for action on some of global aquaculture's most pressing topics.

Helene Ziv-Douki, SeaBOS vice chair and president of Cargill's aqua nutrition business, attended the 2023 CEO summit in Busan, South Korea, and endorsed the **Busan Statement**. Among the outcomes of that dialogue was the launch of two new keystone projects: first, to investigate antimicrobial resistance in aquaculture settings; and second, to use collective action to advance traceability and transparency in fishing supply chains along the west coast of Africa and address the risks of IUU fishing and modern slavery.

The latter topic is one we are already focused on through our work with a FIP off the coast of Mauritania, as well as our work with the Global Roundtable on Marine Ingredients. To help accelerate collaboration and progress, this year Dave Robb, Group Sustainability Lead for our aqua nutrition business, took over leadership of the larger **SeaBOS task force** on IUU fishing and



modern slavery, issues that are both prevalent in fisheries off the west coast of Africa.

Research has shown considerable overlap between these two unacceptable issues, and Cargill is committed to do our part in ending both. Although the solutions will vary depending on each location, we believe that concerted action by industry, governments, and local communities can solve the problem. The new SeaBOS keystone project in Africa was launched in 2024 and will continue into 2025, building tools to enable better traceability of complex seafood supply chains. Cargill has a leadership role in this project, which will support development of our supply chains against our goals.

“With our mission to lead a global transformation towards sustainable seafood production and a healthy ocean, Cargill’s ambition is helping drive our collective efforts forward.”

Wenche Grønbrekk,
Director of Strategy and Partnerships
for SeaBOS

Her Royal Highness, Crown Princess Victoria of Sweden (front row, fifth from left), meets with SeaBOS executives at an annual technical working meeting in Stockholm. SeaBOS®



An ecosystem of organizations driving change

Because sustainability issues are often much larger than any one company's supply chain, collective action — supported by NGOs, academic researchers, and governments — can be a necessary foundation for driving change. That's why Cargill has long worked with multiple stakeholders across a range of sustainability topics, strengthening work activities and creating greater impact than any organization could achieve alone. A leading example of this approach is in the sustainability of marine ingredients — a focal point in aquaculture feeds.

- For nearly 20 years, we have worked with SFP. We were an early adopter of SFP's **FishSource** program to analyze the sustainability of the fisheries in our sourcing network. Since 2013, we have provided funding for the publication of SFP's **Reduction Fisheries Report**, which provides important insights into the stocks and management of key fishery resources.
- We have long leveraged certification programs from MSC, an important end goal for many fishery improvement efforts, and MarinTrust, which spans the value chain from fisheries to fishmeal and oil production mills, assuring a certain minimum level of responsible fishing entering the supply chain.

- As members of The Marine Ingredients Organisation (IFFO), we work closely with our peers to develop responsible fishmeal and fish oil supply chains. IFFO's continuous tracking of marine ingredient production, regulations, and markets helps companies like us develop sustainability strategies and work programs to implement them.
- These and other partnerships led to a collaboration breakthrough in 2021: the Global Roundtable on Marine Ingredients. Established and jointly run by SFP and IFFO, the Roundtable comprises 14 members — Cargill among them — working to increase the availability of sustainable marine ingredients.

A key area of shared interest among Roundtable members is sustainable fisheries in West Africa. As fish oil production has grown in the region over the past several years, it's become clear that the environmental and governance requirements vary across national boundaries. A FIP was established in 2018 to develop a MarinTrust-certified supply chain of fish oil from Mauritania — an action financially supported by Cargill. With a clear plan for improvement, the FIP provided Cargill the confidence we needed to begin sourcing material.

In 2023, the Roundtable engaged Partner Africa to carry out a human rights impact assessment, resulting in the publication of the **Track the Fish report**. It's an important analysis that will inform how we can make joint progress in this region, even as individual companies like Cargill work directly through the FIP we support. Cargill also encouraged SeaBOS to establish its new keystone project for the west coast of Africa ([see previous page](#)).

These examples demonstrate how stakeholders working together can more effectively drive change. See [Cargill's 2023 aqua nutrition sustainability report](#) for a full list of our involvement with various organizations, partnerships, and initiatives.



Cocoa

About this chapter

The content in this chapter pertains to crop year 2023/2024 unless otherwise noted.



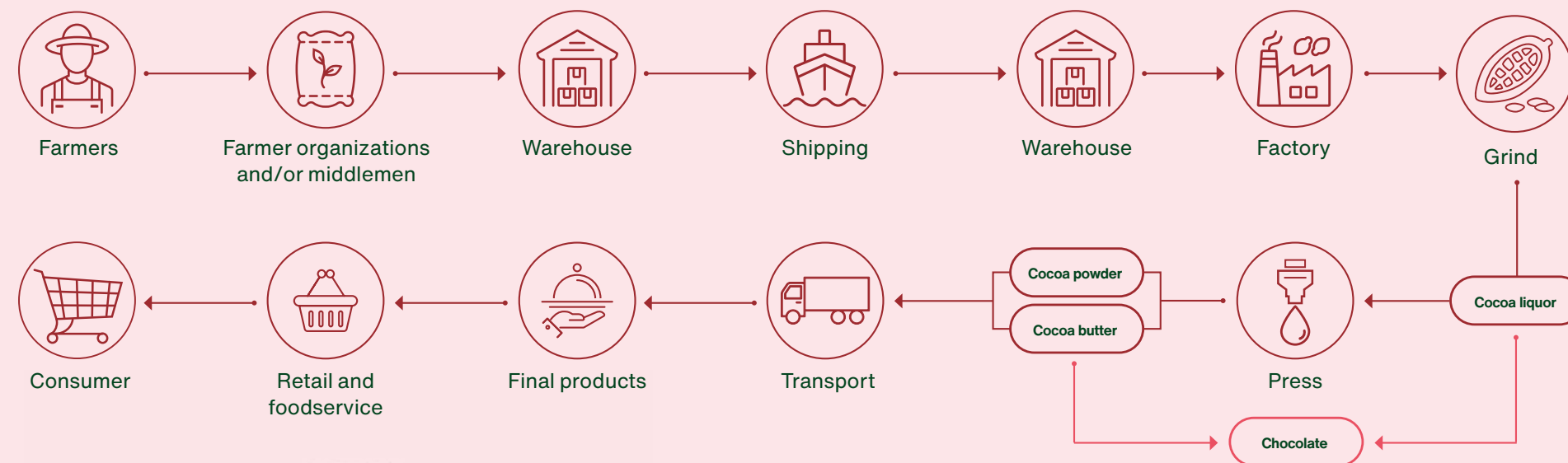
Supply chain overview

We create cocoa and chocolate products that meet our customers' demand for quality, sustainability, transparency, and innovation.

- Bringing 45 years of expertise in the cocoa and chocolate industry, our passion for quality and innovation has made us the second-largest producer of cocoa and chocolate globally.
- We directly source cocoa from six producing countries: Brazil, Cameroon, Côte d'Ivoire, Ecuador, Ghana, and Indonesia. But our reach extends even further, with 19 additional origins where we source indirectly.
- Our 24 state-of-the-art processing facilities span the continents, including two in West Africa where most of the world's cocoa is produced. We also offer the option for fully segregated cocoa ingredients, traced from farm to facility.
- We have innovation at the heart with our three dedicated cocoa & chocolate innovation centers — the Cocoa Development Center in Indonesia, the Aalst Chocolate Academy in Singapore, and the House of Chocolate in Belgium — which are hubs of creativity. Here, we blend tradition with cutting-edge techniques to create the chocolate products of tomorrow.
- With over 4,300 employees, we have a depth of knowledge in-house, from bean experts to chocolatiers.

The journey from farmer to consumer

How we make our products



Dashboard

In this year's edition of the Cargill Impact Report, we are disclosing results for the crop year 2023-24 (October 2023 up to and including June 2024). To enable a unified approach across chapters, the dashboard is structured according to Cargill's three ESG focus areas climate, land & water, and people. As cocoa contributes to the company commitments on climate, please consult those KPIs in the [Strategy section](#). As our approach is ever evolving, some metrics might not be directly comparable due to changes in definitions versus [last year's report](#).

For comparative metrics to understand our progress overtime, we refer to last year's report!

We work with an external assurance provider, KPMG N.V., to provide limited assurance on the selected sustainability KPIs in the table below. This assurance applies to our Cargill Cocoa Promise, which is part of our direct supply chain, and accounts for about one third of the cocoa we source. KPMG N.V.'s assurance report is included on [pages 82-83](#).

FOCUS AREAS	ASSURED KPIS	DEFINITION	SCOPE OF ASSURANCE: COUNTRY OF ORIGIN			
			Côte d'Ivoire	Ghana	Cameroon	Global ¹
	1. # of farmer organizations in Cargill Cocoa Promise (CCP)	The number of farmer organizations in Côte d'Ivoire/Ecuador, farmer groups in Ecuador, districts in Ghana, buying stations in Cameroon, and cooperatives in Brazil defined as organized associations of farmers in CCP	147	14	13	178*
	2. # of farmers certified through CCP 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	143,054	32,556	34,053	211,434*
	3. # and % of farmers coached ²	The number and percentage of farmers that received one-on-one coaching on Good Agricultural Practices (GAPs)	78,426 55%	7,960 24%	1,676 5%	89,433* 42%
	4. # and % of farmers GAP compliant	The number and percentage of farmers that are successfully implementing the Pruning GAP, as well as three out of the other four GAPs. The percentage is calculated compared to the number of farmers surveyed via our agronomics survey.	5,734 52%	5,182 65%	801 48%	11,717 57%
	5. % of farmers using insecticide	The percentage of coached farmers that have reported using insecticide on their cocoa farm	60%	73%	88%	67%
	6. % of farmers using fungicide	The percentage of coached farmers that have reported using fungicide on their cocoa farm	12%	36%	92%	28%
	7. # of farmer organizations covered by a Child Labor Monitoring and Remediation Systems (CLMRS) or comparable due diligence system to prevent and address child labor	The number of farmer organizations in Cargill Cocoa Promise in which a CLMRS or comparable due diligence system to prevent and address child labor is rolled out	147	14	13	178*
	8. # and % of farmers monitored through CLMRS	The number and percentage of farmer households that received a CLMRS monitoring visit ³	81,799 87%	10,447 32%	7,229 21%	101,130* 62%

¹ Global values represent the combined values for the metrics for WAF and in certain cases also our Brazil and Ecuador supply chain. Whenever you see a * next to the value, it means the Brazil and Ecuador values are included in the Global column.

² Coaching in Ghana and Cameroon is taking place late during the reporting year. As the cut-off date for the data is June 30, 2024, not all our efforts conducted until end of September 2024 are included in metrics.

Dashboard continued

FOCUS AREAS	ASSURED KPIS	DEFINITION	SCOPE OF ASSURANCE: COUNTRY OF ORIGIN			
			Côte d'Ivoire	Ghana	Cameroon	Global
	9. # and % of farms polygon mapped as part of our Promise supply chain⁴	The number and percentage of cocoa plots that have been polygon mapped in our Promise supply chain ⁴	143,554 99.9%	81,406 96.0%	32,097 65.1%	257,856* 92.2%
	10. # and % of certified farmers mapped (=fully mapped) part of our Promise supply chain	The number and percentage of farmers for which all cocoa plots have been polygon mapped in our Promise supply chain	130,983 99.9%	30,302 93.1%	20,944 62.6%	183,027* 91.9%
	11. hectares of primary forest loss after January 2014 within mapped farm polygons part of our Promise supply chain (only significant [>0,5 ha] is taken into account)	Total size of primary forest loss from cocoa plots polygon mapped associated with farmers certified through CCP in crop year 2023/2024 and in our Promise supply chain, whose cumulative primary forest loss from January 2014 overlaps more than 0.5 ha with primary forest baseline of 2001	1	2	1,977	2,270*
	12. % of farms with primary forest loss after January 2014 relative to all mapped farms part of our Promise supply chain (only significant [>0,5 ha] is taken into account)	The percentage of cocoa plots in our Promise supply chain with primary forest loss after January 2014 relative to all polygon mapped cocoa plots	0.0%	0.0%	4.4%	0.8%*
	13. Farmers applying agroforestry⁵	Farmers enrolled in an agroforestry program during crop year 2022/2023 ⁶	11,475	5,231	–	17,210*
	14. Cocoa agroforestry (in ha)	Farm area where non-cocoa trees were planted during crop year 2022/2023	22,883	6,635	–	29,518
	15. Multi-purpose trees distributed for on-farm planting	Total number of multipurpose trees distributed for on-farm planting during crop year 2022/2023	1,127,304	247,783	–	1,375,087
	16. # and % of farmers delivering volume through First Mile Traceability (1ML) within the Promise supply chain	The number and percentage of farmers in our Promise supply chain who have delivered cocoa beans through our first mile digital traceability system	101,735 78%	19,817 61%	11,800 35%	133,352 68%
	17. # and % of sustainable volume managed through digital First Mile Traceability	The number and percentage of Rainforest Alliance or Promise Verified beans sourced through our first mile digital traceability system	83,134 100%	8,845 100%	25,919 42%	117,898 76.6%
	18. % of sustainable cocoa volume sold (per calendar year) Jan-Jun 2024	The percentage of cocoa and chocolate products in bean equivalent sold as sustainable (Rainforest Alliance, Fairtrade, Promise Verified, or customers' own programs)	54%	54%	54%	54%

3 In Ghana and Cameroon, our Child Labor Monitoring and Remediation system program was launched late in the reporting year. As the cut-off date for the data is June 30, 2024, not all our efforts conducted until end of September 2024 are included in metrics. Percentage in Côte d'Ivoire considers total of farmers identified via Cargill Child Labor prediction model.

