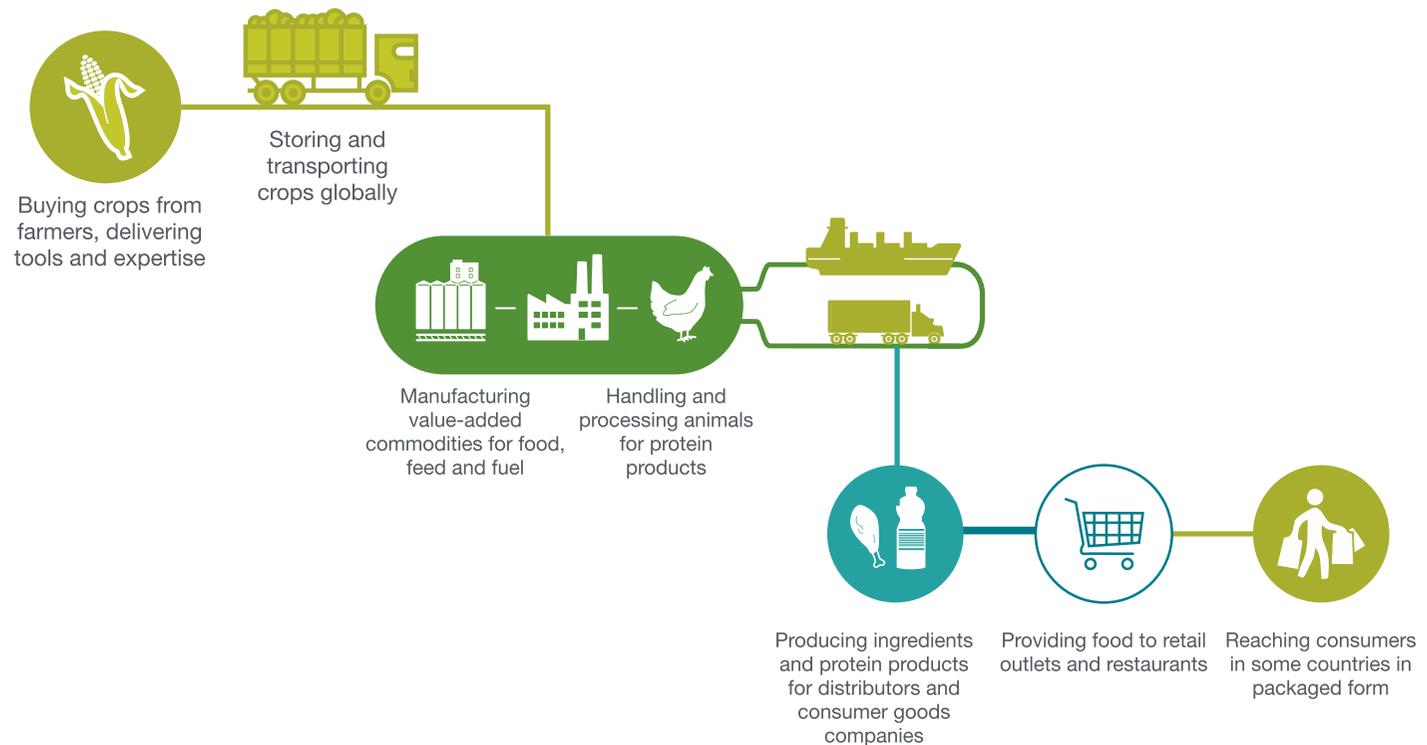




Cargill provides food, agriculture, financial and industrial products and services to the world. Together with farmers, customers, governments and communities, we help people thrive by applying our insights and over 150 years of experience. We have 155,000 employees in 70 countries who are committed to feeding the world in a responsible way, reducing environmental impact and improving the communities where we live and work.

## CONNECTING FARM TO PLATE



# Making a lasting impact

Cargill continues to deliver on our corporate responsibility and sustainability initiatives in the Asia Pacific region. Our charitable giving in this region for 2017-18\* was over USD 13 million to advance programs that made a difference across three core pillars: nourishing the world, protecting our planet and enriching our communities.

