



## Sustainable Coconut Oil Sourcing Commitment

Cargill's purpose is to nourish the world in a safe, responsible and sustainable way. We aim to ensure the most sustainable food supply chains in the world and to be the most trusted partner for our customers. As the world faces extraordinary challenges – from climate change to food insecurity – delivering on our purpose is more critical than ever before. We believe that many of the solutions to the challenges we're facing can be found in the very place our food system begins – in agriculture. Demand for coconut oil has been increasing over the past years and as a result, consumers increasingly want assurance that the coconut oil used in the products they buy is being produced responsibly.

Cargill is committed to sourcing coconut oil in an economical, environmentally sustainable and socially responsible manner. We are working toward promoting good agricultural and sustainable business practices, supporting smallholder farmers to improve their livelihoods and protecting the wellbeing of coconut farming communities. We are committed to source our coconut in an ethical, responsible and sustainable manner, observing laws that govern sound agricultural practices.

### Our Commitment

Cargill commits to a transparent and sustainable coconut oil supply chain that:

- Promotes good agricultural and sustainable business practices across the coconut supply chain
- Supports smallholder coconut farmers to improve their livelihoods
- Protects the wellbeing of coconut farming communities

### Scope

Our commitment is guided by our global sustainability priorities and encompass the sourcing and trading of coconut products. The Cargill Code of Conduct<sup>1</sup>, Policy on Forests<sup>2</sup>, Commitment on Human Rights<sup>3</sup> and our Supplier Code of Conduct<sup>4</sup> serve as a foundation of this commitment.

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<sup>1</sup> <https://www.cargill.com/about/ethics-and-compliance>.

<sup>2</sup> <https://www.cargill.com/doc/1432136544290/cargill-policy-on-forests.pdf>

<sup>3</sup> <https://www.cargill.com/doc/1432136529974/cargill-commitment-on-human-rights.pdf>

<sup>4</sup> <https://www.cargill.com/about/supplier-code-of-conduct>

## **Cargill is committed to:**

1. Promoting inclusion of smallholders to the sustainable supply chain, impacting improved livelihoods via more progressive and responsible farming. Our programs will:
  - 1.1 Improve adoption of Good Agricultural Practices to increase productivity and quality of produce.
  - 1.2 Facilitate market access across the supply chain, to include inputs, financing, and commercial relationships.
  - 1.3 Promote income diversification and economic resilience, for example by encouraging and building capacity to intercrop.
  
2. Empowering supply chain actors (SCAs), such as traders and consolidators, as critical players in our sustainability efforts. We will:
  - 2.1 Develop SCAs as partners in engaging more farmers in the sustainability initiatives, including good agricultural and environmental practices.
  - 2.2 Train SCAs on social practices, such as promoting human rights in the workplace and ensuring human rights are protected in their supply networks.
  
3. Protecting environmentally, socially and economically important resources for the benefit of current and future generations. In this work, we will:
  - 3.1 Leverage digital technology to monitor deforestation in our direct supply chain and help ensure no encroachment on protected areas.
  - 3.2 Preserve biodiversity and carbon sequestration via awareness-raising and active measures such as agroforestry training.
  
4. Upholding the safety and wellbeing of children, workers, and families in coconut farming areas. We strive to:
  - 4.1 Build capacity for supply chain participants, including farmers, to understand and adhere to applicable local, national, and international laws that protect children and workers.
  - 4.2 Establish a system to identify, prevent, and remediate child labor in the coconut supply chain

## **Transparency**

We are committed to tracking the provenance and journey of the commodities, to credibly make and verify certain sustainability claims, helping ensure good practices and respect of the environment.

As an organization, we play a role in identifying and reporting risk and adverse impact in our supply chain and taking appropriate action to prevent them. We will continue to develop and enhance systems and processes that will enable us to increase visibility of our supply chain.

### **Partnerships**

The journey toward sector-wide sustainability is far greater than the actions or interests of any one company. Cargill works closely with smallholder farmers and suppliers as well as regulators, government agencies, competitors (in pre-competitive consortiums), customers, NGOs and donors, connecting our individual strengths to contribute to achieving a goal that is in all of our interests: a sustainable and transparent coconut supply chain.

Who we are:

Cargill is committed to helping the world thrive. Our purpose is to nourish the world in a safe, responsible and sustainable way. Every day, we connect farmers with markets, customers with ingredients, and people and animals with the food they need to thrive. We combine our expertise with new technologies and insights to serve as a trusted partner for food, agriculture, financial and industrial customers in more than 125 countries.

Where we are:

Cargill operates a coconut oil supply chain with facilities in both Indonesia and Philippines, providing domestic and international customers with coconut products.

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