

THE CLEAR PICTURE

New traceability platforms that open a window to your cocoa

How digital platforms such as the CocoaWise™ Portal are serving as key enablers that ensure "a thriving cocoa sector for generations to come."



Contents

Introduction	3
Cocoa supply chain transparency: A vehicle to build consumer trust	5
Technology as a transparency enabler	7
Cargill's approach to supply chain transparency	10
How Cargill verifies cocoa traceability	12
How Cargill delivers supply chain transparency	14
A farmer's view on CocoaWise™	19
Introducing The CocoaWise™ Portal	21
About Cargill	24

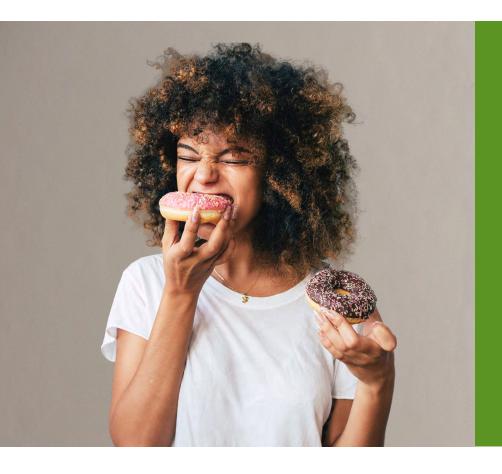


"With cutting-edge technologies, like CocoaWiseTM, we are able to strengthen collaboration and move the industry forward together towards a more transparent and sustainable cocoa supply chain benefiting both farmers, and customers."

HAROLD POELMA, President for Cargill's Cocoa & Chocolate business



Introduction



56%

of EU consumers declare they "want to know the story behind the food/drinks they buy."

Innova Market Insights Consumer Survey, 2020

At Cargill, sustainability is integral to how we operate as a company, in delivering high quality cocoa and chocolate products throughout the world. For us, cocoa sustainability has been a long-term journey, with many important milestones. For example, in 2012, we launched the Cargill Cocoa Promise to formalize and solidify our long-time sustainability efforts in our direct supply chain, and in this way execute on improving the lives of cocoa farmers and their communities, while securing a thriving cocoa sector for generations to come.

As part of our holistic approach to sustainability, we are committed to building full transparency, traceability, and trust in our cocoa supply chains. One important aspect of this relates to **making traceability** the standard in our direct sourced cocoa supply chain. That is why we are committed towards 100% farm-to-factory traceability for all our cocoa beans in our direct sourcing network by 2030.



Maintaining the identity of the cocoa throughout the process means overcoming obstacles such as complex supply chains with multiple participants, the heavy costs and administrative requirements of managing data. After all, cocoa is a commodity sourced from millions of smallholders, that is transported in bulk from across the globe, and with a continuous production process.

We recognize the identity challenge, and are dedicated to embedding ever greater levels of transparency across the supply chain. The more we know about our cocoa ingredients, at various stages in the chain, the better we can take steps to secure and manage our continuous quality of supply, target our programs, and improve our sustainability activities that benefit farmers, and their communities.

Transparency and traceability are key to ensuring a thriving cocoa sector for generations to come and, in this way, create lasting benefits for cocoa farmers, and their communities. But we also realize that generating real and verifiable progress makes absolute business sense, for Cargill and our customers. After all, improving traceability in our cocoa supply chain, allows us to meet the growing consumer demand for transparency together, and thereby further build credibility in claims, and trust in brands. In fact, "Consumer Confidence" is part of our cocoa sustainability goals, together with "Farmer Livelihoods," "Community Wellbeing," "Protect our Planet," and "Transformation Together."

This report will take you inside our ongoing efforts in taking an evidence-based approach that fosters sustainability and transparency across the cocoa sector. It will introduce you to our definitions, approach and capabilities to deliver supply chain transparency, as well as the CocoaWise™ Portal, our digital reporting platform that provides our customers with fast, easy access to the sustainability data of Cargill's cocoa supply chain.

Our five cocoa sustainability goals



GOAL

We will champion professional cocoa farming practices, to strengthen the socio-economic resilience of cocoa farmers and their

1 million farmers benefiting from the services of the Cargill Cocoa Promise





Ė Community Wellbeing

We will enhance the safety and wellbeing of children and families in cocoa farming areas

1 million community members benefiting from the services of the Cargill Cocoa Promise











Protect our Planet

We will promote environmental best practices in our business and across our supply chain

TARGETZero deforestation in the cocoa supply chai







GOAL

We will help consumers around the world choose sustainable cocoa and chocolate products with confidence

100% farm to factory traceability of our cocoa beans

100% chocolate ingredients sourced in line with our supplier code of conduct





Transformation,

GOAL

We will use the power of partnerships to accelerate and magnify our efforts to achieve a level of sector transformation that cannot be accomplished alone





Cocoa supply chain transparency: A vehicle to build consumer trust

Today's so-called "mindful consumer" is looking for products that are good for them, and the planet. They want to know that the products they purchase are produced in a responsible manner, including those containing cocoa and chocolate ingredients. As a result, the growing consumer demand for sustainably-sourced products that guarantee traceability back to the farm is undeniable. For example, an Innova Market Insights Consumer Survey 2020 reported that 3 out of 5 global consumers say that they are interested in "learning more about where their food comes from and how it is made." In fact, the market researcher identified "Transparency Triumphs" as its leading trend for 2021, noting that "more and more consumers expect companies to provide information and a high degree of honesty about ingredients, including where they came from and how they are produced."

