Progress Report
2020

South American Soy

Cargill® Helping the world *thrive*

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Published January 2021

Introduction

Progress on our action plan

References

In keeping with our commitment to regularly report on progress against our soy action plan, this report covers the second half of calendar year 2020. All information in this report is for that time period, unless otherwise noted. All data is for soy purchased and handled by our local sourcing businesses in South America, unless otherwise noted. For our previous reports, visit our website.

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Our soy commitments and policies

Cargill is committed to transforming our supply chains globally to be deforestation- and conversion-free (DCF) by 2030. This includes taking action now to find solutions for soy from South America in the quickest and most effective way possible. Our updated global forest policy applies to all of our supply chains. It lays out our overarching approach to achieving this target. It is founded on our belief that farming and forests can and must coexist. Finding solutions for this equation is what we and our partners are striving to achieve.

Our businesses source soy from all of 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 Gran 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 local, rural economies.

Our strategic approach rests on three core concepts:

- Supply chain traceability and mapping efforts should be risk-calibrated
- Prioritization should direct resources toward the highest-risk supplies from the highest-risk areas
- Inclusive sectorwide transformation is necessary to truly protect vital ecosystems

We have made four commitments to do our part for sustainable soy from South America:

Transforming our 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 the **high standards of transparency** through reporting of key metrics, progress and grievances

Read more in our Policy on Sustainable Soy - South American Origins.

Letter to stakeholders

Cargill has not wavered in our commitment to end deforestation in our supply chain. This includes protecting the vital biomes of South America in the most effective ways possible. As we publish this third update of progress against our action plan, our belief that farming and forests can coexist remains unchanged. Here is how we are putting that belief into practice.

Today, we have many products to meet customers' sustainability needs. While we pursue transformation of the sector, we already offer certified deforestation- and conversion-free (DCF) soy to customers anywhere in the world who want it. We have expanded our own Triple S program in Brazil and Paraguay, while also increasing market access for other programs (see page 12). Customers and consumers can help accelerate transformation by sending signals to producers that they value soy grown through verified practices like the ones in these programs.

We continue to increase transparency within our supply chain. In the past six months, we made progress on moving beyond single-point mapping of our suppliers toward mapping those farms using polygon boundaries (see page 11), which we will share more on in a future report. This will give us a clearer picture than ever before of our supply chain. It will enable us to better monitor for potential land conversion violations and quickly take action in a more targeted way.

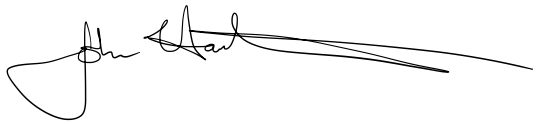
Farmer engagement, not exclusion, is essential to transformation. The Cerrado is the heartland of agricultural production in Brazil, and soy grown there feeds major markets in both Europe and Asia. The vast majority of this soy comes from land cleared before 2014, according to a recent study, and so we are focused on helping the sector close the remaining gap as well as continuing conservation. To do this, we must give farmers viable economic incentives to conserve native vegetation that they could otherwise legally convert according to Brazil's Forest Code. And we must assist them with a broader set of resources to continually improve their farming practices and the resilience of their communities. This will be the quickest and most effective way to achieve transformation.

Work is accelerating. The Land Innovation Fund for Sustainable Livelihoods – which Cargill launched with a commitment of $30 million – is now poised to contribute solutions like these (see page 13). Our first wave of projects is being funded. With our partner Chemonics International administering the fund, we have selected these projects specifically to address the complex issues involved in an integrated way.

We understand the urgency to find solutions that protect native vegetation in the region. We share this sense of urgency and are continuing to press forward as quickly as possible. We value your partnership, your constructive challenges, and your support as we do so.

Our priorities in the next six months

- Work to complete polygon mapping of farms in the Matopiba region of Brazil
- Support a next round of projects through the Land Innovation Fund
- Increase direct farmer engagement in high-priority areas



John Hartmann
Global Sustainability Lead for Agricultural Supply Chains

We are building a transparent supply chain

Our business in South America buys soy both directly from farmers and indirectly from other cooperatives, processors and traders. We are making good progress in mapping our soy supplier network in South America. We have advanced from mapping by georeferenced single points to the more sophisticated methodology of polygon mapping all of our direct suppliers' farm boundaries, aiming to complete this process as quickly as possible. Numbers on this page are updated for the 2019-20 crop year or comparable period, depending on the country. They include soy purchased and handled by our local sourcing businesses in each country.

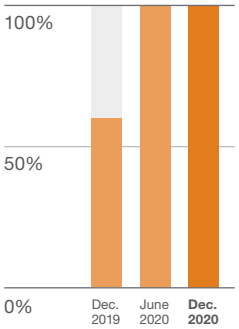
Brazil

122.6
million tons industrywide soy production

15,000
Number of suppliers selling soy to Cargill

Percent Cargill suppliers by volume
- Direct
- Indirect

Percentage of Cargill suppliers that have been single-point mapped



Percentage of Cargill direct suppliers that have been polygon mapped

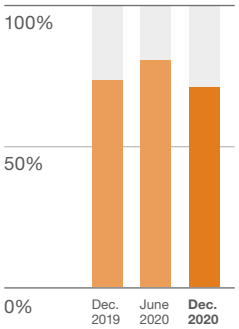
Will be calculated for future reports

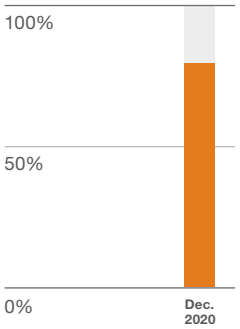
Percentage of Cargill soy volumes estimated to be deforestation- and conversion-free (DCF), based on sectorial data from local procurement from farms and cooperatives. It excludes overseas purchases. See more details on our methodology here.

