#### Land Use and Forest Sustainability Advisory Panel – January 2020 Meeting held virtually on 29 January, 2020

Panel Member Attendees	Justin Adams, Tropical Forest Alliance John Buchanan, Conservation International Maria Giraudo, Global Farmer Network Marcos Sawaya Jank, INSPER Carlos Ortiz, Independent Agribusiness Advisor
	Anne Rosenbarger, World Resources Institute Nigel Sizer, Rainforest Alliance Roz Naylor, Stanford University [Apologies from Laura de Santis Prada, Imaflora]
Cargill Attendees	David MacLennan, Chief Executive Officer [for first 30 minutes] Ruth Kimmelshue, Chief Sustainability Officer and Business Operations and Supply Chain Leader Michelle Grogg, Vice President, Corporate Responsibility and Sustainable Development John Hartmann, Global Sustainability Lead, Land Use Nick Martell-Bundock, Senior Director, Sustainable Development Alexandra Experton, Cargill Ag Supply Chain Sustainability Lead, APAC Taco Terheijden, Cargill Cocoa & Chocolate Supply Chain Sustainability Lead
Facilitator	Brendan May, Robertsbridge

## SUMMARY OF MEETING NOTES

### 1. Opening

• Ruth Kimmelshue and Brendan May welcomed the panel members and shared appreciation for their participation.

### 2. Cargill Progress since Last Meeting

- David MacLennan expressed his appreciation for and commitment to the panel. He shared an update on some of the key actions that have taken place since the last meeting in October:
  - Cargill's top 100 leaders convened for a deep dive on the Brazilian soy supply chain and the complexities related to sustainability. The goal was to enable deeper understanding and alignment across our businesses and regions.
  - Cargill's cocoa business is leveraging technology and traceability to advance progress on its Protect our Planet plan and improve farmer prosperity through the <u>Cargill Cocoa</u> <u>Promise</u>.
  - Cargill published its first semi-annual <u>Soy Progress Report</u> and the second Soft Commodities Forum <u>report</u>. These reports aim to bring greater transparency to Cargill's soy supply chain and demonstrate collective action for sustainable agriculture development in South America.
  - In Davos, Cargill emphasized the importance of the multi-stakeholder Collective Action Agenda that the Tropical Forest Alliance has helped to develop. David MacLennan also co-hosted a meeting of the Soft Commodities Forum (SCF) CEOs to discuss how SCF can drive greater impact in 2020.

- Cargill is engaged in an externally facilitated sustainable strategy review to evaluate the company's current priorities and better define its sustainable business strategy as an integrated operating company.
- Cargill shared an update on its \$30 million fund to support farmers and identify innovative solutions in Brazil.

## 3. Cargill Overview of Cocoa Supply Chain

- Cargill shared an overview of its cocoa sourcing models and its Protect our Planet plan. The five components of the action plan were discussed:
  - Supply Chain Transparency
  - Cargill Cocoa Promise
  - Supplier Engagement
  - Reporting
  - Transformation Together
- Cargill shared its Cocoa Deforestation Risk Assessment Methodology and assessment results in Cote d'Ivoire.
- Key discussion points among the panel included how the results of Cargill's mapping efforts are shared publicly, living income for farmers, and the role of industry standards.

# 4. Cargill Overview of Palm Supply Chain

- Cargill shared deeper insight into its palm supply chain, including an overview of its sourcing model, traceability efforts and sustainability KPIs. The update also included an overview of partnerships for transformation at landscape and jurisdictional levels.
- The panel encouraged Cargill to be more clear about its criteria and process for investigating and communicating grievances, the risk-calibrated approach used for traceability, and steps to avoid feeding the leakage market. Cargill has now updated its <u>website</u> to show grievances outside the scope of Cargill's Palm Oil Grievance Procedure.

# 5. Cargill Update on Recent Claims from Greenpeace

• Cargill is continuing to investigate claims made by Greenpeace in Brazil.

## 6. Panelists Raised Additional Agenda Items

- Maria raised a proposal for farmer engagement. She will continue the dialogue with the Row Crop Leader from Cargill.
- Justin raised the importance of collective action and initiated a dialogue about the role of governments in the collective action agenda.
- Roz raised the importance of aligning sustainability goals with the incentive structure at all levels of the supply chain if Cargill wants to achieve its goals.
- The panel advised Cargill on the importance of doing a better job of communicating what the company is doing to advance sustainability across multiple supply chains and geographies, highlighting the critical importance of their role in calling out the tensions and trade-offs between food production, livelihoods and environmental protection.

# 7. The Panel agreed to reconvene in June or July 2020.