This report highlights our efforts to contribute to the social and economic development in three of the world's most populous countries and important growth markets for Cargill globally: China, India and Indonesia.

## Delivering shared value

Corporate responsibility and sustainability continue to become increasingly interweaved with our business objectives. They serve as our social license to operate as we demonstrate how our contributions improve the lives of farmers and help grow the local economy. In the past year, we partnered with local governments, NGOs and industry bodies to improve the lives of more than 1.3 million people in rural communities across Asia Pacific through farmer productivity and financial training, nutrition programs and school building exercises.

## Leveraging partnerships

We remain committed to working closely with governments in the region to develop corporate responsibility programs that

are aligned with their own economic and social objectives. Key highlights of 2017-18 included our work with the Indian authorities to advance food security in the country, our partnership with the Chinese authorities to educate manufacturing companies about the importance of environmental protection, and our efforts to establish 100 percent transparency in our palm oil supply chain starting at the source in Indonesia.

## Unwavering commitment to sustainability

We are on track to meet our 2020 goal of building a 100 percent transparent, traceable and sustainable palm oil supply chain and we continue to advance towards our 2030 goal of eliminating deforestation in our supply chains. We are consistently and transparently reporting our progress on our commitments related to addressing issues of deforestation, development on peat areas and exploitation of labor and communities and inclusion of smallholders (NDPE), while creating a clear roadmap and indicators to measure our progress.

## It is only the beginning

Going forward and being passionate about our purpose to nourish the world in a safe, responsible and sustainable way, we will continue investing in local communities through economic development and partnerships combined with the volunteer efforts of our employees. Working with farmers, customers, communities and other partners, we look forward to bringing about meaningful change.



**Peter van Deursen**  
CEO, Asia Pacific

\*Cargill follows fiscal calendar from June 1 to May 31. The period considered for the purpose of this document is FY 2017: June 1, 2016 to May 31, 2017 and FY 2018 YTD Q3: June 1, 2017 to Feb 28, 2018

# Leading bold impact for change in Asia



## Growing outreach

-  USD 13 million annual charitable contribution in 2017-18 in Asia
-  1.9 million farmers taught sustainable agricultural practices
-  100 million consumers reached annually through fortified edible oils in India



## Nourishing our world

-  1.1 million people impacted by Cargill-CARE partnership in India in the last decade
-  470 women farmers to be supported by Cargill-Heifer partnership in China by 2020
-  100,000 rural citizens impacted by Cargill-WFP partnership in Indonesia



## Protecting our planet

-  150,000 trees planted in Indonesia
-  100% transparency, traceability, sustainability targeted for palm oil supply chain by 2020
-  1,000 Philippino farmers trained, 300 certified in sustainable coconut oil production



## Enriching our communities

-  85 schools built in Vietnam impacting 13,000+ children annually
-  18,000 children impacted through education programs in Indonesia and China
-  100,000 people provided better healthcare services in India, Thailand, Indonesia

## Adding bite to Indonesia's food system

The World Economic Forum (WEF) in its 2016 Global Risks study has pointed to food security being a Number 1 risk for nations, a challenge that is particularly significant in the Asian continent, where problems related to hunger are most acute.

Recognizing this as a key issue impacting its own economy, Indonesia has been focused on how it can provide food to its population that is nutritious, healthy, sustainable and above all secure and safe. In order to support the government of Indonesia in these endeavors Cargill in Indonesia has rolled out programs that aim to play a transformational role in the country's food and food security system and prepare it for exigencies going forward.

Recognizing that child nutrition is a crucial element for Indonesia to continue to thrive, Cargill has been working to blend education with nutrition and a healthy lifestyle, to build a robust pipeline of workers for tomorrow.

At another level, Cargill has been lending a helping hand in particular to cocoa, oil palm plantation and coconut farmers through trainings on Good Agricultural Practices (GAP), intercropping and enhanced farm management skills and the strengthening of farmer groups. These initiatives have helped them to enhance crop yield, improve their livelihoods, access marketplaces, become 'Sustainable certified' and build transparency in their supply chains.