Argentina

55.9
million tons industrywide soy production

5,200
Number of suppliers selling soy to Cargill





Sources for industry data: OECD-FAO, USDA, Uruguay's Ministry of Agriculture

Because the list of suppliers we buy from shifts each crop season, we must remap our supply chain every year. Supply chain mapping figures are for the most recent crop season prior to the date those figures were calculated. These figures will fluctuate year to year along with our base of suppliers, but we will always aim to keep as close to 100% mapped as possible.

Percent Cargill suppliers by volume
- Direct
- Indirect

Percentage of Cargill suppliers that have been single-point mapped

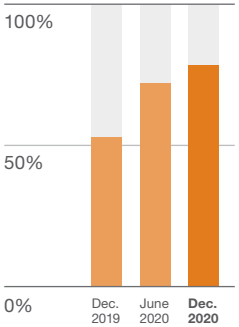
Percentage of Cargill direct suppliers that have been polygon mapped

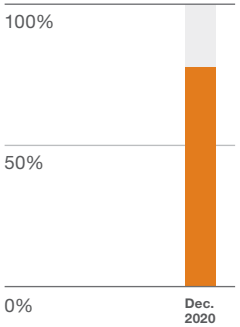
Percentage of Cargill soy volumes estimated to be deforestation- and conversion-free (DCF), based on sectorial data from local procurement from farms and cooperatives. It excludes overseas purchases. See more details on our methodology here.

Paraguay

10.7
million tons industrywide soy production

2,000
Number of suppliers selling soy to Cargill

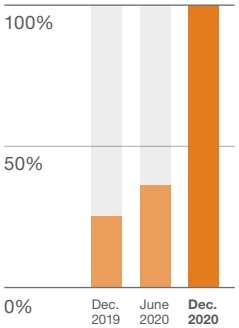


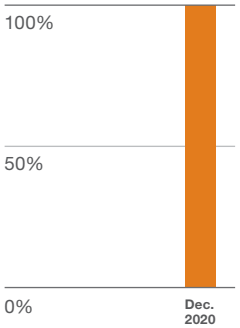


Bolivia

2.4
million tons industrywide soy production
For 2019, the most recent figure available

200
Number of suppliers selling soy to Cargill



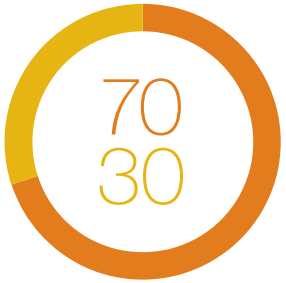


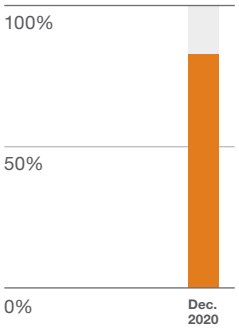
Will be calculated for future reports

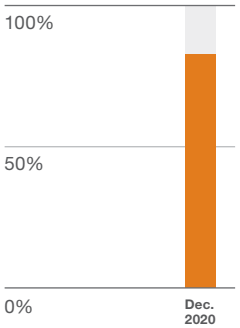
Uruguay

1.9
million tons industrywide soy production

600
Number of suppliers selling soy to Cargill







Will be calculated for future reports

Sources for industry data: OECD-FAO, USDA, Uruguay's Ministry of Agriculture

Progress on our action plan

The six elements of our action plan

Assess and plan implementation

Defining our policies, action plans and key performance indicators, and training our internal teams so they can help advance them

Understand supply chain risks

Identifying the sources of all our soybeans in South America and the risks of deforestation in those areas, through mapping and analysis

Engage supplier partners

Working closely with farmers to provide them with resources, make sure their concerns are addressed and enlist them in leading the sector's transformation

Deploy action levers

Spurring progress by building solutions that curb deforestation and provide farmers with alternatives as they seek to maintain their livelihoods

Advance transformational partnerships

Engaging with many stakeholder groups, including farmers, processors, traders, NGOs and governments, to create lasting protection for forests and native vegetation

Monitor, verify and report

Using advanced systems to confirm that the change we want to see is taking place, promote transparency and take corrective action when needed

