



## Strategy

Our sustainability strategy at Cargill is focused on three priority areas: Climate, Land and Water, and People. Each of these areas has a clearly defined approach to advance sustainable and resilient supply chains, generate shared value for our customers, and drive positive change in the communities where we operate.

# Q&A with our Chief Sustainability Officer

**Pilar Cruz,**

*Chief Sustainability Officer (CSO)*



**Pilar Cruz shares her insights on Cargill's sustainability strategy and how we are taking action to address climate change, protect land and water, and sustainably feed a growing population.**

## **What are Cargill's key sustainability priorities?**

As an integral connector of the global food system, Cargill has an opportunity, and responsibility, to protect the planet as we fulfill our purpose of nourishing the world safely, responsibly, and sustainably. Our sustainability strategy focuses on three strategic priorities: Climate, Land and Water, and People. Each of these priorities has a clearly defined approach to advance resilient supply chains, generate shared value for our customers, and drive positive change in our operating and sourcing communities.

To advance our priorities, we have set science-based targets and are delivering measurable progress against those commitments through scalable programs like Cargill's BeefUp™ and SeaFurther™ Sustainability. Our teams are working across supply chains to preserve critical natural resources by protecting forests, restoring degraded land, regenerating soil, and protecting and replenishing water resources.

We know agriculture plays an important role in addressing global challenges like climate change and food insecurity, but that is only possible when sustainable solutions are economically viable for the producers who work hard every day to feed the world. That's why we bring together farmers, industry, academics, NGOs, and policymakers to create a sustainable agricultural sector. That's our vision for the future, and every day, through technology and innovative programs all over the world, it's becoming reality. I'm proud of the concrete actions and meaningful investments Cargill is making to deliver impact at scale globally.

## **How does Cargill think about the connection between innovation and sustainability?**

Sustainability is a fundamental part of the value proposition we bring to our customers. We innovate with purpose to deliver environmental, social, and economic benefits, and generate measurable results that help Cargill, our customers, and communities make progress toward our broader Environmental, Social, and Governance (ESG) goals.

For example, in a move aimed at reducing greenhouse gas (GHG) emissions and promoting circular fuel solutions, Cargill recently completed its first state-of-the-art advanced biodiesel plant in Ghent, Belgium, which converts waste oils and residues into renewable fuel. This \$150 million groundbreaking investment is one of the largest waste-to-biofuel facilities in Europe and Cargill's first, employing industry-leading technology to convert all types of liquid waste oils and fats, including used cooking oils, tallow, and residues from edible oil production, into advanced biodiesel.

We are also deploying regenerative agricultural practices through innovative programs around the globe. Our most recent program in North America, Cargill RegenConnect™, promotes regenerative agriculture practices and pays farmers per ton of carbon they sequester in the soil. The program focuses on farmer adoption of no till, reduced till, and cover crops, and provides them with access to the carbon marketplace. In addition to reducing GHG emissions, Cargill RegenConnect brings tangible economic benefits to our farmers, including higher yields and reduced water consumption and waste.