While transparency and traceability is highly topical, it is important to stress that this is a major trend for the long term. The notion of "Conscious Consumption" has been identified as a macro trend under TrendTracker™, Cargill's data-driven global trends framework that determines the most important global macro & micro trends impacting food and beverage manufacturing. "Conscious Consumption" relates to people actively making decisions with a clear conscience, in the knowledge that they are doing "the right thing."

These consumers see their product choices as a reflection of who they are and what they value around issues such as environmental sustainability, social responsibility, and food waste. The COVID-19 pandemic has only heightened consumer reflection on values and accelerated purpose-based purchases. In fact, during 2021, 67% consumers agreed with the statement: "I prefer to buy from companies that support social, community, or environmental interests," (Source: HealthFocus International, 2021), up from just 53% in 2008.



"If we want to make sure farmers have a bright future growing sustainable cocoa, we need to make sure consumers believe in it."

TACO TERHEIJDEN Sustainability Director for Cargill's Cocoa & Chocolate business





It's clear that transparency is an effective tool in building consumer trust, and thus driving purchase decisions. But emerging EU and country-specific legislations, EU member state multi-stakeholder initiatives on sustainable cocoa, and NGO requirements for strong credentials regarding cocoa sourcing conditions, are making the need to guarantee transparency even more pronounced. These factors have combined to make credible ingredient communications an absolute imperative for manufacturers of chocolate and cocoacontaining products.

No wonder, more and more manufacturers are seeking to increase their visibility into their cocoa supply chain, in order to understand the provenance of the cocoa they bought, and the social and environmental conditions under which it is produced and processed. Additionally, they are seeking access into how their investments in sustainable cocoa are ultimately making a positive difference for cocoa-growing communities.

By delivering to this level of visibility, manufacturers will gain the peace of mind they need, while further benefiting from the assurance that underlying risks in their supply chain are being properly assessed and addressed. It opens the way to communicate around and build credible brand stories, engage with consumers, and foster trust & brand preference.

In the next section, we will have a closer look at **how Cargill defines, approaches and delivers supply chain transparency**, and supports you with your sustainability reporting, and marketing and communication requirements.

Consumers increasingly expect transparency from food & beverage brands



56% of EU consumers declare they "want to know the story behind the food/drinks they buy."

Innova Market Insights Consumer Survey, 2020



47% of EU consumers want to know the story behind the food/drinks they buy in order to "learn where the *ingredients* come from."



30% of EU consumers want to know the story behind the food/drinks they buy because it "makes them trust the *brand* more."

Innova Market Insights Consumer Survey, 2020



59% of EMEA consumers say: "I only buy products or services from a **trusted brand**."

GIK Consumer Life, 2020



Technology as a transparency enabler

The proliferation of innovative and costeffective technological solutions is enabling traceability, real-time data collection, and financial transparency. It also allows for greater transparency on how commodities are grown, and sourced from farmers, and thereby enabling the full chain to be connected.

As the quality of this information improves and proof of positive impact is provided, consumers will increasingly opt for sustainably positioned products. This beneficial cycle will help stimulate everyone to operate to a higher standard, and in turn move our industry forward as a whole.

Our ongoing investment in digitalizing our direct supply chain plays a vital role in informing and accelerating Cargill's impact in cocoa sourcing regions. To ensure that the story of our cocoa is traceable and therefore credible, we deploy a range of technology solutions, tools, and initiatives. Combining these with an evidence-based approach, allows us to track the impact of our sustainability efforts, set a baseline for our work, and demonstrate progress.

Through considered application, we have been putting technology to work for years, in order to help the approximately 170,000 farmers in the five countries where we directly source our cocoa from. In the crop year 2019/20 alone, we invested an additional US\$3 million in traceability initiatives, that have allowed us to bring the data from our supply chain together in more powerful ways, and help farmers to enhance agricultural practices.



"Currently, customers are accessing traceability and sustainability information from different companies across different platforms. We see a future where, as an industry, we utilize a common approach in measuring and reporting traceability and sustainability metrics, across commodities, and suppliers."

SUZANNE UITTENBOGAARD, Value Chain Manager, for Cargill's Cocoa & Chocolate business





The need for unified definitions around "cocoa traceability"

While it's clear that transparency is in high demand among all actors in the cocoa supply chain, you may be surprised to know that no single universal definition exists to describe cocoa supply chain transparency, and traceability.

The proliferation of definitions and indicators for monitoring and the lack of standardization is seen as one of the challenges associated with traceability in the cocoa sector.