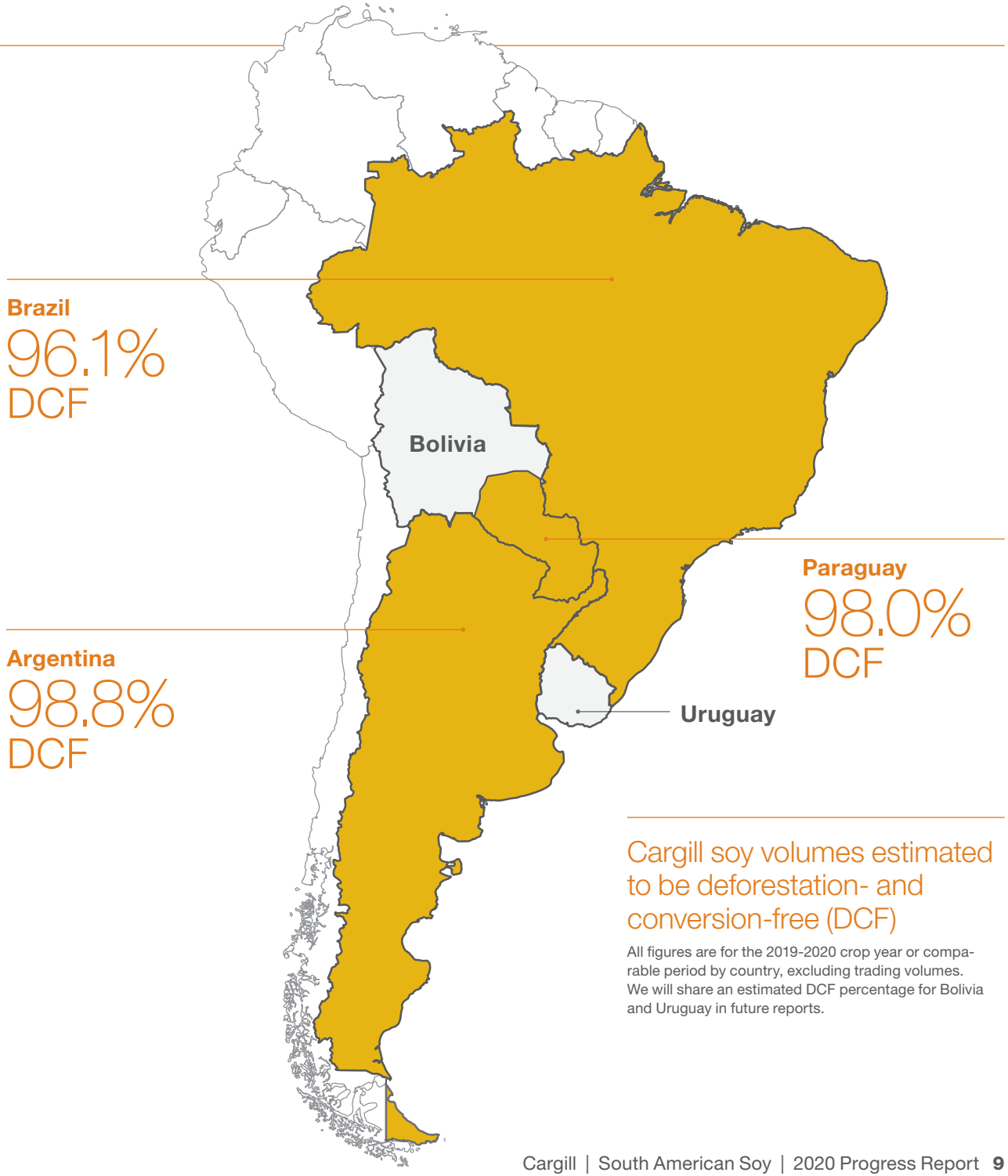
We are doing our part to help lead the soy sector forward to a sustainable future. Broad partnerships are needed to create the transformation we all want to see. At Cargill, we are working in real time to make progress with our partners, including farmers, customers, NGOs, government agencies and industry forums. Close collaboration with each of these groups is at the heart of our soy action plan. This approach to building a sustainable, deforestation-free supply chain for soy in South America is anchored in The Soy Toolkit created by Proforest, adapted for the specifics of our business and what we have learned doing similar work in other geographies and supply chains. Regarding risk assessment overall, land conversion is our primary filter in order to protect natural landscapes.

Understand supply chain risks

We are committed to building a deforestation- and conversion-free (DCF) supply chain as quickly as possible. To do this, we are mapping where our South American business buys soy from and analyzing what portion of it was grown on land that may have been converted from native vegetation in recent years. This analysis will be done for each of the five countries where our South American business sources soy, ultimately based on polygon mapping of farms.

As an intermediary step while we complete our polygon mapping, we established a methodology to report DCF estimates by determining how much of the sector's total soy production comes from areas free of conversion (see next page). We used 2008 as a reference point for our analysis, which aligns with Brazil's Forest Code. As a significant buyer of soy across the region, we used the assumption that our percentages of DCF soy are in line with the sector in total. We multiplied sector DCF rates by our market share of soy volumes to arrive at a total estimated DCF percentage for our soy in Brazil, as we did in our previous report.

We used the same methodology to calculate our estimated DCF percentage for Argentina and Paraguay. Because complete data is not available for these two countries, we limited our analysis to areas where Cargill has commercial activities. As we continue to advance our mapping efforts, we will share an estimated DCF percentage for Bolivia and Uruguay in future reports.



Cargill soy volumes estimated to be deforestation- and conversion-free (DCF)

All figures are for the 2019-2020 crop year or comparable period by country, excluding trading volumes. We will share an estimated DCF percentage for Bolivia and Uruguay in future reports.