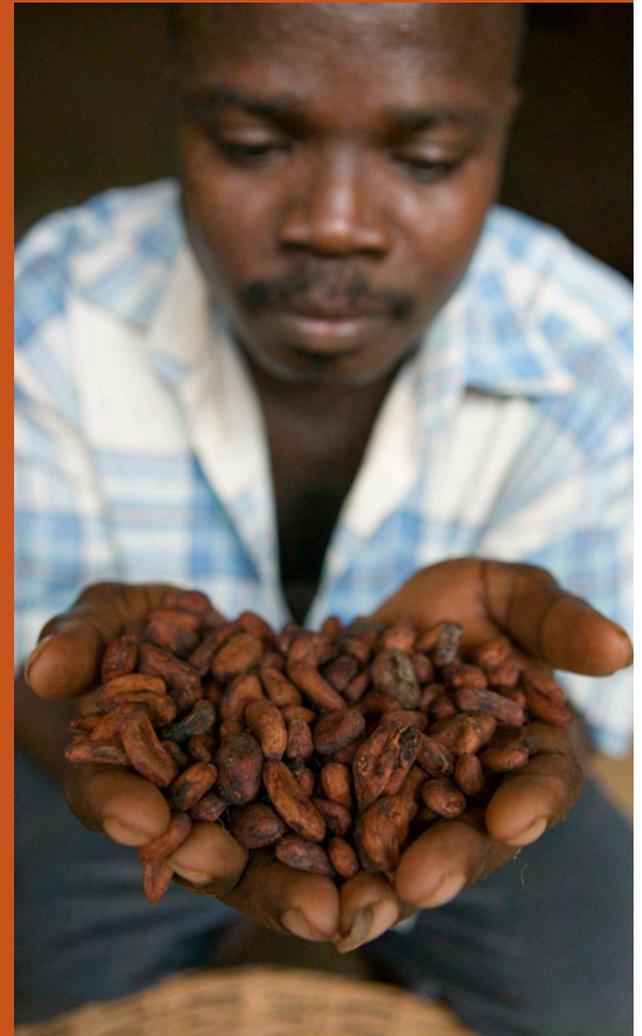
### What does it mean to be “people-first” with Cargill's sustainability strategy?

From India to Vietnam, Cameroon to the U.K., Brazil to Canada, and many other countries in between, Cargill works every day to feed people around the world, create greater economic opportunities, and build brighter futures. True to our company values, we put people first not only in our workplace, but in our supply chain and in the communities where we do business. This means respecting human rights; advancing diversity, equity and inclusion; and improving access to safe and nutritious foods. Our commitment to put people first is reflected in many ways, large and small, through the more than \$163 million we invested in communities around the world last year.

We also know that those investments can have a powerful ripple effect when we partner with other organizations across sectors and focus on engaging and empowering people with sustainable skills and solutions. For example, through the Hatching Hope Global Initiative, we have improved the nutrition and economic livelihoods of more than 14 million people to date through the production, promotion, and consumption of poultry. And in Côte d'Ivoire, where women are at the heart of cocoa-producing communities, Cargill is helping women grow as farmers and entrepreneurs by connecting them to financing and training to help families improve farm productivity and increase household income.



Feeding the world is a team effort and we have tremendous optimism for the future. Through partnerships and programs that deliver sustained positive impact, we can support the prosperity of farmers, improve community wellbeing, lessen the environmental impact of agriculture production, and create a more resilient food system for generations to come.



# About this report



This report marks Cargill's first global ESG report, summarizing our ESG policies, management approach, programs, and performance across our company. All information covers Cargill's fiscal year 2022 (June 1, 2021 – May 31, 2022), unless otherwise noted. The report content was developed to align with our most material ESG topics and our sustainability strategy,

focused in the areas of **Climate**, **Land and Water**, and **People**, and to highlight the environmental and social outcomes we are driving across our operations, supply chains, and the communities where we live and work. Additional information about our ESG performance can be found in the **Appendix** of this report as well as within the **ESG scorecard**.

# Materiality

This year, Cargill conducted a global materiality assessment, leveraging double materiality principles to determine the most relevant ESG issues for our company. For the purpose of the assessment, material topics were evaluated in two ways:

- 
**Impact on the environment and society**  
 (impact outwards)
- 
**Impact on business and financial success**  
 (impact inwards)

Cargill worked with GlobeScan, a leading consultancy firm, to conduct the assessment, leveraging internal and external surveys, external desk-based research, and interviews capturing a range of perspectives from our global stakeholders—notably employees, customers, regulators, financial partners, NGOs, and ESG subject-matter experts. External ESG reporting frameworks, such as Sustainability Accounting Standards Board (SASB) Standards, Global Reporting Initiative (GRI) Standards, United Nations Sustainable Development Goals (SDGs), World Benchmarking Alliance (WBA), and the United Nations Global Compact were also evaluated for key performance indicators (KPIs) and disclosures that have specific relevance for our industry.