4 Cargill is not sourcing beans from all farmers supported/registered within Cargill Cocoa Promise network. On top of having an RA or PV certification, Cargill has also activated additional measures in Ghana and CIV to exclude, as much as possible, farmers not having all their cocoa plots polygon mapped or showing signs of deforestation since December 2014 from our sourcing activities.

5 Data related to the Agroforestry programs we implement is coming from partners we work with. These partners follow Cargill's Supplier Code of Conduct, which includes keeping accurate and honest records.

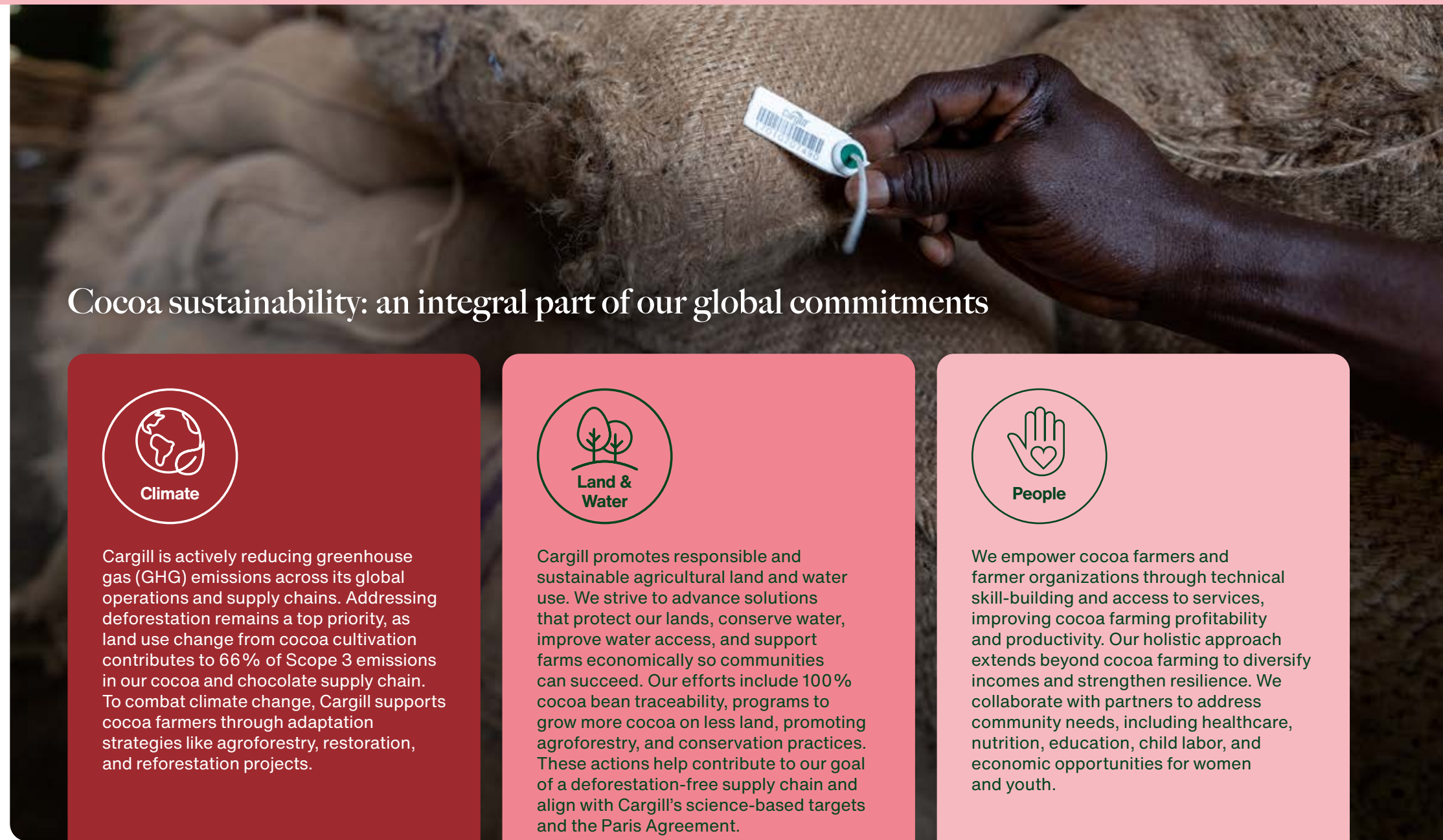
6 The agroforestry programs we conduct with our partners for crop year 2023/2024 run until end of September and therefore numbers were not available at the time of creation of this report.

Focus areas

Delivering on our commitment to more sustainable cocoa

At Cargill, we approach cocoa sustainability holistically, recognizing the deep interconnections of its challenges. Positioned at the heart of the global cocoa supply chain, we bridge the gap between farmers, markets, and customers through innovative solutions. This pivotal position carries both an opportunity and a responsibility to drive lasting change. Through innovation and evidence-based approaches we deploy robust methodologies and trusted technologies for bean-to-bar traceability.

In these unprecedented times, our work remains as relevant as ever. New legislation is coming into force establishing standards across the value chain. This is an opportunity to increase focus on supporting livelihoods. We continue to collaborate closely with farmers, partners, government, and customers, all with the shared goal of fostering a thriving cocoa sector that benefits both people and the planet.



Cocoa sustainability: an integral part of our global commitments



Climate

Cargill is actively reducing greenhouse gas (GHG) emissions across its global operations and supply chains. Addressing deforestation remains a top priority, as land use change from cocoa cultivation contributes to 66% of Scope 3 emissions in our cocoa and chocolate supply chain. To combat climate change, Cargill supports cocoa farmers through adaptation strategies like agroforestry, restoration, and reforestation projects.

[Read more](#)



Land & Water

Cargill promotes responsible and sustainable agricultural land and water use. We strive to advance solutions that protect our lands, conserve water, improve water access, and support farms economically so communities can succeed. Our efforts include 100% cocoa bean traceability, programs to grow more cocoa on less land, promoting agroforestry, and conservation practices. These actions help contribute to our goal of a deforestation-free supply chain and align with Cargill's science-based targets and the Paris Agreement.

[Read more](#)



People

We empower cocoa farmers and farmer organizations through technical skill-building and access to services, improving cocoa farming profitability and productivity. Our holistic approach extends beyond cocoa farming to diversify incomes and strengthen resilience. We collaborate with partners to address community needs, including healthcare, nutrition, education, child labor, and economic opportunities for women and youth.

[Read more](#)

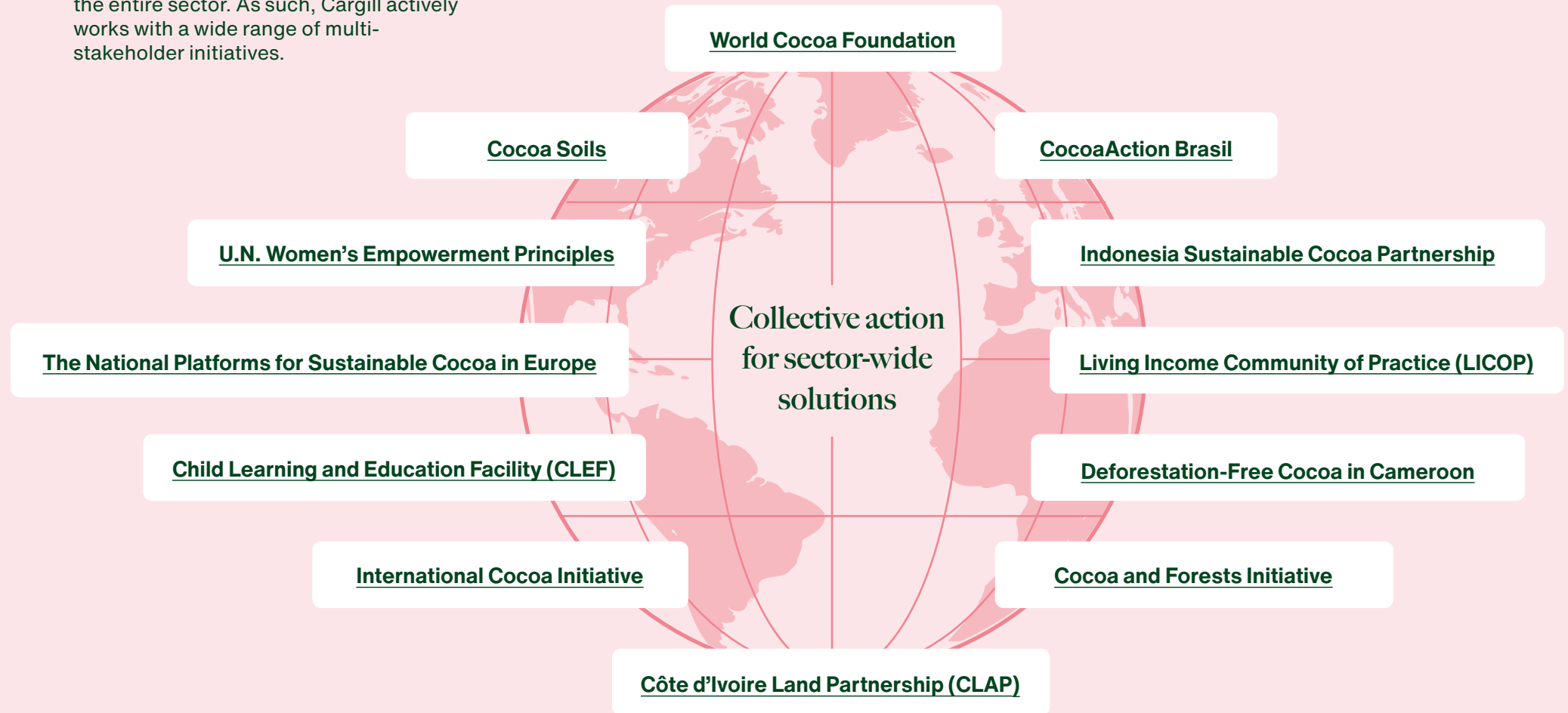
Our Promise solutions

Since 2012, the [Cargill Cocoa Promise](#) has been the cornerstone of our cocoa sustainability approach. Following our [Theory of Change](#) and [Results Framework](#), we continuously monitor and evaluate our programs so we can maximize our positive impact. Our Promise Cocoa is supplied through this program.



Multi-stakeholder partnerships

Sustainability challenges cannot be solved by one actor alone. They require close public-private collaboration and often a pre-competitive environment to enable the development of sector-wide solutions. Nurturing such collaborations is critical for the entire sector. As such, Cargill actively works with a wide range of multi-stakeholder initiatives.



Programs and partnerships

Climate

Climate change is having a direct and growing impact on the food system, the farmers we work with, and our industry. We are making continued progress in reducing our emissions in our operations and provide customers with insights into emission hot spots in their supply chain.

Reducing our operational footprint

To reduce Scope 1 and 2 emissions within our operations, we've implemented innovative strategies that leverage cocoa bean shells from our processing facilities as a renewable resource. Cargill's cocoa processing sites in Ghana and Côte d'Ivoire are now using these shells as a biofuel. The shells are transformed into syngas, which is used for steam production, and biochar, which aids in carbon sequestration. In the Netherlands, cocoa shells will soon fuel a biomass boiler at Cargill's vegetable oils plant.

Cargill embarked on a partnership to introduce a fully electric pusher and four electric barges in the Netherlands, ensuring zero-emission inland cocoa bean transportation.

Moreover, ten of our factories are on track to cut around 1.3 million metric tons of CO₂ emissions over the coming decade by transitioning to renewable energy sources. Learn more in our [Climate](#) section.