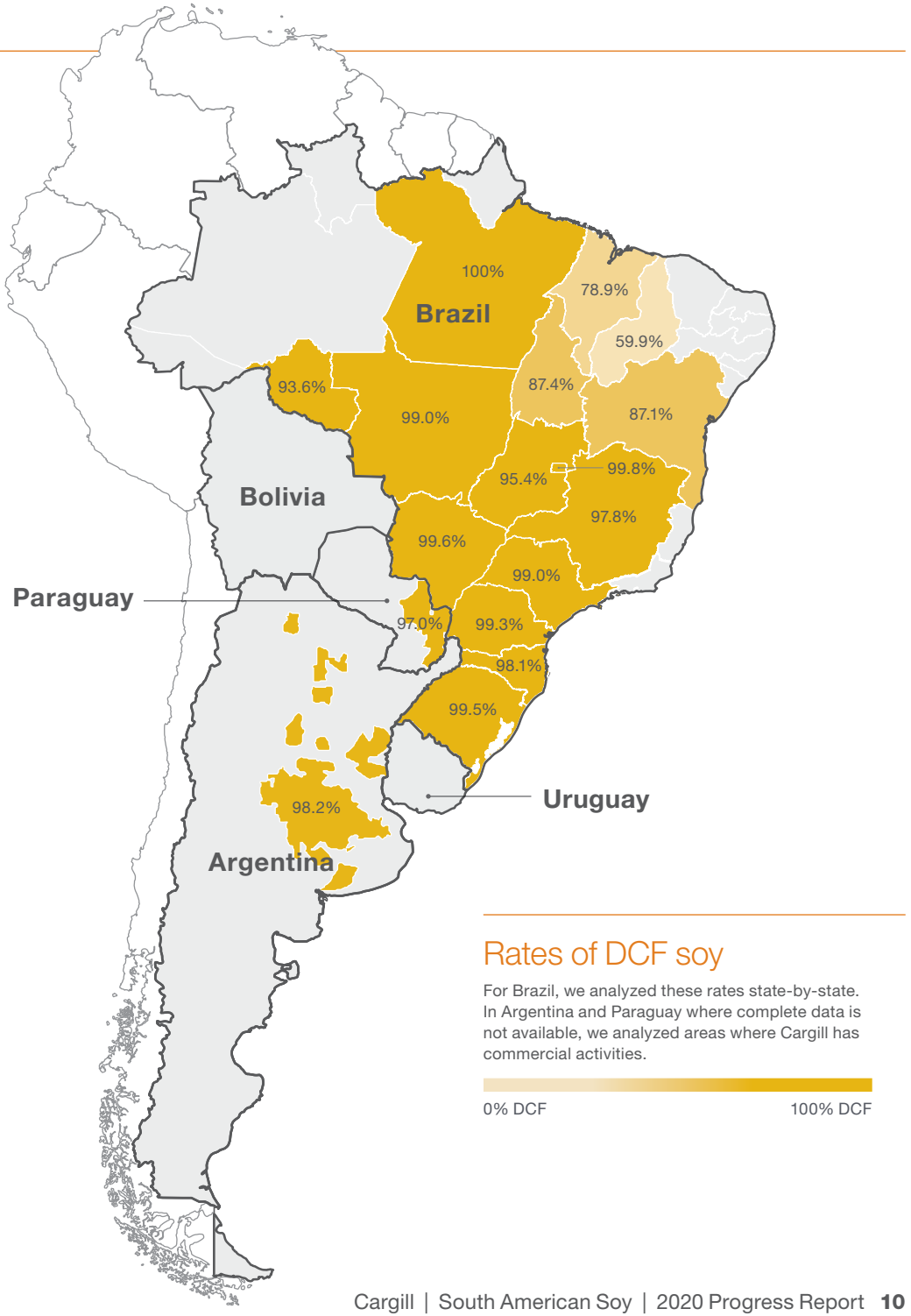
How we calculated our DCF percentages

1. Satellites continuously gather data about land use and feed it to many organizations for research and analysis. The U.S. Geological Survey and the University of Maryland regularly publish datasets on crop production and land conversion, respectively.

2. Our team analyzed both of these datasets to calculate how much soy production in Brazil, Argentina and Paraguay did not take place on land converted from native vegetation since 2008, a date that aligns with Brazil's Forest Code. This deforestation- and conversion-free (DCF) soy makes up the vast majority of the crop in these countries.

3. Knowing the sectorwide rate of soy that is DCF for each state in Brazil, we multiplied those percentages by the soy volumes originated by the local Cargill business in the 2019-20 crop year. For areas inside Brazil's Amazon biome, we know that all of the soy we buy is DCF because every purchase we make is independently audited to ensure it is in compliance with the Amazon Soy Moratorium. So Cargill's DCF rate for those areas is 100%. We then tallied our estimated DCF soy for all of Brazil and divided by our total soy volumes countrywide to arrive at Cargill's estimated percentage of DCF soy.

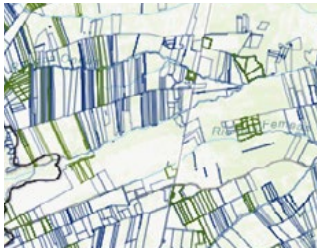
4. We used the same methodology for Argentina and Paraguay. Because complete data is not available for all soy-producing states in these two countries, we used available data for all of the areas where we have commercial activities.



Prioritizing our actions according to risk

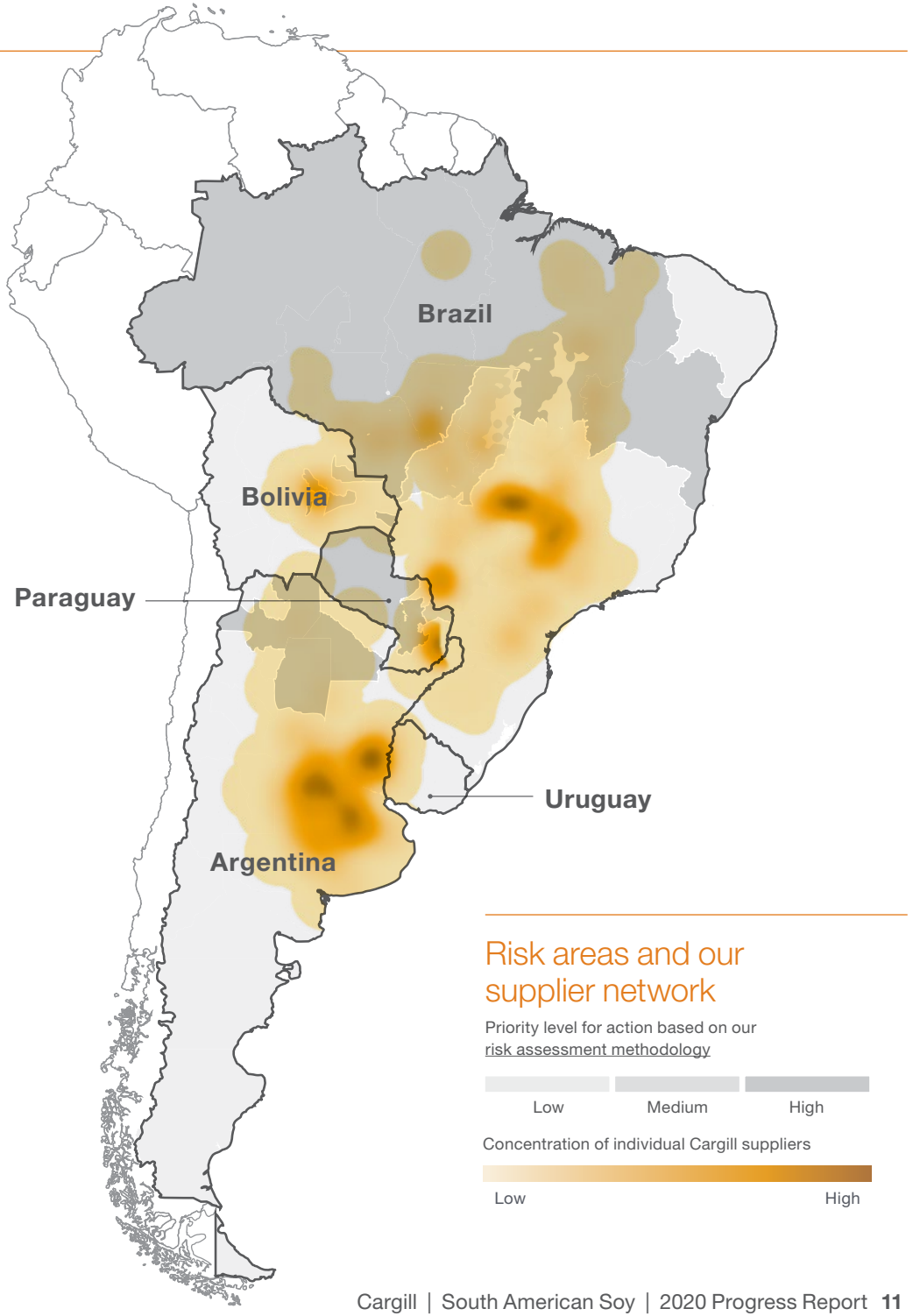
We have categorized all areas of the five South American countries where we source soy at different priority levels depending on the forests and native vegetation involved. As we have gathered data on our supplier network, it becomes clear that the majority of our suppliers are in low-priority areas that have already been fully consolidated and do not have much native vegetation in need of protection. The high-priority areas where we do have suppliers, such as the Matopiba region in Brazil, are where we are directing our resources first. This is in line with our risk-calibrated approach. For example, having completed our single-point mapping in Brazil for our suppliers in the 2018-19 crop season, we started the more extensive work of polygon mapping in Matopiba. This will help ensure that we can monitor and intervene in the areas with crucial native vegetation as quickly as possible.