Farmer livelihoods have been additionally impacted through a host of local economic empowerment initiatives and a Rural Development Campaign. Whether it is preserving and promoting the age old method of dyeing—Batik or helping chicken, fish, and goat farmers to scale incomes, Cargill has increased its outreach.

As an effort targeted at enriching communities that surround its centers and facilities, Cargill has been enhancing the infrastructure of schools, built roads, as well as sports and health facilities, creating a state-of-the-art educational foundation for a better life for children.

Interestingly, and spurred by the great forest fires that had Indonesia in their grip in 2015 and grew into a major life and environment hazard, Cargill has been working on an on-going program to free villages from fires and decrease the number of fire incidents, together with the Indonesian government.

Pursuing the path of sustainability, Cargill in Indonesia has been working to reverse the impact of deforestation and save the Anoa, an endangered miniature water buffalo that lives only in that country.

Cargill has stayed on its chosen tracks in the area of corporate responsibility and sustainable development in Indonesia, delivering on the promises it has made to nourish Indonesia and mainstream its marginalized.



**Arief Susanto**  
Country Representative, Indonesia

# Key milestones in Indonesia

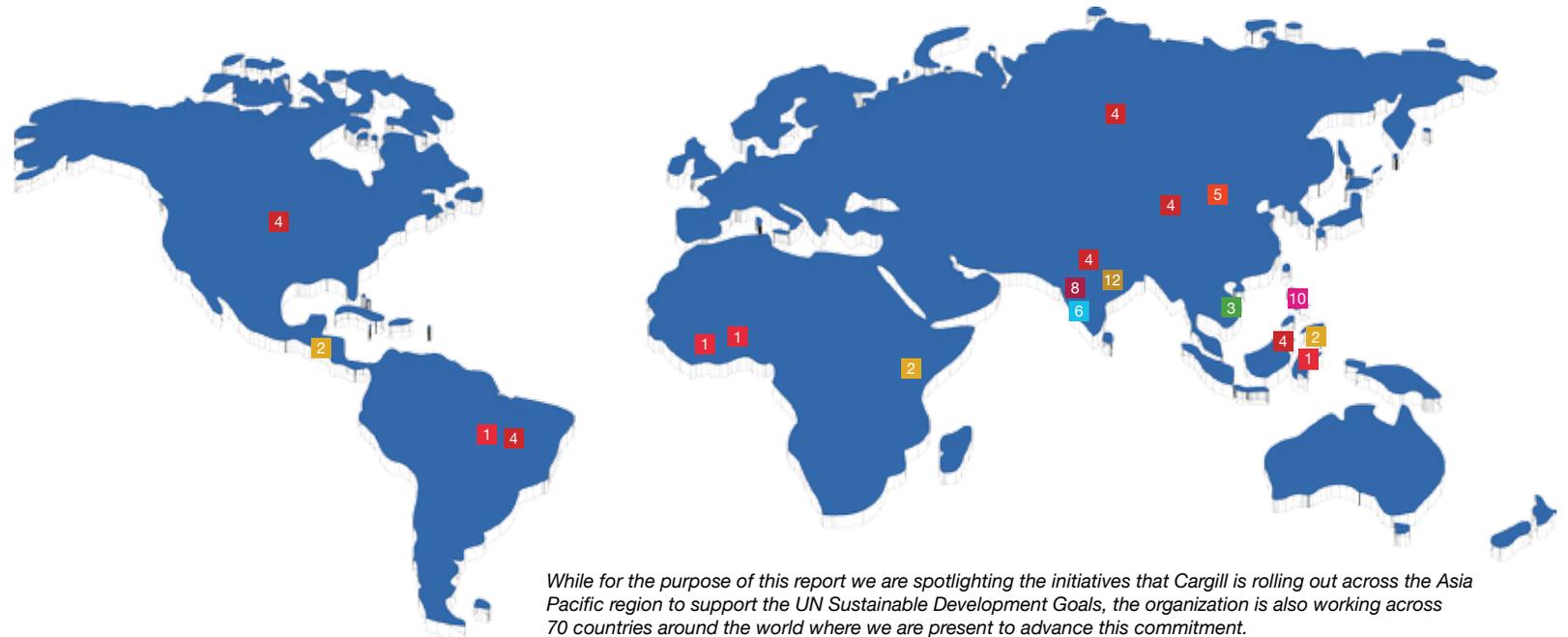
| 1974  | 1995   | 1996  | 1999  | 2011  | 2012  | 2014   | 2015   | 2016  |
|---|--|---|---|---|---|--|--|---|
| Establishes a feed mill in Bogor, West Java. Today, serves hundreds of farmers with customized animal nutrition solutions for poultry, pork, aquaculture and ruminant | Establishes cocoa business in Makassar, South Sulawesi | Cargill enters oil palm business by acquiring Hindoli, oil palm plantation in South Sumatra | Sets up agricultural supply chains by starting soybean import and later expanding to grain and oilseeds supply chain activities | Acquires major stake in PT Sorini Agro Asia | Develops 10,000 hectares of new sustainable oil palm plantation at Mukut, South Sumatra | Completes acquisition of Poliplant Group, adding around 35,000 hectares of company land and 15,000 hectares of smallholder land<br><br>Invests USD100 million to construct cutting-edge cocoa processing facility in Gresik, East Java | Expands capacity of Sorini business in Cikande Sub-district by building a new plant to produce Glucose syrup and Maltodextrine<br><br>Sets up palm mills and a kernel crushing plant in West Kalimantan and South Sumatera | Forms joint venture with So Good Food, to make fully-cooked poultry products in Indonesia |