Our material topics are aligned to our strategic priorities of Climate, Land and Water, and People and provide focus and clarity for how we prioritize our ESG investment, measurement, and ongoing partnerships.

## Stakeholder engagement

We believe that public-private sector collaboration is necessary to tackle systemic challenges. Around the world, we lean into partnerships with governments, peer companies, nonprofit organizations, and thought leaders to drive industry-wide transformation. Our external stakeholder engagement is ongoing, spans all regions and business units, and is focused on fostering meaningful dialogue and results. Through our key collaborations with organizations such as the World Business Council for Sustainable Development (WBCSD), the World Economic Forum (WEF), and Tropical Forest Alliance (TFA), we are committed to creating impactful change that leverages our scale of operations and reach. A list of key external partnerships can be found in the **Community Impact** section of this report.

## ESG governance

Sustainability is central to Cargill's business strategy, the value proposition we deliver to our customers, and the shared value we create for society and the environment through our products, services, and programs. Overall responsibility for overseeing sustainability—and more broadly, ESG—is held at the company's executive-team level, led by the CEO who also serves as Chair of the Cargill Board of Directors. The CEO partners with the CSO to assess and address ESG risks, opportunities, and impacts to guide the company's overall business strategy and reporting. Cargill has also recently established an ESG Committee at the executive-team level of the company to further strengthen ESG governance and accountability. Reporting to our CEO, our CSO is responsible for setting Cargill's overall ESG strategy, and monitoring progress against ESG goals and targets.



## The U.N. Sustainable Development Goals

Cargill is committed to using our global reach within the agriculture, food, and nutrition sector to help achieve the U.N. Sustainable Development Goals (SDGs), which are aimed at ending poverty, improving food security, promoting gender equality, advancing sustainable economic development, addressing climate change, and ensuring prosperity for all. For more information visit [cargill.com/SDGs](https://cargill.com/SDGs).

# Focus areas

Every day, our teams around the world bring their passion and expertise to deliver on our sustainability commitments. That is how we build food and agriculture supply chains that have a positive impact on people, our customers, and the planet we share.

Our sustainability strategy at Cargill is focused on three priority areas: **Climate**, **Land and Water**, and **People**. As detailed in this report, these areas present the best opportunity for us to drive industry transformation and deliver sustainable and scalable impact.



## Climate

Climate change poses a serious threat to people and planet, including food and agriculture systems. We are accelerating the transition to more sustainable agriculture practices and solutions that reduce GHG emissions across our operations and key supply chains.



## Land and Water

Sustainable land and water use is essential to helping mitigate climate change. We are working to protect our planet's natural resources and finding solutions to feed a growing population in a more sustainable way.



## People

Agriculture is powered by people. We work alongside our employees, farmers, customers, and communities to improve livelihoods, and build a more equitable, inclusive, and resilient food system.



# Maximizing our impact

We recognize the interconnectedness between social and environmental issues that span across our focus areas, and we have taken steps to ensure that we connect our strategy to these priorities in a way that delivers greater collective impact and multiple benefits. For example, our efforts to accelerate the adoption of regenerative agriculture not only reduce GHG emissions that contribute to climate change, but can create healthier soil, improve agricultural yields, reduce water use, and raise farmer incomes.