The importance of polygons



Our next step in understanding the risks of potential deforestation and land conversion in our supply chains is to map the boundaries of farms using polygons. Drawing on satellite data from external sources, this more sophisticated method helps us identify and monitor land use in our supply chains in a much more precise way. We aim to complete polygon mapping for the Matopiba region of Brazil during the first half of 2021.

Once the polygons are defined and matched to farming operations, we will be able to monitor and respond to any conversion in our supply chain on an ongoing basis in a much more timely manner. This is thanks to advances in machine learning technology and satellite data that is updated more frequently.



Risk areas and our supplier network

Priority level for action based on our risk assessment methodology

Low | Medium | High

Concentration of individual Cargill suppliers

Low | High

Engage supplier partners

+75%

Increase in the volumes of certified sustainable soy we sourced from Brazil this year

Pathways to bring sustainable soy to market

Today, we provide a number of products that are verified deforestation- and conversion-free (DCF) and can help fulfill our customers' sustainability needs. Now, we are putting the supply chain pieces in place to connect even more farmers' certified products with customers in destination markets like Europe. This is an important part of accelerating transformation of the soy sector in South America. Because to encourage farmers to invest in sustainable practices that meet the criteria of various certification programs, we must reassure them that there will be market demand for certified products.

Soy certified by the Round Table on Responsible Soy (RTRS) is verified to have been produced through good agricultural practices in compliance with local legislation on land that's DCF. End users of this soy can have confidence in its origins because every facility handling it along the way must also be RTRS certified, creating a clear chain of custody.

To build stronger supply chains of RTRS products, we achieved certification for several of our facilities in Brazil, bringing our total countrywide to 43. This includes plants, ports and warehouses, such as several locations in the state of Maranhão, in the Matopiba region of the Cerrado biome. This gives us two routes by which to deliver RTRS soy to customers: from certified farms in Mato Grosso through our Santarém port, and from certified farms in Matopiba through the export terminal at Itaqui.

Likewise, in Uruguay, we earned RTRS certification for our warehouse in Nueva Palmira and a neighboring port facility. As farmers in Uruguay expand production of RTRS soy in the future, this will provide them with the necessary linkages in the supply chain to deliver it to customers beyond their country's shores.

Cargill's Triple S program also sources soybeans from farms that are certified to be entirely DCF and to meet exceptionally high standards for agricultural practices, labor and environmental impact. During the second half of 2020, we continued to deploy resources to Triple S farmers in Brazil and Paraguay, even as field work was constrained by COVID-19. With our nonprofit partner Solidaridad, we deployed virtual trainings and digital materials on topics like storage, labor safety and environmental management to farmers in Paraguay. We also engaged third-party auditors to establish chain-of-custody certifications for 29 of our facilities in the country.

More training materials and resources will be on their way to Triple S farmers in early 2021, as well as data gathering to monitor the effectiveness of the program and identify ways to keep improving it. We see a fast-growing demand for Triple S soy from customers in Europe, and are enabling our farmer partners to meet that demand in this and future crop years.

Launching projects in Bahia

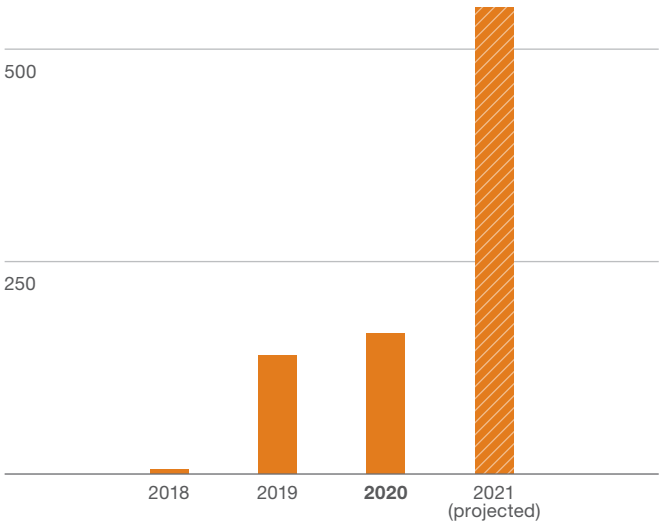
As we indicated in our last report, we formed a new partnership with Associação de Agricultores e Irrigantes da Bahia (AIBA), the largest producer association in Brazil's state of Bahia. As a starting point for this new collaboration, we have co-developed two projects that will help protect local natural resources and strengthen economic opportunities for residents.