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Nourishing Indonesia in a  
safe, responsible and sustainable way

# Walking in the path of Sustainable Development Goals (SDGs)



Cargill is committed to supporting the Sustainable Development Goals (SDGs) established in 2015 by the United Nations. We are using our global reach, deep insight and experience within the agriculture, food and nutrition sectors to help achieve the SDGs. Our work in nourishing our world, protecting our planet and enriching our communities has uniquely positioned us to understand the role we can play and contribution we can make, alongside our partners, to advance the aim of the global goals to end poverty, address climate change and ensure prosperity for all by 2030.

**No poverty**

Committed to benefiting one million cocoa farmers in Indonesia, Cote d'Ivoire, Cameroon, Ghana and Brazil by 2030, Cargill's Cocoa Promise Program is improving incomes and living standards, and delivering a transparent and sustainable supply chain

**Zero hunger**

Cargill and WFP have collaborated to support Homegrown School Meals programs in Indonesia, Kenya and Honduras

**Good health and wellness**

Cargill in Vietnam has launched a large-scale safety vehicle initiative to promote traffic safety and safe driving behaviors in commercial operations. Cargill will offer 720 cars on rental to employees by 2020

**Quality education**

Cargill's Global Scholars Program, provides financial support to undergraduate students in China, India, Indonesia, Russia, Brazil and USA. In Vietnam, Cargill will build 100 schools by 2020 (from the existing 85)

**Gender equality**

Cargill-Heifer's Qingshan Sustainable Livelihoods project enables women-led, family-owned poultry farms in Anjiaba and Zhongyan villages in China to thrive by increasing family income, creating an organized chicken production system and building market linkages

**Clean water and sanitation**

Cargill has partnered with TechnoServe (Project Saathi), installing a 1000-meter water supply for 1,200 farming households in Davangere, Karnataka. Cargill also provides water purification systems to schools in India

**Decent work and economic growth**

Cargill's Agri Fellow program in Karnataka, India is helping rural unemployed youth to build agri-enterprises. In Indonesia, Cargill is providing training to help farmers/smallholders improve their income and food security

**Reduced inequalities**

As part of a Sustainable Coconut Oil Program in the Philippines, Cargill is supporting farmers to achieve the Rainforest Alliance certification for their copra. 2,500+ small farmers have also received access to healthcare

**Responsible consumption and production**

Cargill in India has changed the packaging of its NatureFresh™ wheat flour brand, replacing plastic with polymers with better functional properties. This has lowered plastic usage by 27% and Cargill's carbon footprint