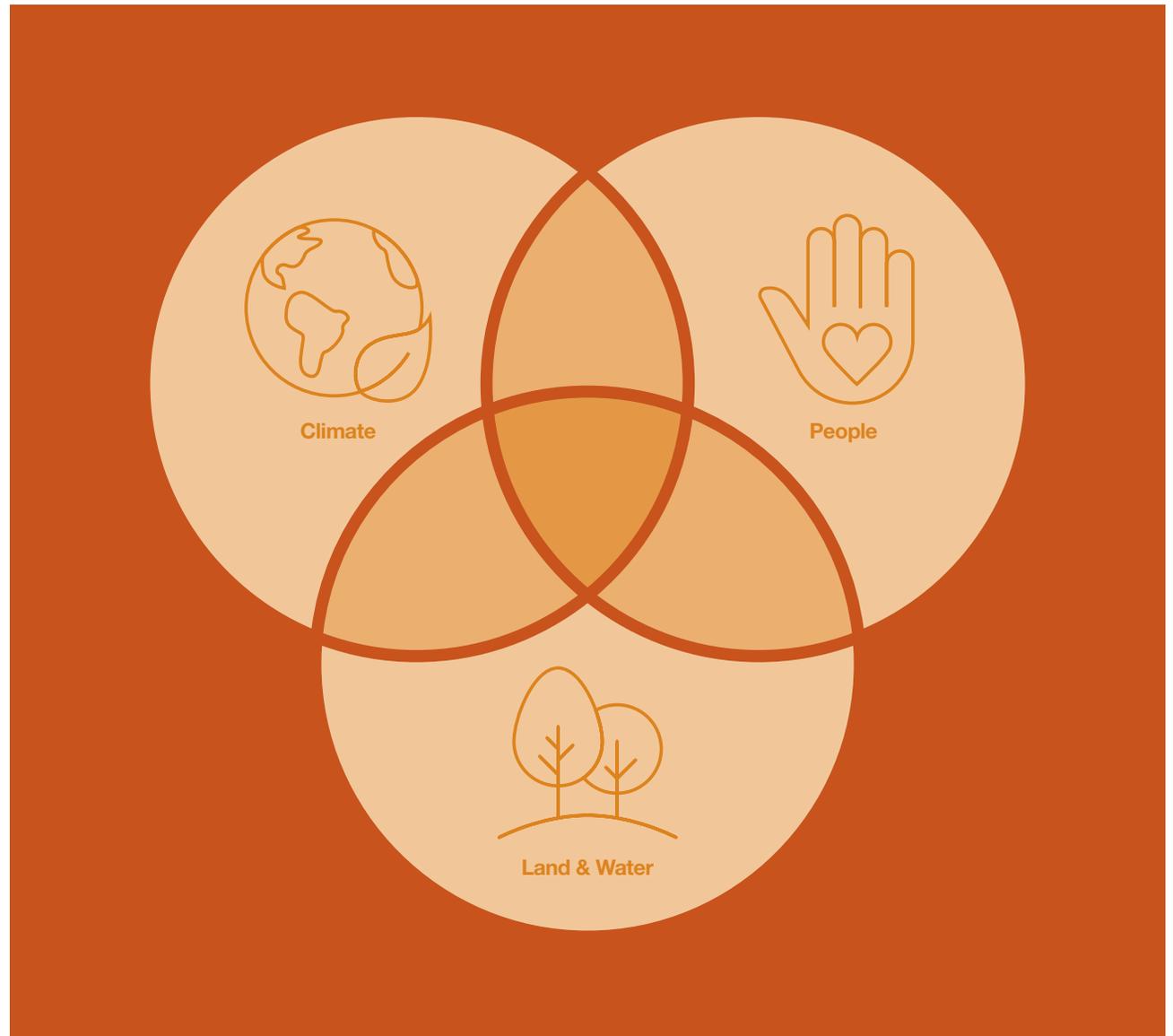
## Additional examples of key programs with multiple benefits include:

**BeefUp Sustainability™**—A collaboration with farmers, ranchers, conservation organizations, and like-minded companies to address climate change, preserve water resources, enhance biodiversity, and help farmers and ranchers thrive (see [Climate](#)).

**Agroforestry in cocoa-growing communities**—A project designed to restore depleted forest areas, while also further diversifying the incomes of cocoa farmers in Côte d'Ivoire and Ghana (see [Land and Water](#)).

**Cargill RegenConnect**—A program that connects farmers to the growing carbon marketplace by paying them for improved soil and positive environmental outcomes (see [Climate](#)).

**Yellow Corn Project**—A holistic program designed to help smallholder corn farmers in the Philippines future-proof their farms and livelihoods against the impacts of natural disasters (see [People](#)).