Reducing GHG emissions across our supply chain

Looking beyond our own operations into our broader supply chain, rehabilitating landscapes has been a focus across the industry to remove carbon from the atmosphere. Partnering with customer Nestlé we have been rolling out agroforestry initiatives in Côte d'Ivoire: Together with 9,400 farmers, we will plant up to 1.36 million multi-purpose trees. The planted trees are expected to sequester an estimated 290,000 tCO₂eq by 2047. This initiative contributes to the reduction of Scope 3 emissions in the common supply chain of Nestlé and Cargill. We will partner with SustainCERT to validate the project design and methodology against the [Value Change Initiative](#) principles. This validation will help confirm the credibility of our approach to carbon removal monitoring over the project lifetime.



Climate

Evolving beyond cocoa

As global demand for indulgent products grows, consumers seek more sustainable options. To answer consumers' expectations, Cargill partners with **Voyage Foods**, utilizing their patented technology to create even more sustainable and delicious confectionery alternatives to chocolate and spreads with no nuts or dairy used in the recipe formulation. Cargill will exclusively distribute these products under its Indulgence Redefined range, addressing customer preferences for lower carbon footprint solutions.

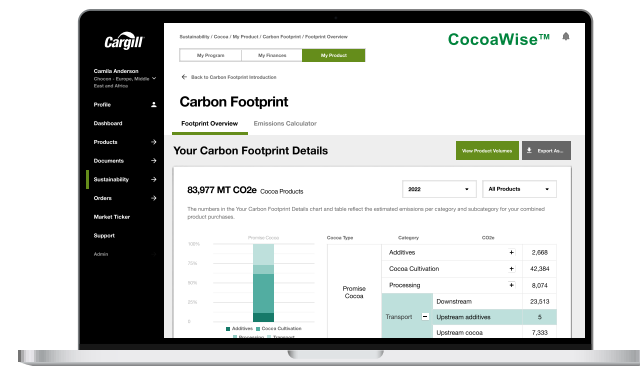
Measuring the carbon footprint of cocoa

In our efforts to increase transparency, we've assessed our GHG emissions related to our cocoa supply chain. Using recognized benchmarks and advanced deforestation assessment methods, we've calculated the footprint of our cocoa and chocolate products. While awaiting the final Land Sector and Removals Guidance from GHG Protocol, we currently rely on established best practices to quantify GHG emissions from land use change, considering deforestation events over the past 20 years. We will continue to ensure the use of cutting-edge methodologies in the coming years, as the developments in this field are fast-paced.

Cargill commissioned studies to evaluate the carbon footprint of three representative cocoa products and five representative chocolate and compound products. The carbon footprint methodology used by Cargill was validated by an external party. Our customers can now access this carbon footprint information through our CocoaWise™ digital reporting platform. The online Carbon Footprint Calculator helps customers gain insights into emissions hot spots in their supply chains and serves as a launching point for more in-depth engagements on climate solutions.

Tracking progress on our environmental outcomes is critical to ensuring we meet our ESG targets. We are building Lifecycle Analysis (LCA) capabilities in alignment with evolving, overarching environmental accounting standards to unlock deeper understanding of our impacts and help our customers make informed decisions about how they can reduce environmental impact in their supply chains.

Results have undergone technical review by an industry leading LCA consultancy. Due to evolving GHG accounting guidelines, results are in the process of being updated to reflect methodology updates.



EU Deforestation Regulation

The EU Deforestation Regulation (EUDR) prohibits placing or making available relevant products linked to deforestation on the EU market. Cargill shares the European Union's objective of combating deforestation and forest degradation linked to the production of agriculture commodities and products. The EUDR reflects many of Cargill's commitments to increasing transparency and traceability in our supply chains. When the regulation takes effect, all referenced supply chains must implement measures to ensure they are deforestation-free.



Land

Sustainable land use is a key cornerstone of our cocoa sourcing activities. Our comprehensive land strategy strives to prevent deforestation and promote forest conservation. This approach also aims to protect biodiversity, educate on soil and water protection, and reduce climate impact due to carbon release. We enhance farmer livelihoods through active collaboration with partners and communities.

Protecting forests

We have developed a robust methodology to understand where deforestation is happening and where forests remain in the landscapes that we source from. Our approach is built on geographic information systems (GIS) software tools, geospatial datasets of land cover (i.e. forests), and methodologies from the World Resources Institute's (WRI) Global Forest Watch platform. By overlaying farm maps with geospatial data, our teams can detect forest cover changes on our cocoa suppliers' farms as well as in nearby forests and protected areas. Cargill has also teamed up with Satelligence, which deploys satellite monitoring technology to detect deforestation in near-real time across Cargill's soy, palm oil, and cocoa supply chains. We follow through with rigorous on-the-ground verification in partnership with Meridia to verify accurate data. The data also tells us which farms are closest to intact forest landscapes and boundaries of protected areas, and thus present higher future deforestation risks.

Honoring our standards, every day

We engage suppliers in high-risk areas to mitigate deforestation. Cargill's corporate Code of Conduct and Supplier Code of Conduct outline ethical expectations for all parties involved in our supply chain. These codes set standards for doing business around the world, based on the company's seven **Guiding Principles**. Outside perspectives, such as Oxfam's agribusiness scorecard, show our steady and consistent progress and help us benchmark best practices and evaluate opportunities for improvement. Additionally, Cargill's cocoa and chocolate grievance process is designed to address human rights and environmental concerns within our supply chain and operations. This procedure ensures a structured, consistent, and transparent approach for resolving grievances.

92%

of farmers polygon mapped and monitored for deforestation risk in our Promise supply chain in West Africa

99%

of mapped cocoa plots in West Africa show no primary forest loss since 2014



“Through an innovative and collaborative effort, Cargill and Meridia established a rigorous field data verification protocol and launched a comprehensive training program for cooperatives. This ensures strict adherence to quality and sustainability standards while effectively mitigating field data risks by verifying field data quality for regulatory compliance. Crucially, this process supports Cargill's sophisticated internal verification system, which works to closely monitor deforestation risks within their supply chain.”

Thomas Vaassen,
Co-founder & CEO
Meridia

Land

Traceability and transparency throughout the supply chain

Through CocoaWise™, our interactive digital reporting platform, we have been providing the relevant data in regard to traceability and transparency to our customers.

- 54% sustainable cocoa volumes sold¹
- 100% of cocoa in our direct supply chain traceable to the first point of purchase
- 76.6% of farmers delivering volume through digital First Mile Traceability within the Promise supply chain

Community agroforestry enhances biodiversity

In Côte d'Ivoire and Ghana, we collaborate with both global and local partners such as PUR, AGROMAP, FOA S.A.R.L, Impactum, and CSIR-FORIG to integrate various agroforestry models into the communities where we source cocoa. The design supports income diversification, biodiversity, and ecosystem services. These models offer farmers a mix of native and naturalized tree species, including fruit and timber trees, tailored to local needs. We continuously work and learn with our partners to ensure our interventions are highly adaptable. Using movies and focus groups, we discuss land tenure and other issues to build trust and encourage adherence to laws.

Clean cookstoves reduce wood consumption

Our approach seeks innovative solutions that benefit both people and the planet. Traditional cookstoves in West Africa use wood, contributing to forest degradation. The clean cookstove project with PUR provides families with cookstoves that have better thermal efficiency and firepower, reducing wood consumption and pollutants. Instead of directly distributing the cookstoves, we train and hire women from the community to build them. To date, 310 cookstoves have been built, with positive feedback from the families using them.

Restoring landscapes in Brazil

In Brazil, where cocoa trees are native, we are planting cocoa trees to support restoration. Together with Algar Farming, we will restore 3,000 hectares previously used for pasture, planting 2,550 hectares of cocoa and 450 hectares of forest. This project includes agroforestry models, ecological corridors, and significant environmental and social benefits for the region.

1,370,000+

multi-purpose trees distributed for on-farm planting

17,200+

farmers applying agroforestry



¹ This represents the percentage of cocoa and chocolate products in bean equivalent sold as sustainable via Rainforest Alliance, Fairtrade, Promise Verified, or customers' own programs.

Water

Reliable access to clean water is essential. To drive climate resilience and adaptation, we need solutions that support soil health, preserve biodiversity, and protect watersheds across the food system. In our cocoa communities we help provide access to clean, safe drinking water and sanitation facilities.

Building farmer knowledge of smart water solutions

Regenerative agricultural practices enhance cocoa cultivation by improving soil health, increasing water-holding capacity, and promoting nutrient retention. These methods not only boost productivity but also contribute to environmental sustainability and long-term farm resilience. We build knowledge and understanding of these practices through our farm training and coaching programs. All our farmers in our direct supply chain are trained on chemicals management, water management, and conservation, as well as wastewater management to protect water resources and improve farm methods.

100%

of farmers in our Promise network receive training on sustainable agriculture and environmental management

Enabling access to safe drinking water and sanitation

In partnership with the Global Water Challenge, the **Cargill Currents program** has benefited more than 95,800 people with improved access to safe drinking water, sanitation, and enhanced water security. In water-scarce communities, addressing water security and providing proper access to water, sanitation, and hygiene (WASH) provides multiple benefits. For example, for women and girls improved water access frees up time for education, work, and income generation. The program has already reached more than 33,000 women.

27

water facilities and boreholes established in West Africa, giving access to clean and potable water

95,800

people benefited from improved WASH access



People

Improving farmers' livelihoods and resilience is central to our program and vital for the cocoa sector's sustainability. We boost productivity with targeted strategies and farm services, turning cocoa science into practice. Our community well-being approach promotes female entrepreneurship, income diversification, quality healthcare, and access to education. We continue to develop a targeted remediation approach to reduce and prevent child labor.

Cocoa farming faces multiple threats

Cocoa farm productivity suffers due to aging trees, pests, diseases, and limited access to inputs and services. Farmers have limited means and access to improve productivity and profitability. The impact of these factors on yield can also be exacerbated by climate change due to unpredictable and changing weather patterns. These factors, combined with the weather effect El Niño, have resulted in a sharp decline in yield in the recent crop year in Côte d'Ivoire and Ghana.

Farm services to boost productivity and profitability

Cargill's farm services model provides high-quality inputs, like seedlings, and professional services like tree pruning and spraying to farmers within our Promise network. Professional farm service groups in Côte d'Ivoire and Ghana have been set up to help improve yield and cocoa income. These groups offer agronomic services and create rural employment opportunities for youth. For our customer Ferrero, we've set up eight pruning groups in Côte d'Ivoire, benefiting 285 farmers.

Our CANOHYE program in Ghana provides quality fertilizer and crop protection products. Through an e-money saving facility, farmers register demand at the start of the crop season and save a portion of their cocoa revenue. Savings are turned into products delivered during farm maintenance, with any remaining balance returned via mobile money. Farmers receive training on proper storage, application, and disposal.

850,000

cocoa seedlings distributed in Ghana to support sustainable cocoa plot rehabilitation

100

cooperative-led pruning groups setup in Ghana



Farm Development Plans form the foundation of our support programs and include key improvement recommendations based on a tailored diagnostic of each farm.

42%

of farmers in our Promise network receive 1-1 coaching based on their Farm Development Plan

People

Turning cocoa science into practice

Our research and development approach has a long-term vision focusing on farm-level outcomes. It is crucial that recommendations are practical, ensuring farmers can adopt the learnings and have access to relevant tools. Collaborating with **Wageningen University & Research (WUR)**, ESPOL University, and Cranfield University, we address topics like soil health, fungal diseases, and biodiversity. In West Africa, we are modelling soil health and connect the findings to GHG, carbon footprint, and yield measurements. In Ecuador, we are taking a pre-competitive approach to explore the future potential of the cocoa sector. Our soil fertilization is part of the cocoa industry initiative, **Cocoa Soils**, which we are a funder and participant of since 2018.

“The Living Income Application project with Cargill was impactful and compelling for us. There was a lot of enthusiasm in the team, as we built data analytics capabilities to advance Cargill’s sustainability objectives. This project exemplifies our joint commitment to using innovative solutions to drive meaningful, sustainable impact.”

Naser Bakhshi,
Partner AI & Data
Deloitte

Living income: targeted approaches, data-driven solutions

We’re advancing cocoa household incomes through research and tailored programs with partners like WUR. Their analysis of more than 90,000 farming households underlines the need for specific interventions based on farmer segmentation, identifying three distinct groups for targeted support. Three main groups of households with different characteristics and needs were identified (see inset).

Through our strategic Living Income partnership with **IDH**, we are developing data-driven solutions to help close the living income gap within the Cargill Cocoa Promise network. By the end of the project in 2025, we aim to have enabled a total of 25,000 cocoa farming households in Côte d’Ivoire to close or significantly reduce (>50%) their living income gap.

One example of a data-driven solution is the digital Living Income Application with Deloitte, which models the impact for targeted interventions on living income gaps and provides a return-on-investment analysis for customers. Our modelling aligns with WUR’s findings, supporting targeted strategies like farm services and cash transfers to increase incomes.

We are also investing in a living income learning partnership with NewForesight and the University of Copenhagen to strengthen our data collection and impact tracking capabilities within our programming.