**Climate action**

Cargill aims to reduce GHG emissions in its operations by at least 10% by 2025. Cargill's commitment is aligned with science-based targets, aimed at keeping the global rise in temperature below 2 degrees celsius

**Life below water**

Cargill is helping aquaculture producers raise more fish and seafood sustainably and adapt to climate change. The focus is on increasing farmer yields, and improving food security and farmer livelihoods

**Life on land**

Cargill aims to build a 100% transparent, traceable and sustainable palm supply chain in Indonesia by 2020. It is utilizing a High Carbon Stock (HCS) study to determine eligible planting areas of palms

**Peace justice and strong institutions**

Cargill obeys the law, conducts its business with integrity, keeps accurate, honest records, honors business obligations, treats people with dignity and is committed to being a responsible global citizen

**Partnership for goals**

Cargill is partnering with organizations and stakeholders to meaningfully impact the nutrition and health of those in its communities, foster sustainable economic development and promote responsible business practices in its supply chains

# Nourishing our world

## Promoting healthy living, hearty livelihoods



**“I am Ellyn and I study in the Ngerong Elementary school. For many years, I began my day with breakfast at home that was prepared by my mother. Since resources were limited, my family would give me IDR 5,000 to buy food at school, but that amount was not sufficient for anything except unhealthy junk food. This was my daily routine until a new school program gave me a chance to receive delicious and nutritious breakfast three times a week for an entire year! The food was prepared freshly by the parents of students. Besides keeping me healthy, the program taught me to adopt a hygienic lifestyle by washing my hands and maintaining personal cleanliness. Owing to the high quality food I ate, I am feeling much healthier as compared to the previous year. I have also been able to save the IDR 5,000 and use it for other purposes”.**

**Ellyn**

Cargill-WFP project

Ellyn is among many students who have a similar story to tell and whose lives are impacted by the school meal initiative launched by Cargill in support of the Indonesian government's National Nutrition Program for School Children (PROGAS). Cargill partnered with the World Food Program (WFP) to help with the integration of the project and at the end of 2017, had served more than 76,000 in three provinces of Indonesia—Banten, East Java and Nusa Tenggara Timur. It additionally designed and distributed material on nutrition, health and hygiene to 100,000 students across the country.

Through the provision of a hearty breakfast three times a week to the schools, as well as nutrition education and character-building, PROGAS helped improve the eating and hygiene habits of school age children. Each PROGAS meal contained a minimum of 400-500 Kcals and fulfilled 25 percent of the daily nutrient needs of children. Through Cargill's timely

intervention in this nutrition project, learners like Ellyn benefited from access to healthy meals at school and grew strong and smart.

The fact that the meals were 'home grown' further doubled the impact of the project. For besides improving the nutrition of the children in Indonesia's poorest classrooms, it helped to build sustainable supply chains for these meals. The program for instance, used ingredients sourced locally from smallholder farmers. In this way it increased the productivity and income of these men and women farmers.

At a second level it drew into its fold the parents of students, who were assigned the task of preparing the meals. These adults were organized into cooking groups and received training in food preparation, food safety and storage, nutrition, healthy diets and above all hygiene. The goal was to strengthen best practices for meals programs, and inculcate clean living behavior so that

future generations would be healthy.

As part of the project, Cargill also worked with WFP to strengthen the national capacity of provincial and local government officials to take over safety net programs that protected the most vulnerable. Government employees were imparted training on balanced diets, dietary diversity, and health and hygiene including proper hand washing, at PROGAS target schools.