Some accepted traceability definitions are:

- ISO-CEN -34101: Traceability is the ability to follow the physical movement and/or mass conformity of sustainably produced cocoa through specified stage(s) of production, processing, and distribution.
- The Rainforest Alliance: Traceability is defined specifically for each level of traceability (Identity preserved, Segregated, and Mass Balance).
- The Accountability Framework: Traceability is the ability to follow a product or its components through stages of the supply chain (e.g., production, processing, manufacturing, and distribution). The Accountability Framework highlights the importance to distinguish traceability from supply chain mapping. These terms are highly related which often leads to confusion in their interpretation and use. Supply chain mapping is the process of identifying the actors in a company's supply chain and the relationships among them.

Useful definitions on cocoa sustainability

Certified cocoa: Cocoa that is produced under a voluntary certification scheme. Third-party certification such as Fairtrade and Rainforest Alliance ensures cocoa is produced according to internationally recognized and independent standards for sustainable production through a set of requirements, regarding management aspects, farming practices, working conditions and the protection of the environment.

Mass Balance: The cocoa originating from verified sustainable (e.g. certified) farms is combined with cocoa from non-verified sustainable farms at a point in the supply chain. The final volume delivered is equal to the volume sourced from the verified sustainable farms' network. (Administrative chain of custody)

Segregation: The certified cocoa is kept separate from non-verified sustainable cocoa all the way through the supply chain (Physical chain of custody).

Benefits of the Mass Balance sourcing model:

- Investment is being targeted to farmers instead of supply chain segregation costs.
- More accessible due to simple factory logistics, increased flexibility in recipes, and no additional quality or availability constraints.

Learn more about the difference between Mass Balance and Segregation.

Watch the video



Many accepted definitions - Lack of industry consensus

Depending on the definition, cocoa can be traced back to different points of the supply chain: To the country of origin. A specific A first point of purchase. Depending on the definition, cocoa can be traced back to different points of the supply chain: A secretain cocoa growing to a specific farmer/farm.

Due to the many different definitions being attributed to these terms, making comparisons between the available solutions has become an unenviable task. This issue is further exasperated, when you consider that traceability also means something different, to each of the different actors within the value chain. According to the "Technical Brief on Cocoa Traceability in West and Central Africa" issued by IDH, The Sustainable Trade Initiative and the National Initiatives on Sustainable Cocoa in Europe (ISCO):

- (a) For a consumer, "traceability" could mean being assured of the safety and/or sustainability of the product they are consuming;
- (b) For a company, it could mean better supply chain management and mitigation of risks such as safety, quality and sustainability of production and supply, or even tracking payments to farmers, while;
- (c) For authorities, it could act as tool to ensure compliance with sector policy and/or sustainability requirements and to verify payments made to farmers and farmer organizations.

Without industry consensus, it is challenging to interpret, understand and report on progress. That's why, for sustainable cocoa in Europe, Cargill supports efforts to align definitions, ambitions and reporting requirements. Through industry groups like IDH, we're working with other stakeholders to develop a unified approach to these issues.



Cargill's approach to supply chain transparency

At Cargill, we believe that supply chain transparency for the cocoa sector goes far beyond the tracing of cocoa back to its origins, and the chain itself. Our definition further encompasses disclosure of investment distribution, as well as reporting the impact and progress made on key issues impacting the cocoa growing communities.

Cargill's definition of supply chain transparency is therefore three-pronged and consists of:

1. Physical (bean) traceability

Physical traceability is a fundamental process to understand the circumstances under which cocoa was produced, and therefore the ability to control, influence and, assure the environmental and social conditions under which the cocoa was produced. Linking physical bean flow data to other information on cocoa production conditions (such as 2 & 3 below) allows us to assess the supply chain. For example, by gleaning knowledge on the farmers themselves, and their respective farms, and combining this with maps of protected areas and data from our Monitoring & Evaluation System, we are able to better monitor our risks and progress towards tackling deforestation.

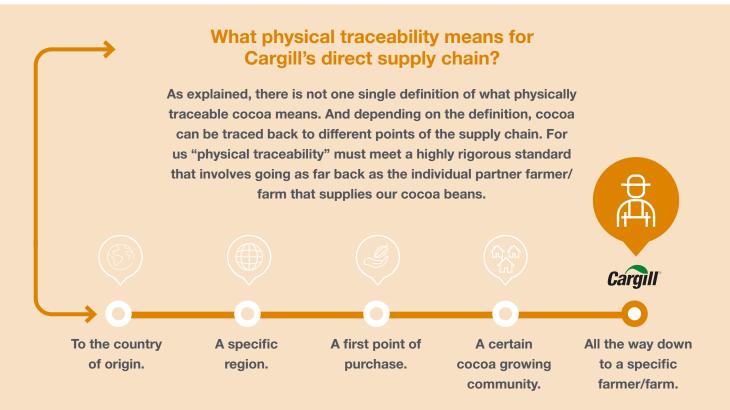
2. Financial transparency

It is vital for those making investments in cocoa sustainability, to feel assured that their contributions reach the intended beneficiaries. Furthermore, there is a growing demand for choice on the particular areas where their investments are channeled to, depending on the customers' desired impact. For Cargill, financial transparency is about being able to track in full detail how premium payments made by our customers in sustainable verified cocoa and sustainability projects are composed, distributed and invested in the cocoa origin countries. Then it is about being able to disclose this information in a transparent way.