2.29 million hectares

Amount of land we are monitoring across South America as part of various certification programs

The first of these will help teenagers in the town of Barreiras get agronomic and entrepreneurial training while encouraging them to stay in school, by taking courses at an established demonstration farm. The second will encourage the transfer of irrigation technology to 100 local smallholders who grow fresh produce for the region. Cargill has approved these projects, and following a delay due to COVID-19, they are currently getting underway. Projects like these with AIBA will be coupled by broader efforts supported by our Land Innovation Fund (see next page) to help conserve forests and native vegetation, encourage adoption of good agricultural practices, and enable farmers to succeed in the Matopiba region.

Growing demand for certified soybean meal
Triple S volumes purchased by Cargill in Europe (thousands of metric tons)



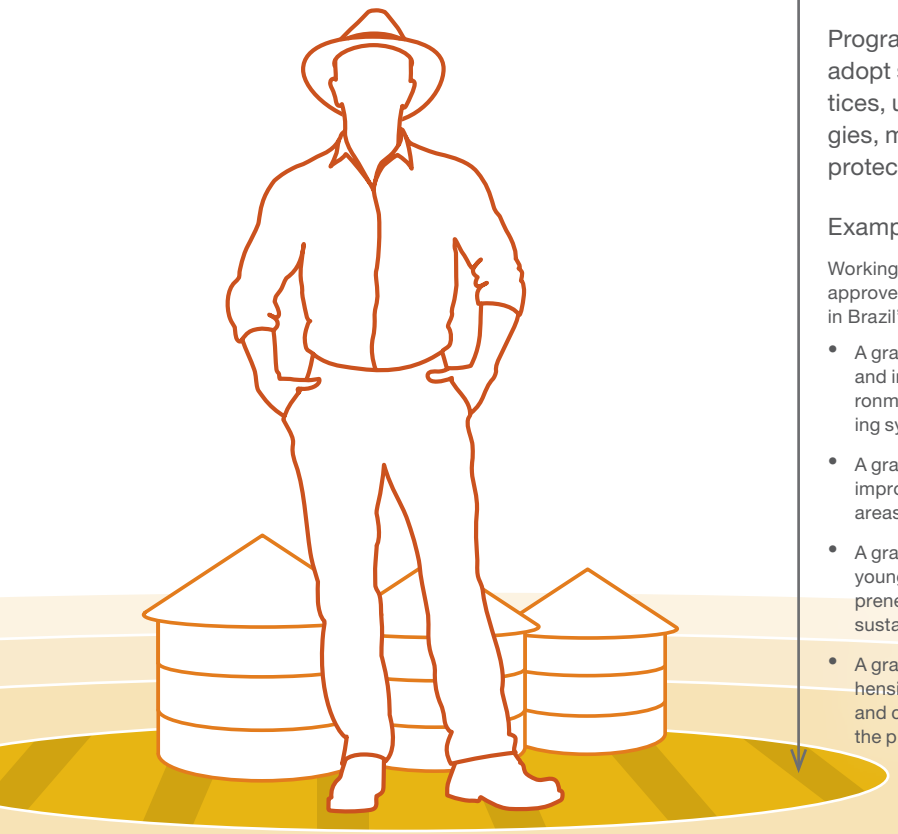
Deploy action levers

A holistic approach to transformation

LAND INNOVATION FUND FOR SUSTAINABLE LIVELIHOODS

The Land Innovation Fund for Sustainable Livelihoods – which Cargill launched with a commitment of $30 million – is now actively funding projects that will help protect forests across South America. Administered by Chemonics International, the fund is employing an active and integrated approach to selecting projects. This portfolio approach will work on multiple levels to simultaneously address the complex and interrelated challenges currently preventing the soy sector from achieving transformation. In the second half of 2020, we approved grants for seven different projects. Additionally, we are engaging with a broad range of partners to bring together the knowledge, resources and action needed to build a deforestation-free soy supply chain in the region.

To learn more about how to get involved, visit the fund's website.



Farmer level

Programs that help farmers adopt sustainable practices, use new technologies, measure impact, and protect natural habitats

Examples:

Working with AIBA, we have approved four related projects in Brazil's state of Bahia:

- A grant to CIMATEC to design and implement AIBA's environmental data and monitoring system
- A grant to Solidaridad to improve the carbon balance in areas under soy cultivation
- A grant to CIMATEC to engage young innovators and entrepreneurs to develop high-tech sustainability solutions
- A grant to AIBA for a comprehensive outreach program and coordination among all the projects

State level

Policy and fiscal mechanisms that broadly promote the protection of forests and restoration of degraded lands

Examples:

The fund provided a grant to leading agricultural think tank Agroicone to work with the four state governments in the Matopiba region to develop policy and fiscal incentives to restore native vegetation in degraded areas.

National level

Collaboration with a range of institutions to create opportunities and remove barriers for sector-wide transformation

Examples:

The fund partnered with AgTech Garage, a leading agribusiness innovation hub, to conduct competitions for start-ups from all around Brazil. These will design solutions to transform the soy supply chain in the Matopiba region. The partnership includes a financing facility within the fund to support these start-ups. We are engaging additional financing partners to join this initiative.

Regional level

Platforms that bring together many types of stakeholders throughout South America aimed at unlocking new solutions

Examples:

Through a grant to nonprofit Solidaridad, the fund will support multi-stakeholder platforms in Argentina, Paraguay and Bolivia. These platforms bring together farmers, civil society, academia and the government to exchange ideas, develop solutions and promote sustainability throughout the soy supply chain.

Creating connections for innovation

To serve as a catalyst for systemic change, we are partnering with Brazil-based nonprofit Climate Ventures. We worked with the organization to sponsor and coordinate Brazil's portion of this year's global ClimateLaunchpad accelerator competition. This virtual contest featured 127 start-ups. Along the way, we got to know many of the innovators involved in these firms, creating connections that could be pathways to future collaboration in transforming the region's soy sector and protecting forests.

We planned to host an event in conjunction with the contest to connect these start-ups with other investors and leaders in the industry. Although we have had to delay this event due to COVID-19, we still plan to hold it as soon as it is feasible and safe to do so. In the meantime, we organized a virtual panel to discuss relevant issues in this space.