Advancing cocoa household income through tailored programs

PERSONA 1	PERSONA 2	PERSONA 3
BAKARY (46)	KOUAME (51)	KOFFI (45)
Total household income: 2,520 USD/year	Total household income: 5,180 USD/year	Total household income: 3,550 USD/year
Yield/ha: 663	Yield/ha: 748	Yield/ha: 703
Cocoa farm size: 2.54 ha	Cocoa farm size: 4.14 ha	Cocoa farm size: 3.27 ha
Relevant interventions:	Relevant interventions:	Relevant interventions:
<ul style="list-style-type: none"> • Cash transfers • Off-farm employment support • Community development in close collaboration with communities to address their most urgent needs 	<ul style="list-style-type: none"> • Access to credit and inputs • Payments for ecosystem services • Support for diversification as rural service entrepreneurs (e.g. shops, transport) 	<ul style="list-style-type: none"> • On-farm diversification support for selling non-cocoa farm products • Off-farm employment support for households on the outskirts of the cocoa-growing regions • Cash transfers

People

Income diversification and female entrepreneurship

Our approach to improving household income includes on- and off-farm activities like income diversification and entrepreneurship. Empowering women is one of the most effective ways to ensure more financial security for family expenses.

We have been one of Nestlé’s key partners of the **Income Accelerator Program** (IAP) since its inception. The Royal Tropical Institute (KIT) baseline report of the IAP Program reported a 32% increase in cocoa production and a 38% increase in net income from cocoa and non-cocoa for households in the program. Impact was measured

in 2023 on all households engaged in the program, including approximately 2,000 households in cooperatives engaged through Cargill. The cocoa beans bought from participating farmers are segregated and flow directly into customers’ supply chain. Non-cocoa income sources include horticulture crops, livestock rearing, and rubber.

Through our Women Force program with LadyAgri in Cameroon, we have equipped eight women cooperatives with climate-smart processing equipment. The solar dryers can process up to 500kg of food products per day to support market access, therefore increasing revenue and improve food security for the household. The program is fully endorsed by the Ministries of Agriculture, Trade, and Women, and backed by the local

financial sector. Our Empow’her program in Côte d’Ivoire empowers women by providing literacy training, equipping women with the skills to manage their businesses and gain financial independence. Our mobile nurseries offer childcare solutions, freeing mothers to fully participate in economic activities. Aiding business and infrastructure growth, 23 women’s groups received grants in value approximately \$17,000.

Empowering women for resilient communities

After a successful decade-long collaboration with CARE, we kicked off a third phase of the Promoting a Sustainable and Food Secure World program (**PROSPER III**). The renewed phase will aim to drive deeper impact and help build resilience for rural agricultural communities, especially for women, facilitating access to markets, productive resources, women’s empowerment, and advocacy. The program is active in communities linked to the farmer groups that supply cocoa to our customers such as Ferrero, Mars, and Starbucks. Our current phase strengthens existing frameworks, integrates new communities, and transitions others to self-sufficiency. We’re phasing out external aid to promote local leadership and resilience, empowering communities to sustain and grow projects autonomously as lasting positive effects.

41,500+

members of Village Savings and Loan groups in West Africa

Bringing healthcare to the community

In many rural cocoa-growing areas, access to health consultation is difficult. With Hospitaalbroeders and Ferrero, we partnered to pilot a community health project in Ghana whereby access to health is brought closer to our farmer communities. More than 5,500 cocoa farmers, pregnant woman, school children, and elderly received free health care, consultation, and medicine. Through general screening and home visits, this has been for many the only opportunity to receive a health consultation.

Relief for displaced people in Cameroon

The ongoing conflict in Cameroon’s North-West and South-West regions has displaced more than 600,000 people. Rising prices for food, fuel, and fertilizer have worsened the situation. To help, Cargill granted funds to World Food Programme USA in support of the UN World Food Programme, enabling cash-based transfers for 6,000 people (around 1,000 families). These beneficiaries receive monthly support for six months to cover basic needs like food, education, health, and support in income-generating activities, aiming to later reduce their reliance on humanitarian aid.



People

Expanding our approach to protect children

Our Human Rights Policy confirms our commitment to respecting internationally recognized human rights and sets out our approach to addressing salient human rights issues. Through our strategic partnership with ICI, we continue to evolve and adapt our CLMRS approach, aiming to include the latest learnings and best practices of the industry. Ecuador, our newest cocoa-sourcing origin, is in the process of establishing its child protection scheme. We also continue to work with ICI and Verité to address forced labor.

Our CLMRS program framework uses a prediction model to identify the risk of child labor incidents more efficiently in high priority geographies such as Côte d'Ivoire. Targeting necessary support at child, household, and community level more effectively enables both remediation (such as access to education) and addressing root causes to prevent future cases.

In Indonesia, by adopting the Community-Based Child Protection approach, we strengthen the capacity of local volunteers in Central Sulawesi to protect children's rights in their community.

Championing children's rights

Hans Wengkau, a cocoa farmer, volunteers with the Community-Based Child Protection committees since 2019 in Poso, Central Sulawesi. As a program leader, he plays an important role in educating his community on the rights of children and addressing the misunderstanding of traditionally accepted child labor. Together with customary institutions, he mediates child abuse cases. His commitment has resulted in gradual but substantial changes in how the community perceives and approaches children's rights.

101,100

farmers monitored through CLMRS or comparable due diligence system to prevent and address child labor

The proportion of farmers monitored by CLMRS increased across our sourcing sites, with IVC notably doubling its results since the last report. Varying outcomes across origins reflect different implementation stages, CLMRS program maturity levels, and farmer turnover rates as of the report cut-off date.

Investing in access to education

7,000

teachers trained in evidence-based teaching practices to enhance learning outcomes and increase attendance in elementary schools as part of the CLEF program with the Jacobs Foundation and the government of Côte d'Ivoire

1,900+

birth certificates secured for children in cocoa-growing families in Côte d'Ivoire as prerequisite for access to education

65

schools and 200 classrooms built or renovated in Ghana to support the necessary infrastructure



Assurance report of the independent auditor

To: the Executive Team of Cargill B.V.

Our conclusion

We have reviewed the selected sustainability indicators as included in the Cocoa Chapter of the 2024 Impact Report (hereafter: “the selected sustainability indicators in the report”) of Cargill B.V. (hereafter “Cargill”) based at Schiphol for the crop-year 2023 – 2024 up until June 2024. A review is aimed at obtaining a limited level of assurance.

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the selected sustainability indicators in the Report are not, in all material respects, in accordance with the applicable criteria.

The sustainability indicators in scope consist of the indicators included in the report in the table on [page 69 and 70](#).

Basis for our conclusion

We performed our examination in accordance with Dutch law, including Dutch Standard 3000A “Assurance-opdrachten anders dan opdrachten tot controle of beoordeling van historische financiële informatie (attest-opdrachten) (assurance engagements other than audits or reviews of historical financial information [attestation engagements]).” This engagement is aimed to obtain limited assurance. Our responsibilities in this regard are further described in the “Our responsibilities for the examination of the selected sustainability indicators in the Report” section of our report.

We are independent of Cargill B.V. in accordance with the “Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten” (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence). Furthermore, we have complied with the “Verordening gedrags- en beroepsregels accountants” (VGBA, Dutch Code of Ethics).

We believe the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Reporting Criteria

The selected sustainability indicators need to be read and understood together with the reporting criteria. The reporting criteria used for the preparation of the sustainability indicators are the applied internally developed reporting criteria as disclosed in the section “Dashboard” on [page 69 and 70](#) of the Report.

Cargill is solely responsible for selecting and applying these reporting criteria, taking into account applicable law and regulations related to reporting.

Materiality

Based on our professional judgment we determined materiality levels for each relevant part of the Report/the sustainability indicators and for the sustainability information as a whole. When evaluating our materiality levels, we have taken into account quantitative and qualitative considerations as well as the relevance of information for both stakeholders and Cargill.

Limitations to the scope of our review

The selected sustainability indicators in the “Dashboard” have been established with the use of third-party data as explained in the notes. We do not provide any assurance on the completeness and accuracy of third-party information.

References to external sources or websites related to the sustainability indicators are not part of the selected sustainability indicators itself as reviewed by use. Therefore, we do not provide assurance on this information.

Our conclusion is not modified in respect to these matters.

Responsibilities of the Executive Team for the selected sustainability indicators in the Report

The Executive Team is responsible for the preparation of the selected sustainability indicators in the Report in accordance with the applicable criteria as described in the “Reporting criteria” section of our assurance report. Furthermore, the Executive Team is responsible for such internal control as it determines is necessary to enable the preparation of the selected sustainability indicators in the Report is free from material misstatement, whether due to fraud or error.

Our responsibilities for the review of the selected sustainability indicators in the Report

Our responsibility is to plan and perform our review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The procedures performed in this context differ in nature and timing and are less in extent as compared to reasonable assurance engagements. The level of assurance obtained in a limited assurance engagement is therefore substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We apply the “Nadere Voorschriften Kwaliteitssystemen” (NVKS, Regulations for Quality management systems) and accordingly maintain a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have exercised professional judgment and have maintained professional skepticism throughout the review, in accordance with the Dutch Standard 3000A, ethical requirements, and independence requirements.

Assurance report continued

Our review included amongst others:

- Performing an analysis of the external environment and obtaining an understanding of relevant societal themes and issues, and the characteristics of the company;
- Evaluating the appropriateness of the reporting criteria used, their consistent application related to the disclosure in the sustainability indicators;
- Obtaining an understanding of the reporting processes for the sustainability indicators, including obtaining a general understanding of internal control relevant to our review;
- Identifying areas of the selected sustainability indicators in the Report where a material misstatement, whether due to fraud or error, are most likely to occur, designing and performing assurance procedures responsive to these areas, and obtaining assurance information that is sufficient and appropriate to provide a basis for our conclusion;

- Making inquiries of management and relevant staff at corporate level and those responsible for providing the information for, carrying out internal control procedures over, and consolidating the data to allow reporting on, the selected sustainability indicators in the Report;
- Evaluating the consistency of the selected sustainability indicators with the information in the report which is not included in the scope of our review;
- Evaluating the presentation, structure, and content of the selected sustainability indicators in the Report
- Considering whether the selected sustainability indicators as a whole, including the disclosures, reflect the purpose of the reporting criteria used

We have communicated with the Executive Team of Cargill regarding, among other matters, the planned scope and timing of the review and significant findings that we identify during our review.

Amstelveen, 31 October 2024
KPMG Accountants N.V.
D.A.C.A.J. Landesz Campen RA
Partner

Palm oil

About this chapter

The content in this chapter pertains to calendar year 2023 unless otherwise noted.



Supply chain overview

As a leading producer of palm oil, our operations involve sustainable sourcing, responsible trading, and refining of oil.

Our palm oil production supply chain includes plantations, mills, palm kernel crushing plants, and refineries located across the globe.

We uphold high standards on our palm plantations in alignment with our Policy on Sustainable Palm Oil, including in the areas of human rights, labor issues, and gender equality in our workforce. We work to minimize waste in our operations, converting byproducts into electricity and soil amendments to reduce greenhouse gas (GHG) emissions and improve soils.

While we directly purchase some oil from mills, most is acquired indirectly through traders and refiners. We promote the inclusion of smallholders by strategically purchasing via cooperatives and independently operated facilities to supply the mills we own and operate. This engagement with smallholders is particularly significant because it creates a diverse and resilient supply chain that in turn empowers local communities and provides access to an economic engine. [Learn more.](#)

Elevating Standards

As a founding member of the Decent Rural Living Initiative (see [Focus areas](#), page 89) we authentically promote sustainable agricultural

and labor practices. This initiative strives to improve the social well-being within supply chain communities through the creation of fair wages, transparency, and worker-centric long-term collaborations. By providing smallholders access to competitive market prices for their produce, we increase profitability and contribute to local economic growth and stability, reducing their dependency on single income sources and mitigating the impact of market fluctuations.

“Roundtable on Sustainable Palm Oil (RSPO) members like Cargill represent one of the most pivotal pieces of the supply chain in terms of linking RSPO certified sustainable palm oil (CSPO) to supply chain actors wanting to source CSPO for their consumer products.”