# ESG scorecard

## Fiscal year 2022

Cargill's purpose is to nourish the world in a safe, responsible, and sustainable way. We have set science-based targets and invested in bold action to deliver on our ambition. We are committed to reporting progress against those goals, and to expanding transparency about the impacts of our operations, products and services, and supply chains around the world.

**Key:**  New goal  Needs attention  On track  Achieved

Environmental		Strategic commitments and targets	Progress by end of fiscal year 2022
<b>Climate change</b> Our targets contribute to the following SDGs:  	Scope 1 and 2 (Operations) <sup>6</sup> : Reduce absolute operational greenhouse gas (GHG) emissions 10% by 2025	-5.5% reduction <sup>7</sup> from 2017 baseline 	
	Scope 3 (Supply Chain): Reduce global GHG emissions from our global supply chain by 30% by 2030, measured per ton of product	-0.15M MT CO <sub>2</sub> e reduced <sup>8</sup> through supply chain sustainability programs 	
<b>Water resources</b> Our targets contribute to the following SDGs:  	Priority watersheds: Achieve sustainable water use <sup>9</sup> in all priority watersheds by 2030	Target met in 7 priority watersheds (6% progress) 	
	Operations: Implement water stewardship practices at all priority facilities by 2025	77% average implementation of water stewardship practices across all priority facilities 	
<b>Land use</b> Our targets contribute to the following SDGs: 	Transform our agricultural supply chains to be deforestation-free by 2030  Achieve zero deforestation across our priority supply chains of palm, soy, and cocoa	Please see the <b>Sustainable Supply Chains</b> section of this report for detailed land use reporting. Each of our priority supply chains provides a dashboard of progress against key land use metrics. 	

<sup>6</sup> Scope 1 and 2 refers to GHG emissions from our operations and from energy purchased from the grid, respectively. Scope 3 refers to upstream and downstream supply chain emissions.

<sup>7</sup> Calendar year 2021 result. Our Scope 1 and 2 GHG inventory was verified at a limited level of assurance by Optera. Please see [Cargill's 2022 CDP Climate Response](#)<sup>12</sup> for more information.

<sup>8</sup> Cargill will report a percent reduction against baseline once we complete our full Scope 3 inventory. Please see [Cargill's 2022 CDP Climate Response](#)<sup>12</sup> for more information.

<sup>9</sup> Cargill defines sustainable water use as eliminating unsustainable water impact in our operations and supply chains by 2030. The methodology to define unsustainable supply chain impact is described in the [case study](#)<sup>13</sup> published by World Resources Institute (WRI).

## ESG scorecard: Fiscal year 2022 *continued*

**Key:**  **New goal**  **Needs attention**  **On track**  **Achieved**

Social		Strategic commitments and targets		Progress by end of fiscal year 2022
<h3>Farmer livelihoods</h3> <p><b>Our targets contribute to the following SDGs:</b></p>       		<p>Work alongside farmers to increase the economic, social, and climate resilience of farming households and communities</p>	<p>Global attendance at our farmer trainings for sustainable agricultural practices since 2017, with a goal of 10 million by 2030</p> <hr/> <p>To improve the nutrition and economic livelihoods of 100 million people through the production, promotion, and consumption of poultry by 2030</p>	<p>5.6 million since 2017 </p> <hr/> <p>14.6 million people reached </p>
<h3>Global impact contributions</h3> <p><b>Our targets contribute to the following SDGs:</b></p>          		<p>Build vibrant communities through partnerships, philanthropy, economic development, and employee volunteerism</p>	<p>Invest 2% global pre-tax earnings to advance social and environmental impact priorities and support local communities<sup>10</sup></p>	<p>More than \$163 million donated across 57 countries </p>
<h3>Diversity, equity, and inclusion</h3> <p><b>Our targets contribute to the following SDGs:</b></p>   		<p>To be a respected global leader in diversity, equity, and inclusion</p>	<p>Achieve gender parity in leadership by 2030 globally</p>	<p>33.69% women in leadership roles </p>

<sup>10</sup>Based on global, consolidated pre-tax earnings over a three-year trailing average.