In the coming months, we will also be publishing a report that details the most promising opportunities and pathways for entrepreneurs and investors to develop broad-based sustainability solutions in the region, including examples of initiatives that can serve as inspiration.

Effective enforcement

We have built a robust system of controls to keep soy produced by farming operations accused of illegal deforestation or slave labor from entering our supply chains in Brazil. On a daily basis, this system consults government lists of embargoed farms and blocks them so they are not eligible to sell soy to us. Our system also consults lists of non-compliant farms managed by the Soy Working Group (GTS) based on the Amazon Soy Moratorium (see page 17), as well as voluntary programs managed by the state of Pará such as the Green Grain Protocol.

When a farm is blocked in our system for being on one of these lists, we also block other farms registered to the same person or entity either in the local area or the entire country, depending on the violation involved. These affiliated farms are only unblocked once we have conducted an analysis to ensure that soy from the violating farm is not being rerouted and sold to us through the affiliated operation. They are re-evaluated with each new crop season to ensure that they are still complying. Our commercial teams are fully trained on how these processes operate.

In the second half of 2020:

620 farms were blocked

258 additional operations were analyzed to avoid rerouting of soy from restricted areas

Advance transformational partnerships

Discussing broader collaboration in Paraguay

The strong relationships we have established with farmers and our local technical partner Instituto BioSistêmico (IBS) have enabled us to scale our Triple S certification program in Brazil. To continue expanding this program across the region, we met with Paraguay's Minister of Agriculture in September to talk about how we can similarly scale the impact of Triple S in Paraguay, where we have been laying a foundation for a few years. Topics discussed in the session included Cargill's sustainability strategy in the country and the region, how we can jointly promote broad legal compliance with environmental regulation across the sector, and ways to establish stronger sources of data within the soy supply chain to create greater transparency.

On the last of these topics, we have been working closely with others in the industry through Paraguay's association of grain and oilseed processors (CAPPRO). Along with many other areas of focus, this sustainability commission is seeking to find new ways to capture geospatial data on land use – both current and historic – and cross-reference it with applicable legislation in these regions. We will continue to pursue this collaboration in the months ahead.

A path to sustainable soy in Bolivia

Following in the footsteps of the letter of intent we signed earlier this year to join a roundtable for sustainable soy production in Bolivia, Cargill announced a new partnership with Solidaridad in October. Funded by Cargill, this three-year program is called the Sustainable Soy Pathway. It will build on our learnings from other countries in the region to provide farmers with the tools, resources and know-how to grow soy in a more sustainable way.

When it starts in the field in early 2021, the new program will help producers strengthen their resilience, adopt sustainable practices and ensure that they are complying with local regulations. The goal is to work with approximately 250 farming operations and Bolivia's national association of oilseed producers (ANAPO) to implement sustainability parameters that can be monitored and managed through digital tools. It will give Bolivian farmers a vital resource to ensure that their operations are resilient and ready to supply tomorrow's marketplace.

Ongoing exchange of perspectives

We held the latest meeting of our Land Use and Forest Sustainability Advisory Panel in November. The meeting was conducted virtually and continued the discussion with these experts about our theory of change for South American soy, the mechanisms we are building to drive transformation through the Land Innovation Fund, and our broader sustainability programs around the globe. The panel challenged us to press on with urgency and bring farmer-focused solutions to scale in ways that can have measurable impact on key indicators.

Reaching farmers in a key state

Through Soja Plus – a program organized by the Brazilian Association of Vegetable Oil Industries (ABIOVE) – farmers receive important training materials and other technical guidance at no cost. This includes education on regulatory compliance and the economic, social and environmental aspects of their operations.

Our funding support for Soja Plus is helping reach farmers in important regions like the state of Maranhão. Although the number of farm visits was reduced in recent months due to the COVID-19 pandemic, Soja Plus nevertheless visited 2,841 rural properties and will extend that impact during the new year.

"The Triple S program has comprehensive requirements for zero conversion, other sustainability indicators, labor protections, regulatory compliance and continuous improvement. Because of that, farmers in the program can bring their soy to the market with confidence, while also receiving technical support to improve their farms' productivity and long-term resilience. All of this is built on a foundation of trust between the farmers, IBS and Cargill."

Priscila Callegari, IBS Director of Agriculture

Restoring degraded land

Pastureland makes up about 45% of Brazil's state of Minas Gerais, and in some regions more than half of that pastureland is heavily degraded. Integrating livestock grazing with other agricultural activities and reforesting can help rejuvenate this land and return it to healthy productivity, taking pressure off other areas with native vegetation.

In collaboration with partners from multiple sectors, we joined a new project this November in Minas Gerais to do just that. Named Integra Zebu – meaning integration with the local breed of cattle, zebu – the pilot phase of the project will aim to work with 14 farms in the western part of the state to provide them with tools and resources to restore degraded land. In addition to the ecological benefits, the program will help mitigate climate change through low-carbon agriculture. And it will help prevent land conversion in other parts of the state, which includes part of the Cerrado biome. The project will look to expand to additional farms and states later in 2021.

A new roundtable in Argentina

Following on discussions earlier this year that were initiated by The Nature Conservancy and commodities consultant Peterson, we are pleased to share that we have formally joined a new initiative to protect the Gran Chaco in Argentina. This collaboration – the Visión Sectorial del Gran Chaco Argentino – was recently joined by the country's edible oils industry association, CIARA. This gives the group a stronger platform to drive change in the agricultural sector.

To start, the group authored a joint paper that outlined its objectives, principles and priorities. As a next step, we will work with other members to define targets, means of gathering data, and tools and processes for monitoring. And in the months ahead, we will work to help bring other important stakeholder groups on board, such as farmer organizations, other companies that participate in the agricultural sector and government policymakers.

Supporting a 'smart mix' of measures

Ending deforestation linked to agriculture will require action from all stakeholders. That's why we are participating in various forums for discussion and engaging with European Union institutions that are in the process of establishing a policy framework to help protect the forests of trading partners like the countries of South America.