Cameron Plese
Head of North America, RSPO

Cargill owns:

19

refineries

9

mills

3

kernel
crush plants

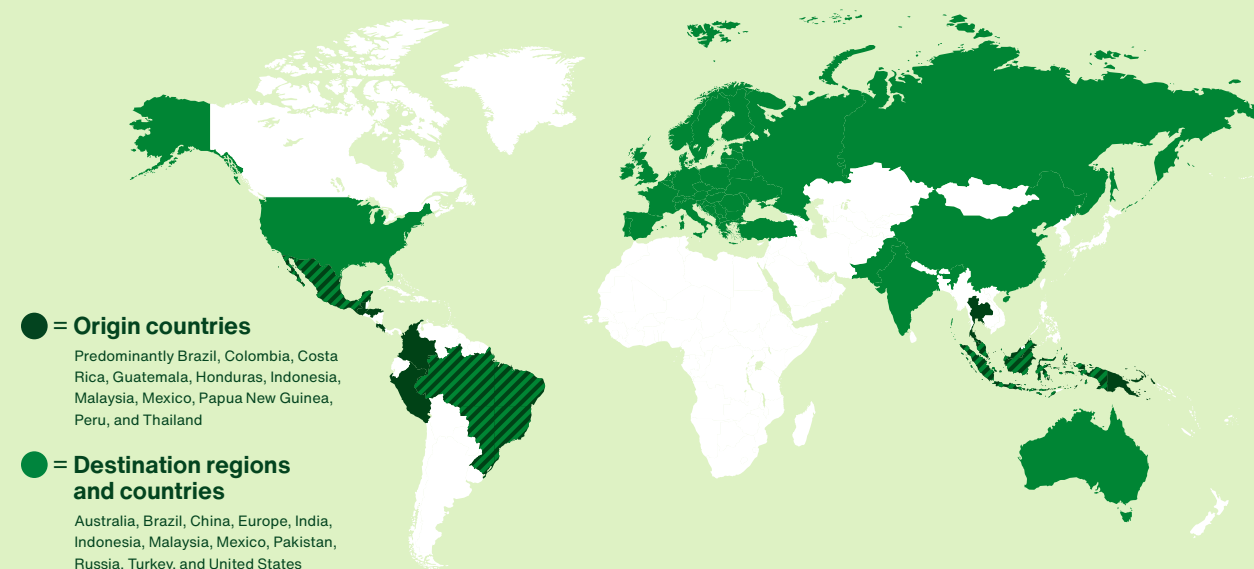
9

plantations

To make our supply chain more resilient, we partner with:

26,400

smallholders on 51,500 hectares of land



[View the locations of our mills on our website.](#)

Palm oil supply chain

2023 progress

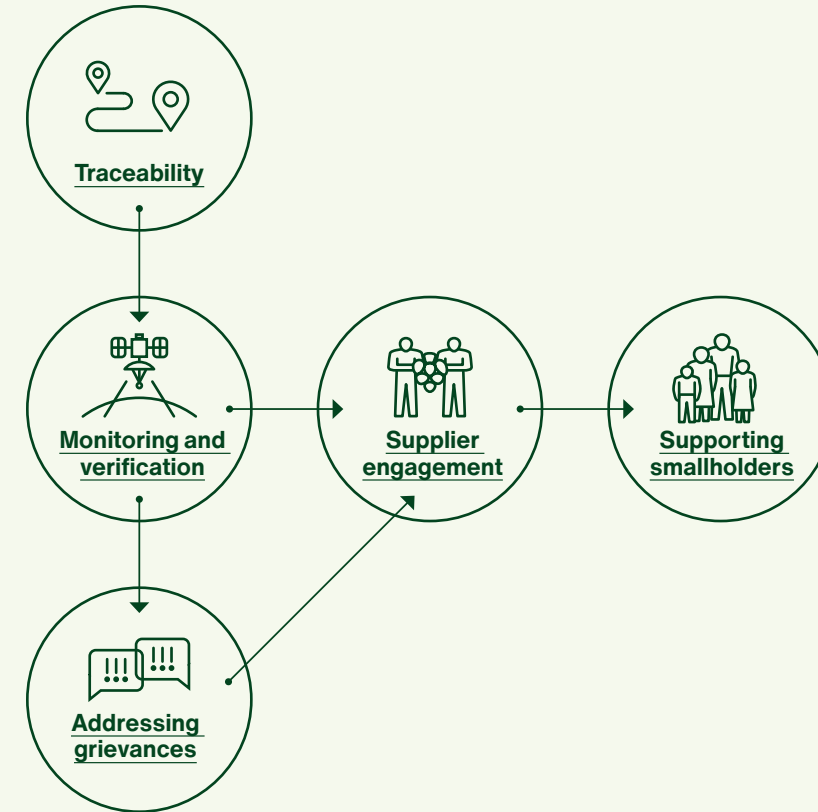
In 2023, we focused on making our third-party supply chain, which represents more than 95% of our total production volumes, more resilient. We have partnered with more than 26,400 smallholders (nearly 3,000 more than last year) across more than 51,500 hectares in our own operations.

Leveraging new technologies and third-party verifications, we have improved traceability, made progress towards a deforestation-free supply chain by 2025, and have reduced our operational GHG emission footprint in Indonesia by 270,000 metric tons of CO₂e. We are advocates for the No Deforestation, No Peat, and No Exploitation (NDPE) Implementation Reporting Framework (IRF) and in alignment with Deforestation and Conversion Free (DCF) practices to prevent deforestation, adapting to new regulations such as the European Union Deforestation Regulation (EUDR), and the German Supply Chain Due Diligence Act (GSCDDA) to improve respect for human rights and the environment. We are actively participating in global sustainability platforms such as RSPO and the Palm Oil Collaboration Group (POCG).

Key highlights

- 100% of our North American Palm is RSPO Certified and 100% of our Indonesian facilities are RSPO and ISPO certified.
- More than 15,600 farmers were certified/verified under a sustainability program, compared to 9,830 in 2022.
- 270,000 metric tons of CO₂e reduced from methane capture initiatives.
- Our global Traceability to Plantation (TTP) increased from 72% in 2022 to 77% in 2023.
- Our refinery volumes in the “Delivering” category of the NDPE IRF increased from 54% in 2022 to 74% in 2023.
- More than 36,800 farmers were supported through services and partnerships, an increase from more than 27,100 in 2022.

How we are protecting forests and human rights in our third-party supply chain



28%
of all volumes are physically certified (RSPO segregated & mass balance)

1,300+
indirect mills

244
direct mills

We approach supply chain sustainability in two key ways:

ASSETS WE OWN

We ensure compliance with our Policy on Sustainable Palm Oil within our own supply chain.

View our Sustainability Policy [here](#).

THIRD-PARTY PARTNERSHIPS

We work with third parties who share our values for transparency, traceability, monitoring, verification, addressing grievances, supplier engagement, landscape initiatives, and smallholder programs. We also require that they acknowledge and adhere to our sustainability policy.

Our goals

Our purpose is to nourish the world in a safe, responsible, and sustainable way.

Protecting and conserving forests

As a global leader supplying sustainable palm oil, we are dedicated to conserving forests, preventing land conversion and deforestation, and protecting high conservation value (HCV) areas, high carbon stock (HCS) forests, and peatlands, regardless of depth within our global supply chain through the High Carbon Stock Approach (HCSA). See our [Policy on Forests](#).

Traceability and transparency

We are committed to maintaining traceability and high transparency standards through:

- Responsible NDPE practices
- Alignment with DCF good practices
- Empowering smallholders by improving their livelihoods through responsible production, maximizing yields and improving quality
- Respecting and upholding the rights of workers, indigenous peoples, and local communities
- Rigorous reporting and third-party verified compliance

We offer RSPO, ISCC, or equivalent certified products in support of customer demands and legal requirements.

Reducing GHG emissions

We achieved our goal of reducing Scope 1 and 2 GHG emissions by 10% against our 2017 baseline, and we continue striving for emissions reductions in alignment with the Science Based Targets initiative (SBTi). See [Climate chapter](#).




Respecting human rights

We prioritize human rights, ensuring fair treatment, safe working conditions, and ethical conduct across our global supply chains. This is detailed in our [Human Rights Policy](#) and is a core aspect of our sustainability practices.

100 % of our North American palm is RSPO certified

Effective January 2024, all customers buying palm oil from our U.S. refineries receive 100% RSPO-certified palm oil sourced from mass balance or segregated supply chains. This strategic shift supports a growing number of customers who have made their own pledge to source responsibly.



Palm sustainability goals and roadmap

PRIORITIES	GOALS	2025	2030
	Climate change	Support our SBTi goal to reduce Scope 1 and 2 absolute GHG emissions in our operations by 10% against a 2017 baseline	Support our SBTi goal to reduce our Scope 3 GHG emissions from our extended supply chain by 30% per ton of product against a 2017 baseline
	Land use	100% traceable to plantation (TTP) All Cargill's palm refineries' volumes are in the "Delivering" category of the NDPE IRF	N/A
	Water	N/A	Enable improved access to safe drinking water in our priority communities in Indonesia for 25,000 beneficiaries Enable a water positive impact in water-stressed regions
	Farmer livelihoods	N/A	60,000 farmers supported through services and partnerships
	Human rights	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	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

Dashboard

We use key performance indicators (KPIs) to monitor progress towards our 2025 and 2030 goals, as shown in the sustainability roadmap dashboard. The 2023 progress column shows our progress compared to the 2022 benchmark.



ROADMAP PILLAR	SUB PILLAR	YEAR	GOAL/KPI	2022	2023 PROGRESS ¹	
 Climate	Climate change	2025	Support our SBTi to reduce Scope 1 and 2 emissions by 10% against a 2017 baseline	10.97% reduction of absolute operation emissions	15.8%	
		2030	Support our SBTi to reduce Scope 3 GHG emissions by 30% per ton of product against a 2017 baseline	–	670,000 metric tons Co ₂ e reduced	
 Land & Water	Land use	2025	100% Traceability to Plantation (TTP)	72%	77%	
		2025	All Cargill's palm refineries' volumes are in the "Delivering" category of the NDPE IRF	54% delivering	74% delivering	
 People	Water	2030	Enable improved access to safe drinking water in our priority communities in Indonesia for 25,000 beneficiaries	1,193 beneficiaries	3,184 beneficiaries	
		Farmer livelihoods ²	2030	60,000 farmers supported through services and partnerships by 2030	27,167	36,817
				Number of farmers who received training	23,149	30,850
Number of farmers who are certified/verified under a sustainability program	9,837			15,652		
Human rights	2025	100% of Cargill-owned palm operations have implemented our HRDD process	100%	100%		
		100% of direct suppliers have human rights commitments in their NDPE policy	72%	82%		

¹ 2022 was the final year of reporting on KPIs that corresponded with our initial roadmap. Going forward, we expect to track year-over-year progress using the new KPIs above.

² Referring to all programs registered up to the end of December 2023.

Focus areas

Cargill owned and managed plantations

We joined RSPO shortly after it was founded in 2004, reinforcing our commitment to sustainable practices across our nine palm plantations in South Sumatra and West Kalimantan, Indonesia. Collaborating directly with smallholder communities, we actively protect human rights, conserve peatlands, and ensure our developments align with HCSA to maintain environmental integrity.

Certification

In 2023, we maintained RSPO certification for every mill and palm kernel crush plant in our operations. 100% of our Indonesian facilities were ISPO certified with a strong chain of custody and compliance.

Reforestation and conservation

After five years of restoration efforts in a peat swamp forest in South Sumatra, we have seen significant improvements. We've committed to investing \$3.5 million over the next two decades to continue these efforts. Careful species selection, tree planting, and conservation monitoring have improved biodiversity and surface water levels to prevent fires.

Our ongoing involvement in the Nanga Lauk community forestry conservation project in West Kalimantan supports indigenous communities in protecting biodiversity and critical ecosystems across more than 1,400 hectares through sustainable land use practices and compliance monitoring. The project is planned to expand to cover more than 9,000 additional hectares.

Methane capture

We have initiated methane gas emissions capture from wastewater treatment facilities at our mills. Two capture plants are operational, while four additional plants are expected to be completed in calendar year 2024. Captured methane at Sei Kerandi Mill powers our mill operations and provides residential electricity, effectively improving energy access and strengthening grid resilience. Additionally, we are actively pursuing opportunities to harness methane captured at four other plants for beneficial use.

Decent Rural Living Initiative

We joined the **Decent Rural Living Initiative** (DRLI) in 2022 as an Anchor Partner in collaboration with four other major oil palm producers to assist in developing long-term solutions to improve lives of rural workers, including women and their families.

270,000 metric tons of CO₂e reduced from our methane capture projects – equivalent to removing nearly 65,000 cars for a year in the U.S.

Source: [Greenhouse Gas Equivalencies Calculator](#)

Our partnership defines and implements practical solutions for child protection and strengthening the role of gender committees on estates for a more gender-balanced industry.

In 2023, we presented our comprehensive Child Rights and Business Principles (CRBP) implementation at the DRLI Members Sharing Session, which covered pregnancy or maternity rights, breastfeeding rights, nutrition and health services, housing conditions, sanitation, water, hygiene, childcare, educational access, child labor, and young workers.

As we implement DRLI principles, such actions align with RSPO standards, bringing farmers one step closer to achieving certification. As the quantity of certified farmers increases within our supply chain, the greater our impact on elevating the standard of living for workers and their families.