3. Impact transparency

It is becoming increasingly important for cocoa producing companies to know the effect of their investments on people, and their environment within the cocoa supply chain. Positive progress and impact made in cocoa origin countries, thanks to their contributions, allows them to meet their sustainability commitments and accurately report on their progress against their sustainability targets, and form the basis of more in-depth sustainable brand storytelling.





Breaking that down further, there are different levels of traceability still, dependent on customer consideration parameters of price, time and quality. The two most intense levels for physically traceable cocoa for Cargill are:

- First-mile traceability
- End-to-end traceability

First-mile traceability

The ability to identify and trace cocoa beans delivered to the Cargill warehouse (plant in cocoa origin country) all the way to farmer, and thereby ensure the reliability of sustainability claims. "First mile traceability" allows us to provide a mass balance product with insight into the origin of the farmers and their related farms that the beans were sourced from i.e. to Cargill's direct sourcing network of known farmer organizations and farmers. First mile traceable cocoa assures physical traceability "in the first mile" and provides transparency into the supply chain for the final product.

Building on the "Accountability Framework" distinction between supply chain mapping and traceability, Cargill achieves first mile traceability through the implementation of two important approaches: 1. Supply chain mapping – GPS/polygon and 2. Cocoa bean electronic tracking. These approaches will be further detailed later in this report.

End-to-end traceability

The ability to track information on a cocoa product and the associated processes it is subjected to across the entire supply chain, e.g. the origin of the cocoa beans used to produce cocoa powder. With end-to-end traceability, the actual sustainable cocoa beans purchased are included in the final product i.e. "segregated flow."



How Cargill verifies cocoa traceability

Cargill uses a number of tools to verify traceability and sustainability data both downstream (from Cargill to their clients) and upstream (from Cargill to their suppliers and producing communities). In addition to our internal systems, we collaborate with third-party verification and certification organizations that provide internationally recognized and independent standards for sustainable production.

These assurances are important, but it's also vital that companies understand the definitions being used and how they are being implemented. There can be nuances in the numbers – 100% traceability to country of origin may not be as meaningful as traceability all the way to the farmer level.

The other aspect to bear in mind is **that traceability is just a means to an end.** At Cargill, we use traceability to understand where our cocoa beans are grown, which enables us to develop interventions and programs that can have a real impact in the communities where we do business. In order to deliver meaningful change, we seek a deep understanding of the cooperatives, farmers and fields in our cocoa beans supply chain.

At Cargill, we strongly believe in the value of independent assurance. This is why we partner with renowned certification programs and third-party independent certification bodies to further verify and validate our sustainability work, our progress and the claims we can make in relation to our products. In this way, consumer confidence in the purchased cocoa and chocolate products made with the cocoa beans we buy, is boosted.

We currently work with two well-trusted, independent certification programs: The Rainforest Alliance, and the Fairtrade Foundation. By enabling farmers to enter into these sustainability certification programs, we encourage professional farm management and compliance with good agricultural, and social practices. These labels also signal to customers and end consumers, that our cocoa was produced in compliance with sustainability standards.

At Cargill, we strongly believe in the value of independent assurance.





Additionally, in 2021 we introduced Promise Verified – a new assurance approach to independently-verify Promise Cocoa, part of the Promise Solutions. Promise Verified is an alternative to Rainforest Alliance and Fairtrade and uses a different approach to assurance consisting of different layers of on-and-off field verification. Promise Verified is assured against a set of sustainability requirements which are aligned to the Cargill's Theory of Change. It also features external verification for our program performance (performance and financial data linked to the Cargill Cocoa Promise programmatic activities on the ground), and the reporting indicators (shared via the new CocoaWise™ Portal).

External field verification of the sustainability requirements and related data is conducted at origin country level by certification bodies, Bureau Veritas and SGS, while assurance on program performance is carried out by KPMG as an independent assurer.

Promise Verified is assured against a set of sustainability requirements which are aligned to the **Cargill's Theory** of Change.



How Cargill delivers supply chain transparency





Cargill works hand-in-hand with cocoa farmers, day in, day out. For us, transparency and traceability across the cocoa supply chain needs to benefit farmers first. We know what farmers grow, how it's grown, and what cocoa farming communities need, to keep making cocoa more sustainable.

We also know that if you want to achieve the greatest level of transparency, you need to start at the beginning of the cocoa value chain. After all this is where we are uniquely placed to have the most insights on both the risks and impact of the solutions.

While always maintaining our broader sustainability vision, we are on a journey of achieving our goal of full "first-mile traceability" (i.e., farmer-to-plant traceability) by the end of 2030. This is being made possible for farmers by putting technology in play, and through the digitization of our supply chain.