76,000 portion of meals served through our nutrition related programs in 2017-18

30% cooks wanted to learn healthy recipes and cooking techniques

Children eating healthy breakfast increased from 24.7% to 47.7%

Absences halved from 2 days to 1 day a month

*Photo credit: Photo: @WFP/Fauzan Ijazah*



# Protecting our planet

## Focusing on sustainable supply chains



**“I am 48-year-old Kusno, a goat and vegetable farmer in the forest area. Facing the challenge of forest fires set off by hunters that destroyed newly planted trees during the drought, and wild pigs, monkeys and hedgehogs, I decided to participate in a tree plantation exercise initiated by Cargill. As compensation, Cargill gave me two goats of good breed to improve my livelihood. I now have seven goats and can sell young goats every four months, which helps me pay for the education of my children. I now remove the weeds in the planted areas—which I use to feed my goats—ensuring that the trees grow well”.**

**Kusno**  
Sorini Project

Kusno was among the seven farmers who helped plant and maintain 8,000 trees at the Watupereng water springs in Jatiarjo Village as part of the Sorini program, initiated by Cargill’s Starch and Sweetener business in Indonesia. The farmers joined the Jatiarjo Community Forest Village Organization to reverse the impact of tree destruction and felling.

Besides encouraging farmers to take the path to sustainability, Cargill itself walked the talk, taking measures to strengthen its Green focus. In 2017-18, Cargill Indonesia monitored the Green House Gas (GHG) emissions and water usage of its plants and facilities, drew power from renewable energy sources and devised an innovative method to reuse nutrient-rich waste water for land use in our palm plantations. It also adhered to Cargill’s focus on water, including the water used in operations, water quality, both in terms of waste water treatment and water quality in its supply

chains and community water resources.

Promoting sustainability practices within our palm oil supply chain, we worked with farmers, governments and environmental organizations to achieve greater transparency, traceability and sustainability in our palm supply chain. The plan is to reach 100 percent success in each of these areas by 2020.

Also, 3,000 farmers were trained and 825 prepared for a sustainability certification in the coconut production project in the Philippines and Indonesia.

### **Planting trees, protecting forests**

In 2017-18, we promoted balanced land use and sustainable agricultural practices to protect forests. This meant a continued focus on our tree plantation drive, which we launched on Earth Day 2015, to commemorate Cargill’s 150th anniversary. Committed to planting 150,000 trees in

three years, we grew crop trees such as coconut, cocoa and fruit in 2016-17 to support biodiversity and the livelihoods of surrounding communities. In another move, our employees planted around 500 mangroves in Jakarta Bay, to reverse the damaging effect of erosion and high tides on the coastline.

### Protecting wildlife

Recognizing that wild animals could stray into an operating plantation, and that employees needed to respond swiftly to their presence, keeping themselves and the animal safe, Cargill Indonesia launched the Human-Wildlife Contact (HWC) program. Introduced in Poliplant, our oil palm plantation in West Kalimantan, HWC established operating guidelines and practical techniques for employees to keep themselves and any wild animals safe, if contact occurred between the two.

7,000 trees planted in 2017



# Enriching our communities

## Transforming learning, health, livelihoods and infrastructure



**“I am Faiz Rizki Maarif from Manis Mata village in Kalimantan, Indonesia and I study in the YHMDC school. I wake up every day before the sun rises, pray, wash up, have breakfast and ride to school in my father’s car. Once the morning bell sounds in school, I enter the classroom with my friends, greet the teacher and take my seat. I enjoy studying science, mathematics, Bahasa Indonesian, English, and farming and often, after school, join in the extracurricular activities such as the science club. I have also been to Jakarta twice to participate in science competitions with my school. My dream is to be a scientist because I want to invent things that are useful and become famous like other inventors”.**

**Faiz Rizki Maarif**  
Cargill’s YHMDC school student

Faiz is one among over 6,000 students from 42 schools managed by Yayasan Harapan Masa Depan Cerah (YHMDC), an education foundation set up and supported by Cargill’s oil palm plantation business, Cargill Tropical Palm (CTP). Founded in 2012, YHMDC schools are located in South Sumatra and West Kalimantan and take pride in their innovative student enrichment programs.

In 2017, CTP partnered with the Chelsea FC Foundation for the Cargill-Chelsea Football Festival Indonesia 2017. The objective of the festival, held in South Sumatra and West Kalimantan, was to use the language of football and Chelsea FC’s star power to inspire and help children in rural Indonesia realize their potential and view the world as their oyster.