Women's empowerment

We launched the CARE-Cargill Resilience Building for Women in Palm Oil Communities project in 2022 to expand equity and empower women in South Sumatra, Indonesia. To date, we have reached over **12,800 people** (60% women) directly and almost **94,000 people** (55% women) indirectly with programs that enable access to technology and markets that help to expand small-scale agriculture profits and improve food security.

Through the national Women's Farmer Group program, we encouraged the formation of nearly 50 all-female groups in over 10 villages with approximately 750 members and supported the establishment of over 220 gardens with equipment, seeds, and extension workers. We promoted financial access with women-led Village Savings and Loan Associations with nearly 400 members.



Traceability

Our approach

We have been using a risk-calibrated approach 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 2023, we made significant strides to close the gap toward our goal of 100% traceability.

99%

traceability to mill level, global score

Destination markets	Palm	Palm kernel
All other markets	100%	100%
China	95%	100%
India	99%	N/A
Pakistan	89%	N/A

77%

traceability to plantation level, global score

Australia/ New Zealand	100%	N/A
Brazil	97%	83%
China	93%	91%
Europe	79%	69%
India	56%	N/A
Indonesia	89%	86%
Malaysia	92%	67%
Mexico	66%	70%
Pakistan	89%	N/A
Russia	95%	69%
Turkey	60%	45%
United States	95%	74%
Other markets	83%	68%

Monitoring and verification

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. Cargill is now working with Earthqualizer and Satelligence to enhance our robust monitoring capabilities in support of our commitment to be deforestation-free in the palm oil supply chain by 2025.

Verifying compliance with NDPE commitments

We leverage satellite technology combined with precise plantation location data to conduct remote monitoring of palm plantations and their adjacent areas. This ensures there are no indications of deforestation or unauthorized activity on peat or forested lands.

99%

of traceable mills covered by satellite monitoring

EU Deforestation Regulation

The EUDR prohibits placing or making available relevant products linked to deforestation on the EU market. Cargill shares the European Union’s objective of combating deforestation and forest degradation linked to the production of agriculture commodities and products. The EUDR reflects many of Cargill’s commitments to increasing transparency and traceability in our supply chains. When the regulation takes effect, all referenced supply chains must implement measures to ensure they are deforestation-free.



Addressing grievances

Our approach

When an issue is identified through our monitoring efforts, we immediately 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](#).

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 the supplier 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 progress

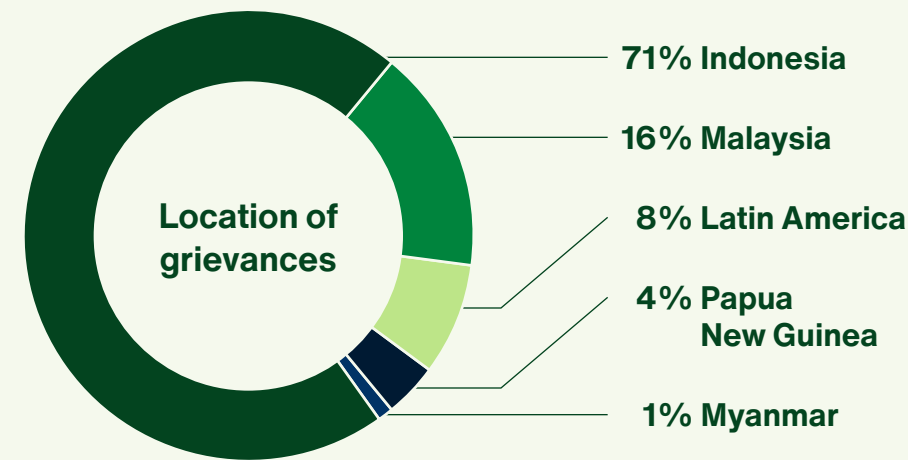
Grievances logged

30

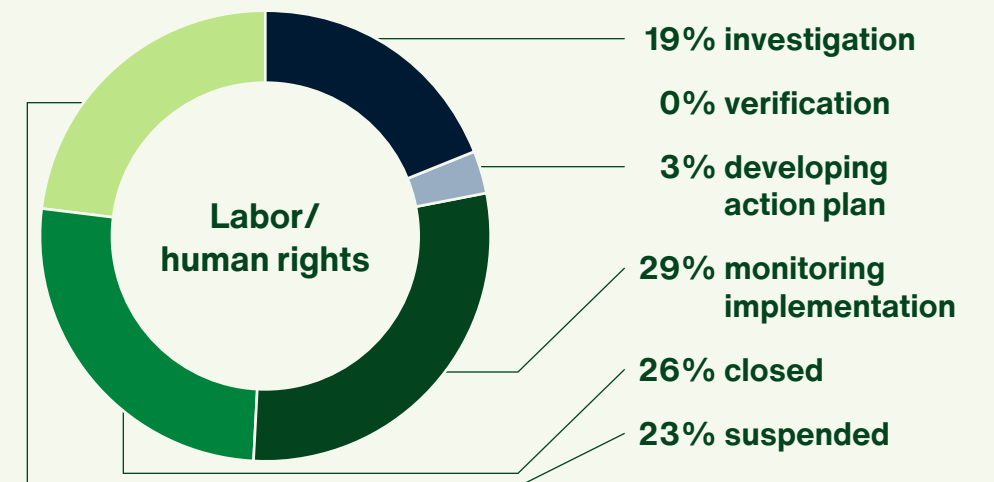
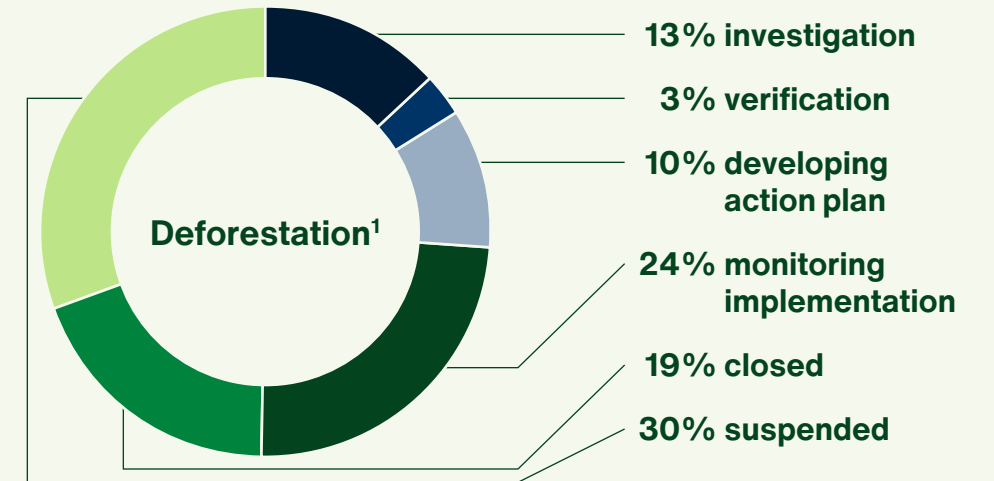
direct third-parties

79

indirect third-parties



Addressing grievances



¹ Percentages do not total 100% due to rounding of decimals.

Supplier engagement

Our approach

We updated our due diligence process, developed in collaboration with the Consortium of Resource Experts (CORE), including Daemeter and Proforest, to enhance our commitment to sustainable sourcing. Our process is now initiated with a required questionnaire for all suppliers, followed by a thorough verification by our team. We continue to improve our processes and align with evolving regulations and customer requirements.

We enforce third-party suppliers compliance with our Sustainable Palm Oil Policy and Supplier Code of Conduct through:

- site visits
- assessments
- hands-on workshops

Our actions

Brazil: The Aggregator Refinery Transformation (ART) program, in partnership with the Earthworm Foundation, supports the improvement of Brazilian suppliers' practices to meet our Policy on Sustainable Palm Oil. In 2023, there was noticeable progress observed during field visits and technical assistance calls. A series of training sessions were organized with over 80 supplier employees, providing technical support on community, individual improvement, and empowerment topics.

Latin America: We expanded our work with palm oil suppliers in Colombia, Honduras, Nicaragua, Guatemala, and Mexico to consolidate our Continuous Improvement Program, supporting over 10 high-risk suppliers to ensure compliance with our Sustainable Palm Oil Policy and NDPE principles. We also helped suppliers implement EUDR requirements, with a significant emphasis on legal compliance and zero-deforestation efforts.

We expanded our training programs, creating capacities with over 100 people from nearly 90 mills in various countries towards EUDR compliance.

We adapted our **Connected4Change platform** to map and enable better deforestation analysis in collaboration with Proforest. This change aims to collect the necessary compliance evidence for EUDR and the Corporate Sustainability Due Diligence Directive (CS3D).

Malaysia: For three years, we worked with Earthworm Foundation to develop a mill-level engagement framework to enhance adherence to our No Deforestation commitment. This 2019 initiative bolstered mills' capacity to gather TTP data and establish robust platforms to govern fresh fruit bunches (FFB) suppliers.

Indonesia: We conducted two new workshops for Indonesian palm suppliers titled "Navigating Global Sustainability Challenges Together" to lay the groundwork for a resilient supply chain. The first workshop in Jakarta focused on mill suppliers, introducing our commitment to eliminating deforestation and conversion-free strategies. The second workshop in Medan engaged refiners, crushers, and traders, emphasizing regulatory readiness and tailored consultations.

Progress

94%

volumes covered by NDPE policy

92%

direct suppliers (traders/refiners) with NDPE policy

Direct mills

68%

completed self-assessments.

87%

with NPDE policy

Third-party suppliers

63

refineries

1,570

mills

Supplier engagement components



Questionnaire and desk-based due diligence



NDPE policy and implementation plan



Self-assessments



Continuous improvement plan



Field assessments



Training

Improving labor and human rights

Our approach

We are committed to protecting the human rights of workers, indigenous people, and local communities in our supply chains as detailed in our **Human Rights Policy** and our **Policy on Sustainable Palm Oil** and in line with international human rights principles and applicable local laws. We support efforts 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.

Colombia: Labor Formalization Project. As a principal collaborator, we play a pivotal role in partnering with the ILO, FEDEPALMA, and other entities to advance decent work, improve working conditions, and ensure compliance with labor regulations in Colombia. This initiative emphasized labor formalization and occupational health and safety through strategic intervention plans that included both in-person and virtual training

sessions. Between 2023 and 2024, approximately 600 workers and producers, received training on these critical topics. By educating companies on the importance of labor formalization and compliance with regulations, we help protect workers' rights, improve working conditions, and promote fair labor practices.

Malaysia: Labor Transformation Program. In 2023, we partnered with Earthworm for a three-year program to address human rights issues in Malaysia's supply chain, focusing on training, assessment, capacity building, and monitoring suppliers on topics such as forced labor, child labor, and land rights.

Human Rights Program. Partnering with a leading global company and NGO implementation partner, we have assessed a palm oil supplier in Sabah as part of an initiative aimed at addressing specific human rights issues, including the risks of child labor, forced labor, and health and safety concerns. The program emphasizes monitoring, addressing, and preventing structural risks. We will continue to work closely with the company and the supplier to review the assessment results and address any gaps identified. In 2023, the first supplier successfully completed the assessment, and another is scheduled to begin in 2024.

ILO Cargill training session in Colombia



KPI progress

82%

of direct suppliers with human rights commitments in their NDPE policy

Landscape initiatives

Our approach

We are committed to facilitating scalable solutions for human rights and eliminating deforestation through authentic partnerships. By actively collaborating with a broad spectrum of stakeholders, including mills, growers, buyers, and public institutions, we address complex, widespread challenges and drive systemic change.

Through landscape-level initiatives and platforms, we address challenges that span geographical and jurisdictional boundaries. We currently participate in eight palm-related landscape programs worldwide.

[Learn more.](#)



Our actions

Colombia: Backed by FEDEPALMA and Proforest, our support for the Lebrija Landscape project continues as the program proceeds with its implementation phase in 2023. We engaged 30 producers from six mills in our supply chain in executing action plans focused on deforestation prevention, conservation, and farm water management. The program offers technical assistance and has conducted two field workshops aimed at equipping suppliers with practical tools for sustainable palm oil production.

- One high-risk and five low-risk mills in the Lebrija River Basin landscape
- Six mills in Cargill's supply chain engaged in the program.

Intel4Value landscape program We collaborate with Solidaridad on two initiatives in Colombia. With the Intel4Value landscape program, we provide support for compliance with environmental commitments among palm producers and workers in the Catatumbo region of Colombia. In 2023, 444 smallholders received specialized training to measure progress made towards sustainability goals and completed the Colombian Sustainability Index baseline to identify gaps in best practices.

Strengthening our partnership We also signed a new global partnership with Solidaridad to provide training in sustainable agricultural best practices and improve compliance with social and environmental requirements for an

additional 520 palm oil producers in Colombia over three years. In its first year, we designed a work plan with six mills in our supply chain to achieve the project's objectives and trained over 70 palm oil producers in best practices.