"First mile digital traceability" is a fundamental tool to understand the circumstances under which cocoa was produced. It allows us to monitor and assess our supply chain, by providing evidence, and reliability, to our sustainability claims. Our road towards achieving our 2030 "first-mile traceability" goals is being made possible through the implementation of two important digital technologies:

- Supply chain mapping GPS/ polygon
- 2. Cocoa bean electronic tracking



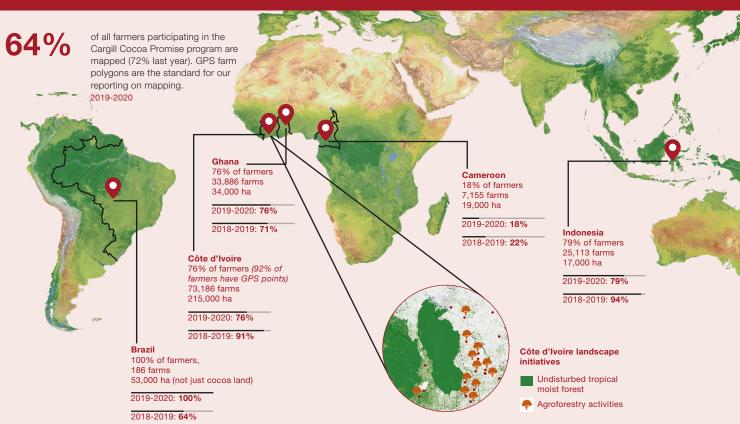
1. Supply chain mapping – GPS/polygon

In our direct supply chain, we build on our long-lasting network of partner cooperatives, where we already have visibility on the communities and sourcing areas. Trained field technicians use GPS devices to collect information about farm boundaries and create GPS polygon* maps of the farms from which we source in our direct sourcing network. With GPS farm polygon* maps we identify the farm's location, size, footprint, type and age of trees grown, as well as the cultivation methods used. This allows for a more precise analysis of where a farm is located, and the opportunity to evaluate and verify partner farmers against, among others, protected area boundaries, historical forest

loss, future deforestation risk, and more. Additionally, it means that we know the exact farm size, which allows for determining the yield per farmer; a key indicator on whether our interventions are having the desired impact. Our aim is to map our entire supply chain to individual farm-level.

*A polygon is a collection of GPS points i.e. a shape, rather than just a single point on the

More supply chain mapping for a more protected planet



Please note: Figures may appear lower compared to last year. We have removed mapped plots associated with farmers that no longer supplied our sustainable beans in 2019-2020. Farm maps reported here may include geometry issues. We found that depending on the country 0-1.7% of polygons are duplicates and between 11.5%-22.5% overlap by at least 20% with one or more polygons. Solving the issues is amongst our key priorities in the upcoming years.



2. Cocoa bean electronic tracking

The digitization of our supply chain is achieved by physically tracing the cocoa back to individual partner farmer level and their related farms, thanks the use of digital barcoding traceability. These systems allow us to monitor the farms and farmers from which cocoa is sourced into our direct supply chain. For years, we have been able to rely on third-party verification schemes to assure and verify that our suppliers of sustainable beans document and separate the flow of sustainable cocoa from conventional cocoa and from the farm, up to the first point of purchase level. Furthermore, in 2017, we began implementing the Cooperative Management System digital system in Côte d'Ivoire. This allows us to trace a bag of cocoa from the farm into the supply chain (i.e., up to Cargill warehouse) through bar scanning technologies.

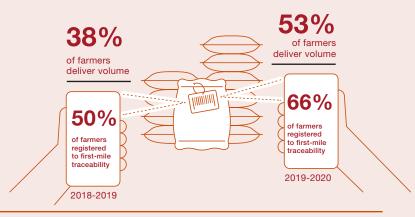
Another critical element of Cargill's approach to "first mile traceability" is in the identification of the estimated sales of the farmer by using estimated vield, and land size as an indicator. We also track and document financial transactions so that we can trace back sustainability premiums and cocoa payments to individual bags of cocoa, and have visibility to how sustainability premium is invested.

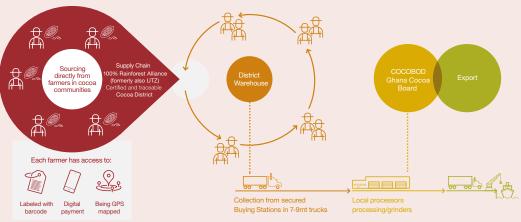
Furthermore, we collect data of the interventions we operationalize directly, and through partners. The aim is to measure the effectiveness of our sustainability interventions and ensure that we report on our progress in a clear and transparent manner, enabling our customers to understand how their financial contribution is invested and to assess the impact.

Towards full first-mile, digital traceability of our direct cocoa supply chain

66% (2019-2020) of farmers are registered to firstmile traceability systems, 53% of farmers deliver volume through the first-mile traceability system.

These figures differ because farmers need time to adapt to digital tools and start tracking their volumes on these platforms.





How first-mile traceability works - Illustrative example from Cargill's Ghana supply chain





The CocoaWise™ suite of digital tools

The digitalization of our direct sourcing network is vital not only to achieve first mile traceability, but also in ensuring greater supply chain "transparency" within how we holistically define this term. We rely on a suite of digital tools and applications (CocoaWise™) that are designed to increase transparency and traceability, while enhancing cocoa farming practices and community well-being. CocoaWise™ digital tools are used to obtain and document origin information, link sustainability characteristics to this origin information, and transfer traceability data all along the supply chain. They help us to achieve and report real and quantifiable progress to our key stakeholders, including our customers through the CocoaWise™ Portal.