We know that no single solution will provide the answer to solving this challenge. And so, as part of our engagement in this process, we co-signed a position paper published by the Tropical Forest Alliance that calls for a "smart mix" of measures to combat deforestation. These will help address the deforestation challenge holistically rather than simply causing it to shift to other supply chains or destination countries outside of the European Union. We will continue this dialogue with European stakeholders and partners like the Tropical Forest Alliance in the months ahead.

Working as an industry to make progress

The Soft Commodities Forum is a pre-competitive partnership among leading soy processors and handlers to help drive systemic transformation. Because no one company can achieve the change we need alone, this industry-level collaboration is essential to engage other participants in the soy supply chain and find solutions that are viable for farmers while protecting forests. The latest report from this important consortium is now available.

Monitor, verify and report

Taking action on grievances

We take immediate action to investigate when we receive reports of a problem related to our supply chain. Our strengthened 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. It is a way for anyone to report to us when they see something they feel is not right regarding our direct and indirect suppliers across Brazil, Argentina, Paraguay, Bolivia and Uruguay.

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.

83 soy-related grievances were reported in our system during the second half of 2020

89% of these were unrelated to our supply chain or operations

Effectively protecting the Amazon

In 2006, Cargill worked with many others to establish the Amazon Soy Moratorium, a voluntary commitment that says that we will not buy soy from farmers who cleared land in protected areas of the Amazon biome after 2008.

Today, the moratorium continues to operate effectively. The latest report shows that soy accounted for only 1.5% of the total deforestation in the Amazon biome from 2008 through the 2018-19 crop year. Instead, industrywide soy production in the biome has largely shifted onto land that had been cleared prior to 2008.

Cargill remains unwavering in our commitment to the Amazon Soy Moratorium as a crucial means of protecting the Amazon biome. Independent audits of all our soy purchases in the biome confirm that no soy enters our supply chain from non-compliant producers.

A more resource-efficient facility

In September, our transshipment terminal in Miritituba in Brazil's state of Pará was certified as a sustainably operated and maintained facility through the Leadership in Energy and Environmental Design (LEED) program run by the U.S. Green Building Council. We opened the port in 2017 as an important connection between Brazil's farmers and destination markets abroad. The certification illustrates and reinforces our commitment to operating in a sustainable way, in the Amazon biome and beyond. This is the first port in Latin America to be certified by LEED across all parts of the facility.

B

Cargill's 2020 grade from CDP for the Forest category, a full grade above the average for our industry.

Sharing your feedback

We want your feedback on how we can enhance our actions and future reporting. Please share your thoughts by email so we can use them to keep improving our processes and policies.

References

South America's major biomes

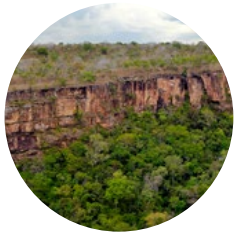
The Amazon, Cerrado and Gran Chaco biomes spread across several countries. In order to understand them in the context of our supply chain mapping, it's important to recognize that they are vastly different in terms of their natural characteristics and the local communities that depend on them. The Amazon is the world's biggest tropical forest, home to an immense amount of biodiversity as well as indigenous cultures. Soy farming occurs mainly around its edges. Meanwhile, the Cerrado is a savannah that stretches across Brazil's agricultural heartland. Farming activity here serves as the backbone for local economies and 46 million inhabitants.[1] The Gran Chaco spreads across parts of Argentina, Bolivia and Paraguay. It is the continent's second-largest forest, home to important biodiversity and many different communities as well.

The Amazon

85% of native vegetation in Brazil still intact[2]

1.8% of soy planted in Brazil today is on land that was native vegetation in 2008, none of which enters Cargill's supply chain[3]

The Cerrado



52.5% of native vegetation still intact[4]

7.2% of areas cleared of native vegetation between 2014 and 2019 had soy on them for the 2018-19 crop[5]

The Gran Chaco

80.9% of native vegetation still intact[6]

1.5% of areas cleared of native vegetation since 2008 had soy on them for the 2019-20 crop[7]

Sources: 1. Embrapa, 2. Brazil's Ministry of the Environment, 3. ABIOVE, 4., 5. Agrosatélite, 6. Mapbiomas, 7. Global Forest Watch

About Cargill

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

155K employees

Working in 70 countries

With more than 155 years of experience

Delivering for customers in more than 125 countries

Supporting communities with 350 Cargill Cares Councils

We aim to be the **most trusted partner** for food, agriculture, financial and industrial customers.

Our business

Every day, we connect farmers with markets, customers with ingredients, and people and animals with the food they need to thrive.

We provide insights to our partners

We transform raw materials into finished goods

We move products around the world

For farmers
We supply feeds, other inputs and expertise to farmers, and buy crops and livestock from them

For customers
We deliver finished goods to customers in the foodservice, retail, consumer packaged goods and industrial sectors

How we work

Our integrated operating approach enables our businesses to provide industry-leading products and services in their specific sectors while also drawing on the full world of Cargill's expertise. We deliver this expertise locally, quickly and reliably through world-class capabilities and operations everywhere we do business. Our global functions equip our businesses to do this effectively and efficiently by providing process governance and deep subject matter expertise on issues that affect us, our customers and other partners.

Cargill's Executive Team is responsible for the company's strategic direction, talent development and overall financial performance. Led by Chairman and CEO David MacLennan, members of the Executive Team represent all of Cargill's enterprises, as well as major global functions. They use a diverse set of experiences from both inside and outside of the company to lead and achieve results.

Our Guiding Principles

Doing business ethically is key to our long-term strategy and relationships. Our seven Guiding Principles make up the core of our Code of Conduct. We require all employees and contractors to follow them, and expect our suppliers to do the same.

1. We obey the law.
2. We conduct our business with integrity.
3. We keep accurate and honest records.
4. We honor our business obligations.
5. We treat people with dignity and respect.
6. We protect Cargill's information, assets and interests.
7. We are committed to being a responsible global citizen.

thrive

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