Malaysia: The global partnership with Solidaridad has also extended our work to Malaysia, where we aim to train over 1,000 smallholders in sustainable agricultural best practices to improve compliance. In its first year, Over 400 smallholders received training in sustainable agricultural practices.

Additionally, our support for the Southern Central Forest Spine (SCFS) landscape program continues into the program's third year focused on supply chain transformation, forest protection and restoration, farmer resiliency, workers, and families. The SCFS has a strong connection with our supply chain in Pahang and Johor and is a co-funding opportunity to drive collective action to address systematic challenges in Peninsular Malaysia, including the shift to 100% traceability and implementing sustainability policies benefiting workers.

To enhance traceability, we engaged in joint workshops with FFB dealers, a strategy expanding to more mills in collaboration with industry bodies. Additionally, we facilitated pilot programs for grievance mechanisms at two mills, ensuring workers' rights in alignment with the United Nations Guiding Principles led by Earthworm.

Impact of Southern Central Forest Spine program (SCFS)

91%

reduction in deforestation in the landscape's key sensitive area

640

farmers engaged in livelihood improvement programs

28%

of palm mills are traceable to plantations

530

direct workers engaged to improve welfare and working conditions

58%

of mills have action plans addressing NDPE commitments

2,000

indirect workers engaged to improve welfare and working conditions

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

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

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

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

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

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

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

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

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

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



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

2023 progress

Year three and final year of Phase 1 implementation:

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



Smallholder programs

Our approach

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

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

Our actions

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

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

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

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

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

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



Soy

About this chapter

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

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



Supply chain overview

Our South American agricultural supply chain business sources soy in Brazil, Argentina, Paraguay, Bolivia, and Uruguay. The business stores, processes, and ships soybeans and other soy products to customers in the region and around the world.

133
country elevators

12
processing plants

20
ports

7
administrative offices

42
commercial offices

How our soy supply chain operates

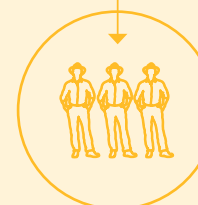
Farm services

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



Suppliers

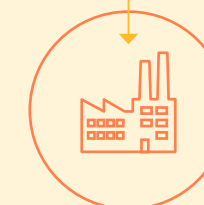
Farmers sell soybeans



Cooperatives and other indirect suppliers buy and sell soybeans

Storage and processing

Our warehouses store beans



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

Ports and transport

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

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

Going forward, we need to continually update our database of polygon maps, because our supplier base shifts somewhat each crop season and we continuously improve the accuracy of our mapping capabilities. Building this database has been a significant milestone in our journey to be able to monitor, report, and take action within our supply chain. It is made possible by the perseverance of our teams across the region to map and validate the operations of many thousands of suppliers.

¹ Source: [Ministerio de Agricultura, Ganadería y Pesca de Argentina \(MAGYP\)](#)

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

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

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

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

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

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

How we calculated our DCF figures

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

Once these farm boundaries were identified, we analyzed historical satellite images from the U.S. Geological Survey and data from the University of Maryland to determine the percentage of soy volumes that came from farms where land had not been converted from native vegetation.

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

with our market share in the local area to arrive at a DCF percentage for our indirect supply in each municipality.

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

Focus areas

Sustainable soy from South America

Our businesses source soy from all the major growing regions in the world. We are focused on South America as the highest-priority region for soy sustainability because it is home to vital landscapes such as the Amazon, Cerrado, and Chaco biomes that must be protected. Meanwhile, the region has grown rapidly in the last few decades to become a major source of the world's soy, and this growth has underpinned many rural economies and communities. We believe that forests and farms can and must co-exist, and our approach to enabling this is outlined in our [Policy on Sustainable Soy – South American Origins](#).

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

Jose Palacios

Global Procurement Manager of Soybean Oil for Nestlé

Read more about 3S on [page 112](#).



Our commitments



Transforming our soy supply chain to be **deforestation-free** while protecting native vegetation beyond forests



Promoting **responsible production**, which benefits farmers and surrounding communities



Respecting and upholding the **rights of workers, indigenous peoples, and communities**



Upholding **high standards of transparency** through reporting of key metrics, progress, and grievances

Due diligence and traceability

Ensuring due diligence

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

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

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

100,000+

Number of polygons we mapped in South America for soy production

1

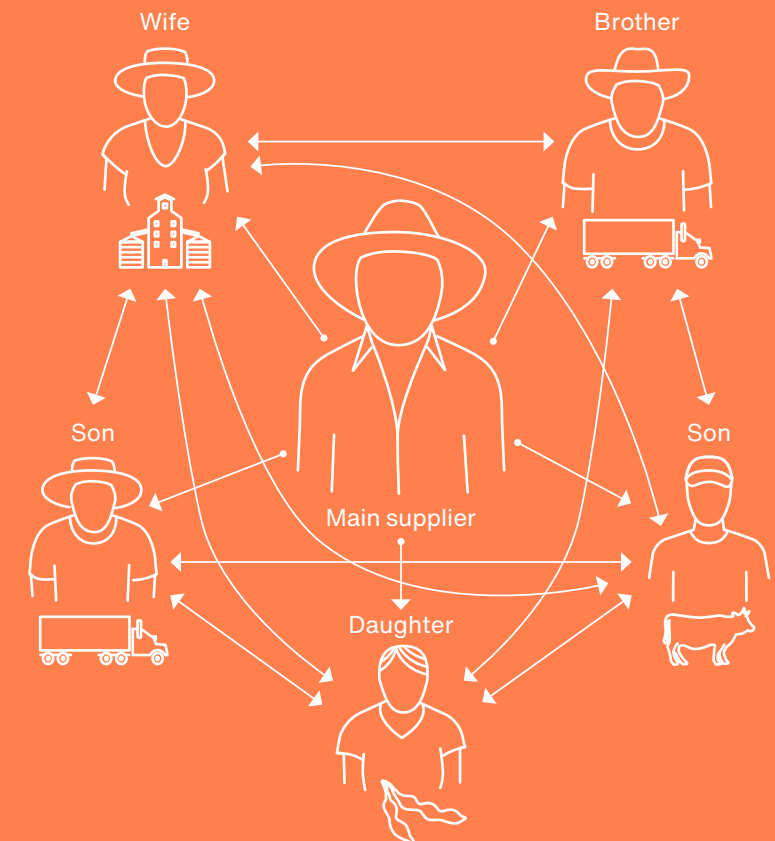
Mapping

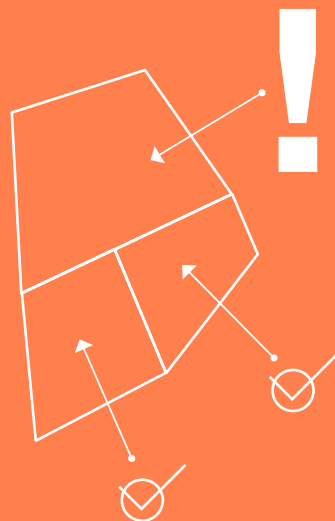
Mapping farm polygons is the first step in ensuring due diligence, but we do not stop at identifying where a farm begins and ends. A farmer may have many commercial relationships with family members and affiliated business entities, making it hard to determine who grew the soy being sold to us based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

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

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

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





2

Validating

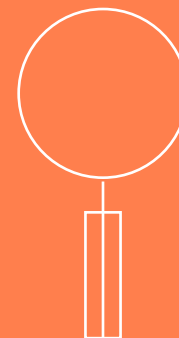
When direct suppliers deliver soy to us, they indicate the farm polygons where soy is planted. Whether they are new or returning suppliers, they share geospatial information and documentation to be enrolled in our commercial system. In addition to overlaying potential risks against these polygons, we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



3

Blocking

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



4

Responding

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



How and why we block farms

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

Every day, our automated system consults lists managed by various government agencies and sectoral organizations. When a farming operation appears on one of these lists, it is immediately blocked so it is not eligible to sell soy to us.

We also block other farms registered to the same person or entity in the state, as well as those with whom they have a close commercial relationship. These affiliated farms cannot be unblocked until we conduct a thorough analysis to help ensure that soy from the violating farm is not being rerouted and sold to us through the affiliated operation.

Each new crop season, we re-evaluate these commercial relationships and check to ensure that affiliated farms still are not rerouting soy from blocked commercial partners.

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

Blocked farms in Brazil by list for calendar year 2023

		<i>Number of farms we blocked</i>	<i>Additional operations we analyzed to avoid rerouting of soy from restricted areas</i>
Federal lists	IBAMA	464	343
	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		
	ICMBIO	16	24
	Covering all protected conservation areas within Brazil, this list includes embargoes for deforestation violations inside those areas		
	Slave Labor List	35	15
	Including all of Brazil, this list marks suppliers accused of making use of workers under conditions analogous to slavery according to Brazilian laws		
State lists	Embargoes Mato Grosso	127	521
	A list managed by the state's environmental agency recording all environmental violations		
	List of Illegal Deforestation (LDI) from Pará	38	2
	A list run by the state's environmental agency covering illegal deforestation		
Sectoral lists	Green Grain Protocol	93	19
	This is part of a commitment signed in 2014 that establishes criteria for responsibly purchasing grain from farms operating in Pará		
	Amazon Soy Moratorium	126	54
	Managed by the Soy Working Group, this list monitors all types of conversion of native vegetation to soy production in Brazil's Amazon biome		
TOTAL		899	978

Addressing grievances

Our system of controls for due diligence is thorough, but we also welcome concerns from third parties when they feel something is not right. We take immediate action to investigate when we receive reports of a problem related to our supply chain. Our **[grievance process](#)** lays out a transparent mechanism for us to review, address, and monitor any concerns as they are raised to us in relation to compliance with our soy policy. This includes documenting who raised the grievance, the farms or organizations being investigated, the status of our investigation, and our findings.

We take grievances seriously. We do not tolerate retaliation against anyone who, in good faith, raises a concern or participates in an investigation or whistleblowing. We prohibit harassment, intimidation, and the use of violence by any employee, supplier, or third-party contractor throughout engagement in our grievance process. Additionally, all suppliers are subject to Cargill's **[Supplier Code of Conduct](#)** and our **[Policy on Forests](#)**.



326

soy-related grievances were reported in our system during calendar year 2023

72 grievances were related to our supply chain or operations



254 grievances were unrelated to our supply chain or operations



Programs and partnerships

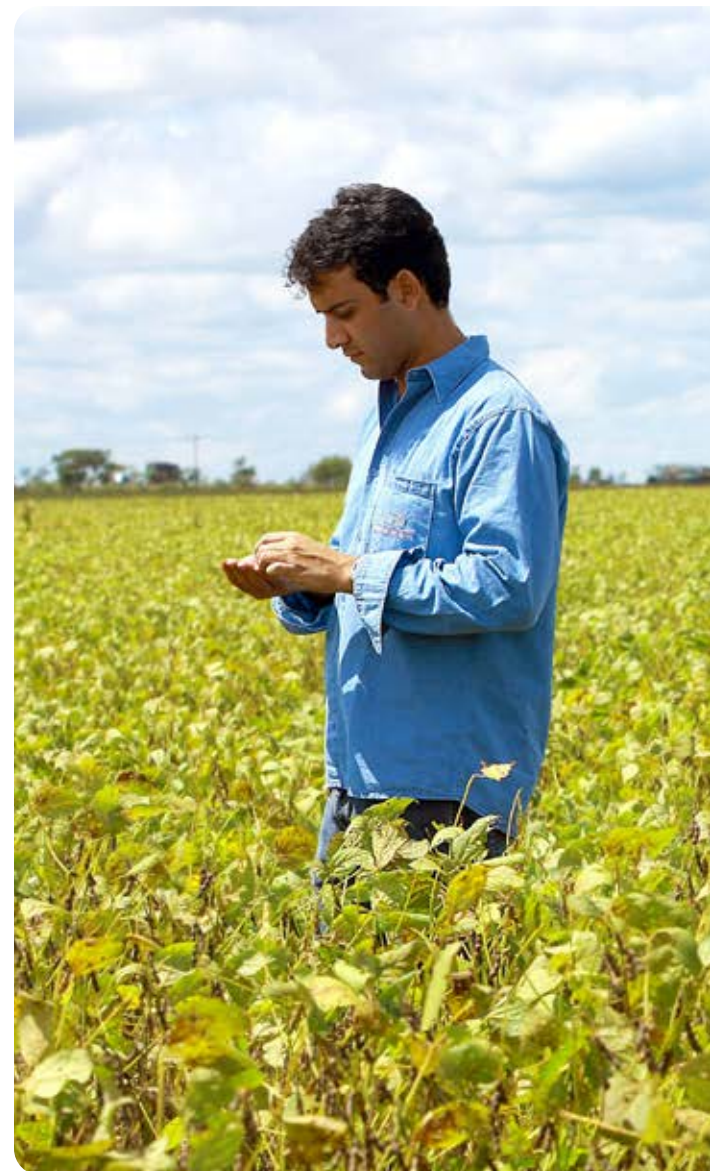
Two frameworks, one commitment

We remain deeply committed to building a more sustainable soy supply chain and halting deforestation connected to the soy we source as part of [our larger approach to land use](#). To do this, we are accelerating progress against our own company target and working with industry peers, farmers, and other stakeholders to drive systemic transformation. This dual approach will help ensure that soy from South America can continue to support global food security and local livelihoods while also protecting the planet.