Collecting reliable data through the CocoaWise™ digital tools from approximately 170,000 smallholder farmers that form part of Cargill's direct sourcing network is extremely challenging and requires dedication. Cargill is uniquely positioned due to its large direct supply chain, on-the-ground presence, and dedicated data teams who collect quality data and oversee the flow of program performance data. Cargill also has specialized staff in place to train farmers and farmer organizations on data collection protocols.

All the data are integrated into a centralized sustainability data platform (CocoaWise™ 360), where it is checked and further analyzed. Through this platform, Cargill can layer data from multiple sources, to allow for an ever-clearer picture of what is happening on the ground, help the assessment of interventions, and show where impact can be increased.

Innovating with expert partners

Combined our position in the center of the value chain, with Koltiva digital capabilities and Farmforce

AS expertise in food's first mile, we can constantly innovate and develop digital solutions that meet both needs of customers and farming communities.

The first mile traceability of the agriculture supply chain of cocoa is where reliable data is key and Farmforce AS is what makes that possible for Cargill.





"Developing and maintaining a good, working collaborative ecosystem for traceability in the cocoa sector will be vital to achieving our collective sustainability ambitions."

SUZANNE UITTENBOGAARD, Value Chain Manager, for Cargill's Cocoa & Chocolate business



Thanks to the CocoaWise™ digital toolbox, we have been able to offer our key stakeholders, including our customers, a better picture of the origin of the cocoa they are using. With the launch of the CocoaWise™ Portal, we are now even going a step further in delivering transparency to our customers. This digital reporting platform, which will be presented in detail in the next chapter, helps ensure a lasting connection between cocoa farmers and consumers, while further fostering transparency, traceability, and resultantly trust.

Some examples of how Cargill uses CocoaWise™ digital tools to foster the different aspect of supply chain transparency

1 ■ Physical (bean) traceability

- The CocoaWise™ Map is an interactive map showing Cargill's Cocoa Promise Supply Chain Partner Network with the name and location of the 128 cooperative offices in Côte d'Ivoire, the 7 buying stations in Ghana, and the 11 buying stations in Cameroon belonging to our direct sourcing network in these countries.
- CocoaWise™ BeanTracker represents our digital bean tracking systems, which allow farmer organizations to physically track the cocoa beans they manage back to the individual farm via cocoa bag barcodes. This prevents beans from deforested areas entering our supply chain, as well helps farmer organizations to make better datadriven business decisions.

2. Financial transparency

• With CocoaWise™ eFinance, we have integrated mobile money into how we buy cocoa beans. In this way, farmers can be assured that they are being paid fairly, accurately and securely, and that Cargill can trace how their investments are being channeled. This tool allows us to improve our capabilities to deliver financial transparency.

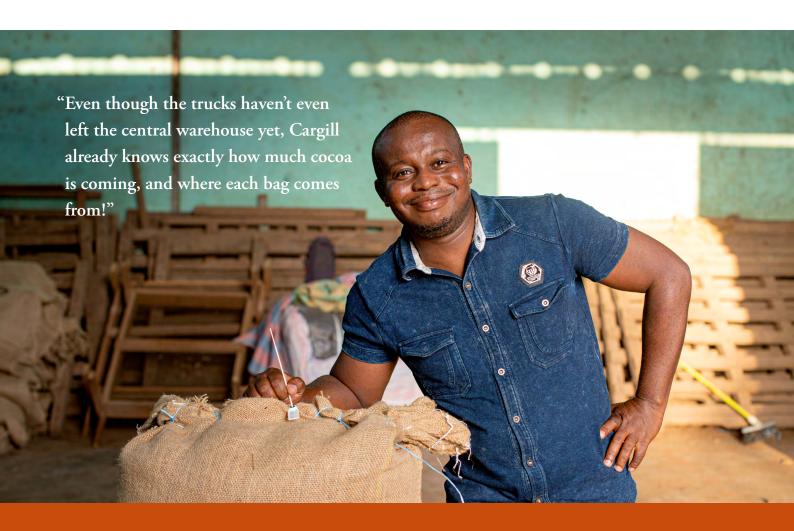
3. Impact transparency

- Our digital farm services CocoaWise™
 ProFarm enables farmers to make informed decisions. These apps feature up-to-date weather, agronomics, and market access information. For example, ProFarm apps has featured messages from public health authorities to help farmers stay safe during the COVID-19 pandemic.
- With CocoaWise™ ProCoop, we offer farmer organizations digital management tools, such as the Cooperative Management System. This enables the better management of finances, inventory, first-mile traceability for their members' cocoa, and much more. In this way, farmer organizations can go further and build a resilient, professional cocoa sector that is better prepared for the future.
- Our CocoaWise™ Insight tool is a monitoring and evaluation system through which we can track and monitor progress in achieving our cocoa sustainability goals. It includes detailed data, such as tree density, the cultivation methods used, replanting activities, along with a wealth of information about farming families and their communities, including child labor monitoring.