More than 1,500 students and a classroom of YHMDC physical education teachers benefited from the clinics conducted by the Chelsea coaches.

### **Providing better education to every child**

In 2017-18, Cargill extended its support to public schools across Indonesia. We renovated schools and began a campaign to provide books to children. Since 2014, Cargill has donated around 60,000 books, renovated 101 schools and 55 libraries, presented 899 scholarships and trained 191 teachers.

### **Empowering communities**

In 2017-18, Cargill also began projects that were aimed at the local economic empowerment. These included a slew of programs in the areas of chicken, fish, goat and vegetable farming for communities near Cargill facilities and overall improvement of infrastructure. A Batik village was set up to revive the traditional art of dyeing cloth among local craftsmen. In all, around 900 farmers were impacted by these programs and improved their livelihoods. Furthermore, Cargill supported local communities by building



and maintaining roads and bridges in our oil palm plantation. In Indonesia, we contributed to local development by building and repairing close to 400 km of road, renovating 43 public facilities, providing 46 units of safe water facilities and providing regular medical services for 7,700 community members.

### Raising the health and wellness quotient

Health and infrastructure continued to be a top priority for Cargill in Indonesia. In 2017-18 we provided free medical care through clinics at our oil palm plantations. Local doctors made their way to remote villages to hold “visiting clinics” and offer medical aid to patients. Around 7,722 people were benefited by the free medical services.

Cargill also collaborated with CARE International to implement ‘PROSPER’, a two-year program designed to improve water, sanitation and hygiene practices for students in Indonesia.

2,500 book being donated in 2017 through book for kids program, number of impacted library

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400 teachers attend training, attend from 19 schools

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56 community groups join our economy development program, equal to 272 families

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7,700 persons received medical support through our health program

# Employee engagement

## Moving forward by giving back

Cargill's interventions to enrich our communities depend in large part on our employee volunteers, who work closely with our partners to make a difference to the world surrounding us. Employees work individually or collectively, to create impact by taking action. Globally, Cargill has 350 employee-led groups called Cargill Cares Councils (CCCs) to implement strategic community engagement activities. The Councils ensure that we are investing Cargill's financial and human resources to meet our

business objectives while serving local communities.

Employees and retirees contribute on an individual basis with their co-workers and through Cargill Cares Councils in activities like strengthening of schools, mentoring and tutoring youth and children, educating farmers, cleaning up shorelines, promoting health, planting saplings and supporting economic development and charitable giving. The efforts aim to reduce hunger in

our communities, improve nutrition, strengthen education opportunities and protect our global natural resources.

In Indonesia, Cargill employees are encouraged to get involved in a wide range of corporate responsibility activities as part of a volunteer scheme.

In 2017-18, our employees were involved in several events and initiatives.

170 people, for instance, participated in a tree planting and mangrove planting activity, as part of our overall Earth Day agenda. The goal was to create greater awareness about the need for protecting and expanding the green cover and natural eco-systems.

Employees got into the act, cleaning a beach in Amurang in North Sulawesi as part of the Earth Day program. 45 employees scanned the beach for marine plastic pollutants and litter, in an effort to keep the coast tidy.

Over 75 employees volunteered for the Cargill-WFP school meals program and held awareness workshops on health and nutrition, served meals to the children and attended sports and cultural programs at these schools.

More than 20 employees regularly volunteered at the Cargill-CARE PROSPER program and joined the project team as it conducted WASH (Water, Sanitation and Hygiene) trainings and awareness sessions for school children, their parents and teachers.

An immunization program, launched in partnership with Ronald McDonald House Charities drew interest from employees. The Charity used its Mobile Clinic in Jakarta area to benefit the underserved.

These activities were conducted in each location, in coordination with Indonesia's local Cargill Care Councils. Employees took part in the activities based on their interest and time availability.



# CARE MOBILE®



**Cargill**

Helping the world *thrive*

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and th



# Our partners around the world



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We are forging a new path with our corporate responsibility and sustainable development programs with a focus towards

helping the world *thrive*



**PT Cargill Indonesia**

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