“Getting deforestation and conversion of natural ecosystems out of soft commodity supply chains is one of the most significant things a business can do for people, nature, and climate. Cargill’s new commitment aligns with a vision that it’s possible to produce food while protecting vital ecosystems.”

Craig Hanson

Managing Director of Programs
WRI



An accelerated timetable

On our pathway to ending deforestation and conversion across our South American soy supply chain by 2030, [we announced in November 2023](#) an accelerated commitment that will help further protect the region’s critical ecosystems. By the end of 2025, all the soy we originate in-country from both direct and indirect suppliers in Argentina, Brazil, and Uruguay will be DCF. This will include both legal and illegal conversion, validated by our leading traceability system.

It’s a testament to our resolve for making real, tangible progress, and it’s been made possible by the hard work of our local teams over the last several years. They have incorporated global Cargill expertise to build an operational model that will enable us to continue connecting soy farmers to world markets.

We are also leveraging the World Resources Institute’s (WRI) geospatial expertise, and other monitoring, reporting, and verification capabilities will help us deliver on our 2025 commitment.

A shared objective

Because no one company can drive systemic change alone, we have joined with several other leading processing and trading companies on the [Agriculture Sector Roadmap to 1.5°C](#). It aims to accelerate existing action on eliminating deforestation linked to soy and other commodities and align with global climate goals in a way that contributes to food security, economic development, and farmer livelihoods. As a sector, it commits us and other signatories to ensuring that all soy we source from the Amazon, Cerrado, and Chaco biomes is deforestation-free by 2025.

Since the roadmap’s launch at COP27, we have been working with other signatories to implement the roadmap collectively and individually. The signatories have established a series of working groups to coordinate our independent efforts and we have actively engaged and advanced several initiatives that allow us to drive impact at the scale needed to achieve long-term, sustainable change.

Programs for regenerative agriculture

As our climate changes, it's clear that our food system needs to change along with it — starting at the farm. Regenerative agriculture practices have the power to sequester greenhouse gas (GHG) emissions, improve water quality and use, and build up healthy soil for the next generation. In South America, we are working to make these practices commonplace by supporting farmers in adopting them.

A one-stop shop in Brazil

To showcase to rural farmers in Brazil that sustainability can empower their operations financially, we launched ReSolu, a new offering that serves as a one-stop shop for them to commercialize regenerative agriculture.

ReSolu is focused on helping farmers adopt sustainable practices in established agricultural areas to improve soil health, as well as helping transition degraded areas to agriculture through agronomic management and regenerative approaches. We built ReSolu using our local expertise, informed by lessons learned from other geographies where we have established ourselves as a market leader in regenerative agriculture with offerings like the award-winning Cargill RegenConnect®.

In addition to giving farmers access to new potential revenue streams and strengthening the resilience of their land, ReSolu will help combat climate change and provide other environmental benefits. We are currently enrolling farmers for this upcoming crop season.

ReSolu's all-in-one approach to regenerative agriculture

Agronomic technical assistance

Helping farmers implement regenerative agricultural practices in the field through regular consultation with our agronomic team

Portfolio of crop inputs

Providing fertilizers, cover crop seeds, and other inputs, often with better financing conditions and incentives due to their participation in the program

Access to green financing

Offering long-term financing through Cargill's banking business in Brazil to help farmers transition practices and bring degraded land into agricultural production

Carbon measurement

Verifying the outcomes of regenerative practices and overall improvements to soil health through leading measurement tools



Programs for regenerative agriculture

Additional work to help soy farmers implement regenerative agriculture in South America includes:

- Identifying risks:** In Brazil's Maranhão state, we conducted a pilot with agtech firm LandPrint to deploy a digital environmental rating system that would help farmers quantify how their operations impact the surrounding landscape. At scale, such a system could help farmers understand material risks, maintain access to markets and financing, and ultimately incentivize more sustainable agricultural practices. In addition to trialing the system across 5,000 hectares with local farmers, our work together also included farmer training workshops on transitioning to regenerative agricultural practices in their operations. With LandPrint, we also explored how the rating system could help support outcome-based financial mechanisms to incentivize such transitions for farmers.

- Developing a low-carbon soy protocol:** We continued to partner with Embrapa, Brazil's government agency for agricultural research, as well as other companies in the sector to develop **a protocol for low-carbon soybeans**. This protocol will identify the attributes of soy production that account for lower carbon compared to conventional practices, with the goal of establishing a certification label for the market. In the first year of soil sampling to start testing the protocol in the field, soil samples were gathered from 67 farms. We look forward to generating results in the next year that will help differentiate low-carbon soy.
- Quantifying benefits:** We also continued to support **Regenera Cerrado**, a broad environmental study into the benefits of adopting regenerative agricultural practices in the Cerrado biome. In partnership with Embrapa, Instituto Forum do Futuro, Instituto BioSistêmico, and more, our commitment of \$1 million to the project has now covered one full soy crop and corn crop season. Research partners include Goiano Federal Institute, Federal University of Lavras, Federal Rural University of Rio de Janeiro, Federal University of Viçosa, University of Brasília, and State University of Campinas. Researchers are working on 12 farms across 1,600 hectares in Goiás state, with preliminary results pointing to better soil health, easier pest management, and stronger prevalence of pollinators — as well as lower production costs and higher profitability for farmers.

“The Regenera Cerrado program is of great importance to reassure other producers to also follow the path of producing healthier food and taking even more care of the workforce and our environment.”

Marion Kompier

Soy and corn farmer
in Rio Verde, Goiás



Our regenerative agriculture programs in South America include more than

74,000 hectares

Land Innovation Fund

The **Land Innovation Fund for Sustainable Livelihoods** was created by Cargill to foster innovative, farm-focused solutions for a sustainable, climate-smart, DCF soy supply chain in South America's Amazon, Cerrado, and Chaco biomes.

Having completed **three years of activity**, the Land Innovation Fund has catalyzed learning about what it will take to drive transformation across the soy sector. Across dozens of projects — some completed, many still underway — the Land Innovation Fund and its partners have developed innovative solutions ranging from new technologies to public policy design and beyond. These have helped drive conversation and collaboration at the local, national, and regional levels.

Projects have also made a significant impact at the farm level, including 2.5 million hectares across all three biomes. Today, 2.2 million hectares are being monitored for environmental compliance and deforestation-free production by solutions developed with the Land Innovation Fund's support. And 41,000 hectares of forests and native vegetation in threatened ecosystems have avoided conversion as farmers have committed to deforestation-free production while participating in its projects.

Photo credit: ILPF Network Association



A snapshot of the Land Innovation Fund's first three years:

2.5 million
hectares impacted

44
projects funded

54
partner institutions engaged

70
innovations supported

2,100
farms participating

41,000
hectares of deforestation avoided based on farmer participation in projects

Land Innovation Fund

These three projects offer a diverse sampling of the different kinds of collaboration, creativity, and solutions that the Land Innovation Fund supports.

Exploring regenerative practices in Bolivia

Currently ongoing in eastern Bolivia, the PRIAS project promotes regenerative, low-carbon agricultural practices on soy and cattle farms in a transition zone between the Chiquitano, Chaco, and Amazon ecoregions. The aim is to increase crop yields and curb the clearing of forests and native vegetation through regenerative practices that are novel in the country, focusing on soil restoration with a conservation approach. So far, 43 farms are participating in the project, representing more than 120,000 hectares of production. Pilot plots across 400 hectares will provide results that enable farmers to scale up to larger areas, making use of a cutting-edge soil and carbon analysis laboratory that employs technology originally developed by NASA for samples on Mars.

Partners: Foundation for the Conservation of the Chiquitano Forest (FCBC), Regional Consortium for Experimental Agriculture (CREA) in Bolivia, Conservation Strategy Fund (CSF)

Photo credit: Foundation for the Conservation of the Chiquitano Forest (FCBC)

An innovation ecosystem for sustainability in the Cerrado

From 2021 to 2023, the Sustainable Soy in the Cerrado program has supported 28 startups to help protect the Cerrado biome. This groundbreaking initiative has enabled 22 startups to accelerate 18 technological solutions, leveraging expertise from across the sector and offering a unique model to drive innovations for the farm. In particular, the Startup Finance Facility financial mechanism has provided the funding for cultivating a broad range of solutions across environmental compliance, traceability, carbon markets, regenerative practices and soil health, and biodiversity monitoring, among others.

Partners: PwC AgTech Innovation, CPQD, Embrapa, Embrapii

Monitoring carbon and biodiversity in Argentina and Paraguay

This project seeks to better understand the symbiotic relationship between farms' productive areas and conserved areas, as well as how this interaction affects biodiversity and carbon stocks in the soil. On 34 farms covering 154,000 hectares in both Argentina and Paraguay, farmers are receiving tailored recommendations to improve yields and ecosystem services at the same time. This work will pave the way for these farmers to enter carbon markets while also providing data for other farmers' decision-making on a landscape scale.

Partners: ProYungas Foundation, Argentine No-Till Farmers Association (AAPRESID), Moisés Bertoni Foundation



Helping farmers boost sustainable production

Farmers are the key to driving transformation in the soy sector, and solutions need to work for them. Cargill's 3S program, previously known as Triple S, connects farmers to our downstream soy customers that value sustainability. Farmers enrolled in the program can earn a premium in some regions for committing to certain criteria, and they receive technical support from our partners to help them along the way. This is one reason why 3S has long served as a model for continuous improvement in more sustainable soy production.

As part of our new three-year partnership with Solidaridad, we will ramp up work already underway with soy farmers in South America, enhancing conservation, responsible land use, and data collection. The organization has been working with soy growers in Paraguay since 2019 to help them meet the standards of 3S.

4.25 million hectares

Amount of land we are monitoring across South America as part of certification and verification programs such as 3S

For instance, farms enrolled in 3S must have a clear land title, comply with local laws, handle agrochemicals responsibly, and avoid child labor, and the soy they produce must be DCF. Then, farmers implement recommendations for practices related to water quality, regenerative agriculture, and employee training and safety. Solidaridad works with farmers to promote these practices, assess their adoption on the farm, develop individualized action plans, and monitor improvement.

“AB Agri are proud to work closely with our suppliers to establish supply chains that incentivize growers to eliminate deforestation. I have had the opportunity to visit Brazilian soy farmers meeting the requirements of the Cargill 3S program, which includes not deforesting since 2008. Cargill 3S is an approved responsible sourcing scheme for AB Agri, and I believe it makes a real difference at the ground level.”

Hugh Burton

Senior Raw Material Manager
AB Agri

Carl Bielke is a partner at TRACTUR SACI., a soy farm in Paraguay **that has worked with Solidaridad to get enrolled in 3S**. As he puts it: “The program really matched our philosophy: no polluting, no destroying, and trying to leave the place in a better shape than when we arrived.”

Cargill also works with additional partners in other South American countries to continue strengthening the 3S program overall. This year in Brazil, we expanded 3S to Bahia with technical

partner Produzindo Certo, while continuing to work with Instituto BioSistêmico in other Brazilian states as we have in the past. And we are also in the process of relaunching 3S origination in Argentina.



Other engagement across the sector

Getting ready for EUDR

The EUDR prohibits placing or making available relevant products linked to deforestation on the EU market. Cargill shares the European Union's objective of combating deforestation and forest degradation linked to the production of agriculture commodities and products. The EUDR reflects many of Cargill's commitments to increasing transparency and traceability in our supply chains. When the regulation takes effect, all referenced supply chains must implement measures to ensure they are deforestation-free.

Engaging with indirect suppliers

To ensure due diligence on human rights, we engaged with our indirect suppliers in Bolivia and Brazil to set clear expectations around our own policies and understand the policies and

processes they have in place. In Bolivia, the engaged indirect suppliers represent the major crushing companies in the soy sector and make up almost 100% of the volumes we originate from the country.

Supporting a smart mix of solutions

As members of the Soft Commodities Forum (SCF), we continue to support implementation of the Farmer First Clusters. This initiative employs a tailored, smart mix of farmer-focused solutions in different landscapes of Brazil's Cerrado biome to address deforestation and conversion. With design completed in 2023, soy farmers have begun enrolling in Farmer First Clusters, **with nearly 200,000 hectares signed up** by early 2024.