A farmer's view on CocoaWise™

"The tools we use are truly revolutionary"



By Roger Koffi, ADG (sustainability coordinator) at ECASO COOP-CA Côte D'Ivoire I am a farmer's son, who was lucky enough to be able to study. Since 2014, I have held the role of ADG at ECASO COOP-CA, a cooperative which has had a partnership in place with Cargill since 2004. My position involves managing all the projects that have been implemented, all while relying on further operational and strategic support from Cargill.

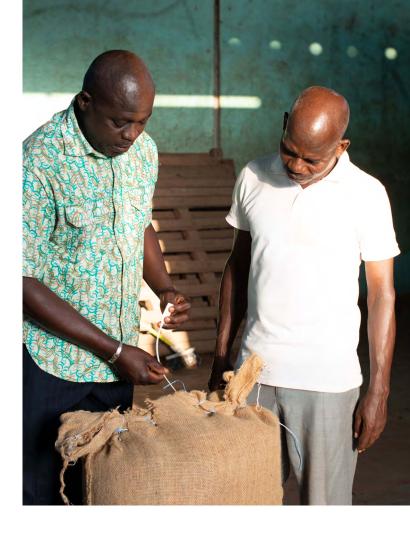


The Cooperative Management System (CocoaWise™ ProCoop) project arrived at our coop during 2017-2018, when we were selected for the pilot phase. We quickly understood that this integrated system would not only deliver further credibility to purchases made at the coop level. But, even more importantly, it could rule out the notion that coops could buy cocoa from classified forests, which could in turn be mixed together with noncertified cocoa, before being sent to the exporter.

Revolutionizing our cocoa purchases

Before the Coop Management System, a simple paper receipt was seen as sufficient for cocoa purchases. But, since we started this project two years ago, everything has evolved to become digital, and in this way support our cocoa purchasing system. Nowadays, in order to make our cocoa purchases, we have been provided with tablets with which we do everything digitally. The tools we are using (CocoaWiseTM BeanTracker powered by Farmforce) are truly revolutionary. The system integrates the GPS coordinates of each farmer, all in real time. What is particularly interesting is that through our phone or tablet we can immediately know the source of the cocoa from GPS coordinates.

Purchases are made in all six sections where our cocoa producers operate. Within our sections, delegates have a list of all the producers in their area. When the producer needs their cocoa to be collected, the delegate charters a truck for cocoa that has already been codified with the producer's personal codes. Each farmer has a card which is personal to them and has a unique bar code. It features all relevant



information about the producer, including: name, code, delivery potential, and location. Each time the farmer makes a delivery, we will ask them to scan their card onto the tablet. We can immediately see the farmer's references and history, as well as record the purchases according to their delivery of the day.

When the bags reach the central warehouse, we analyze each bag from every farmer. Once this is done, we weigh them, generate the seals, and seal each bag. Incredibly, everything can be done with a smartphone!

Once the farmer's batch is ready, all information is immediately transferred to Cargill via the Farmforce platform. An accompanying sheet is drawn to form the "load identity card," which will be sent to Cargill. Even though the trucks haven't even left the central warehouse yet, Cargill already knows exactly how much cocoa is coming, and where each bag comes from.

The delegate then immediately receives the money, before distributing it individually in cash to each farmer. This is a transparency method that makes everyone feel at ease.



Introducing The CocoaWise™ Portal



Open a window to your cocoa and make your impact visible to the world!

Transparency benefits all, including you

Farmers benefit from the technology platforms that Cargill has put into play. But there's another side to the equation. These same platforms also provide information to customers, that helps build confidence down the supply chain to end consumers, who increasingly have sustainability on their minds, when purchasing chocolate and cocoa containing products.

To further foster transparency, traceability, and resultantly trust among our customers, we introduced the **CocoaWise™ Portal:** An interactive digital reporting platform, that delivers high-quality, reliable, and most relevant sustainability and traceability

metrics, insights and storytelling assets to our customers. In each case, it is customized to be unique to our customers' individual sustainability journey.

The CocoaWise™ Portal enables customers to log in directly and be more deeply connected to the communities from which their cocoa originates from. They will see first-hand what the impact of their financial investments is on benefiting cocoa farming communities on the ground. This includes boosting in key initiatives like providing sustainable agriculture coaching for farmers, entrepreneurship trainings for women, and nutritional programs for families.



The information in the portal is delivered through three modules: My Product, My Finances, and My Program. Customers will increase their understanding of:

- Their sustainable product deliveries, and cocoa origins and supply chain - through My Product pages;
- 2. Their financial investments - how these are distributed in the form of cash or in-kind payment among farmers, farmer organizations, and sustainability programmatic activities - through My Finances pages;
- The positive progress and impacts made in the cocoa origin countries, thanks to their contributions - through My Program pages.

The portal's structure in these three modules, reflects Cargill's definition of supply chain transparency, which is a three-pronged concept that consists of: physical transparency, financial transparency, and impact transparency.

And while there are many tools that bring transparency to our cocoa supply chain, it is the people who make it work.

This figure demonstrates how the data travels and adds value through the cocoa supply chain



Sourcing country



Cargill global



Customer



Farmer organisation

"The fascinating thing about my job is to connect people through data. This way, we understand the real needs of farmers and families, how they operate their business and how they live. I find this work extremely interesting."

GERTRUDE LOUA Monitoring and Evaluation Coordinator, Côte d'Ivoire

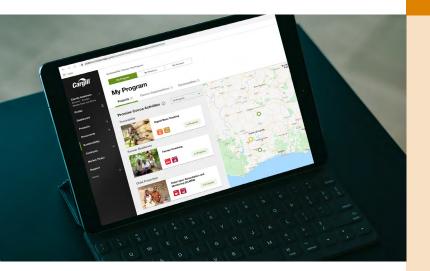
"Streamlining the flow of data across regions is a big achievement. It is a true team effort: everyone is on board to improve the quality of data and the data collection on the ground, all in order to support farmers and customers on their sustainability journey."

LAURENS GOLVERDINGEN Product Owner Digital Farm Services

"In addition to sourcing certified volumes from Cargill, through CocoaWise, we now have visibility of the cooperatives from which we source. This gives us transparency in our supply chain in line with our 'Better Sourcing' goal."

EVAN SOMU Head of Commodities Procurement & Responsible Sourcing at Friesland Campina





As one of the world's leading cocoa and chocolate producers, Cargill sits at the center of the cocoa sector. We take our responsibility of connecting all players in the value chain very seriously, and especially prioritize working hand-in-hand with farmers, to ultimately provide sustainably sourced high-quality products for our customers.

Getting there requires a technology-driven, evidence-based approach to fostering sustainability and transparency across the cocoa sector. This is why our CocoaWise™ suite of digital tools for farmers, the CocoaWise™ 360 data platform and the CocoaWise™ Portal are the next steps in this journey to sourcing, manufacturing and marketing 100 percent-sustainable cocoa ingredients by 2030.

We are looking forward to strengthening our partnerships with our customers, and working together to create a more sustainable sector for generations to come. On that journey, we will continue to apply cutting-edge digital innovations to ensure that the story of our cocoa is traceable, and that our customers will benefit from enjoying increased visibility into our shared cocoa supply chain.

Learn more about what CocoaWise™ Portal can mean for you:

www.cargill.com/cocoawise-portal

Introducing our "Wise" portals: It's time to open a window to your ingredients sourced by Cargill!

As consumers want to know more about where their food comes from, Cargill is rolling out a suite of "Wise" digital portals for cocoa, palm products and soy crops: CocoaWiseTM, PalmWiseTM, and SoyaWiseTM.

These portals enable Cargill customers around the world to easily access details about where and how crops are being grown and processed providing the traceability and transparency that our customers need to meet their own sustainability goals.

Each portal is tailored to the crop it serves.

- Our CocoaWise[™] portal enables us to share information about the origin of the beans sourced from our direct supply chain, and used in products supplied to customers.
- Our SoyaWise™ portal caters to the feed industry, offering a unique approach to traceability and transparency, unlike any other major soy supplier. Using SoyaWise™, customers can easily trace their purchases of sustainably certified soy back through the supply chain, from the crushing facility, to the shipping vessel, to the areas where it was grown.
- Similarly, PalmWise™ delivers advanced traceability and sustainability monitoring for our palm-based offerings. It offers customers a window into our supply chain, enabling them to trace their palm oil purchases from the mill where it was processed to the port in the destination market. In addition, it provides visibility into any past or present grievances within a customer's supply chain, including the steps being taken to resolve the issues.



About Cargill

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

We are

155K employees 70
countries

With more than

155
years of experience

Delivering for customers in more than

125 countries

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











Data

Risk management

Financial

We transform raw materials into finished goods



Animal



Food Animal



Branded



randed Bioindustrials

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.





Our approach to sustainability and corporate responsibility

Our purpose is to nourish the world in a safe, responsible and sustainable way. It's who we are. It's why we exist. As the world faces extraordinary challenges – from climate change to food insecurity – delivering on our purpose is more critical than ever before.

Our global sustainability strategy sets clear priorities based on the most material issues to our business. We identified Climate, Land & Water and People by evaluating the environmental, social and economic impacts of our diverse business and supply chains. As we drive progress against these areas, we'll do so by engaging, empowering and advancing sustainable practices across farm and field, because we believe agriculture is how we'll deliver.

Agriculture is how we help people and the planet *thrive*.

As the world joins in advancing the U.N. Sustainable Development Goals, we believe that many of the solutions to the challenges we're facing can be found in the very place our food system begins: Agriculture. Agriculture can be a force for good. We aim to empower farmers and workers, support local communities, promote safe and fair working conditions and ensure food is nutritious and plentiful for all. We're also driving progress on priorities that safeguard our planet and help ensure we're operating our business in a sustainable way. Through our work with key partners, collaborative initiatives with our customers and through constantly innovating the products and services that we offer, we are committed to creating impactful change that leverages our scale of operations and reach.

By empowering farming communities, protecting land and regenerating our soils, we'll nourish this growing population – safely, responsibly and sustainably.





