



Verification farm-level Procedure 3S

Version 1.0

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Responsible
Production
Verified



Summary

1. Introduction	2
2. Farm-level verification	2
a. Verification Scope	2
b. Auditor qualifications	3
c. Non-conformances and corrective actions	3

1. Introduction

3S Program - VERIFIED RESPONSIBLE PRODUCTION is a comprehensive platform for agricultural, environmental, and social management that enables rural producers to manage their properties and control their production in a practical, responsible, and transparent manner.

3S is a continuous improvement verification program focused on the sustainability of farms, allowing producers to advance their social, environmental, and productive indicators. The initiative promotes the adoption of sustainable agricultural practices and the engagement of rural producers. Participating properties must meet mandatory requirements in five main areas which are: zero deforestation since 2008, good agricultural practices, rural worker welfare, greenhouse gas (GHG) management, and continuous improvement of their indicators.

The 3S Program is recognized by FEFAC (European Feed Manufacturers' Federation) and is referenced as equivalent to the silver level of the FSA (Farm Sustainability Assessment) standard, part of the SAI (Sustainable Agriculture Initiative). With these references, it is possible to assess the level of sustainability on farms and compare existing standards, ensuring greater access to these inputs in the most demanding markets and for the most demanding customers.

2. Farm-level verification

Field-level verifications will be conducted by independent implementing partners with no relationship to Cargill's supply chain that could put impartiality at risk. The scheme is open to all applicants' farmers who trade with Cargill.

Verifications shall be conducted, during on field visits, using the Triple S program requirements checklist. A first visit is carried out to assess each farm compliance level regarding the Triple S requirements. In the field, verification is carried out and evidence is requested.

Based on this assessment, the producers are supported to develop an individualized action plan, addressing the improvements they should implement. Our goal is to promote an increasingly sustainable production. Periodic visits are then carried out to support the implementation of the action plan and monitor the maintenance of compliance.

Farmers also receive, through the periodic visits, support for addressing crop quality, agronomic questions, IPM (Integrated Pest Management) and other good agricultural practices.

a. Verification Scope on the field

Verification is carried out individually on all participants or nominees for the program. A complete diagnosis of the program will now be conducted every three years to ensure a comprehensive assessment of all relevant factors. Annual activities will include image analysis to monitor changes and progress, verification of restrictive lists to maintain compliance, and a 100% mandatory partial diagnosis to address specific areas of concern. Additionally, the progress of action plans will be closely monitored each year to ensure continuous improvement. Data collection for

greenhouse gas calculations, following the GHG Protocol methodology, will also be conducted annually to track and manage emissions effectively.

All farms participating in the 3S Program must undergo verifications at the following frequencies:

- A complete diagnosis every three years.
- Annual image analysis.
- Annual verification of restrictive lists.
- Annual partial diagnosis (100% mandatory).
- Annual monitoring of action plan progress.

b. Verification Scope on the Chain of Custody

Assigned assessors will contact the Cargill business to be audited and arrange with them the dates and schedule for the audit. As Triple STM audits will consider entire Cargill supply chains, audits will assess all Cargill businesses participating in those supply chains where more than one business is involved, (e.g., trans-Atlantic shipment of product to Europe from South America). A verification, by sampling system, of the farms must be done to all producers may be inspected, regardless of size or production.

There is no limit to the number of farmers that may be required to undergo an inspection, but geographic limitations apply, meaning that all farmers must be in the same country, within the same ecological region and close to each other.

Before conducting the inspection, the third-party inspection body will determine the sample size, by applying the following formula: Low risk: $(\sqrt{y}) \times 1$ Medium risk: $(\sqrt{y}) \times 1.2$ High risk: $(\sqrt{y}) \times 1.5$.

The third-party inspection body will determine the level of risk (low, medium or high). The decision of which farms operations are inspected will be determined through random sampling, geographic distribution, and risk profile. The farmers and the implementors of the field will provide the necessary data and support for inspections sees the conformity with the Triple S requirements at the field level.

c. Auditor qualifications

Auditors appointed to undertake Triple S audits must be suitably qualified as advisors and have experience relevant to the farms being audited. Auditors must show competence and knowledge in international, national and local labor, environmental and human rights legislation. Also, auditors must have relevant knowledge and academic qualifications in areas related to sustainability or knowledge in Agricultural Studies or related.

d. Non-conformances and corrective actions

Any non-conformity identified during the verification will be recorded in the diagnosis, and the program manager will be notified. The farmer must respond to any non-conformances raised by the submission of corrective actions. Corrective actions will be reviewed by the Field implementation and decisions made on whether the actions taken are satisfactory to rectify the

non-conformance. Critical non-conformities may result in the exclusion of the producer from the Triple S program.

The exclusion of producers from the Triple S program can occur in various situations, as detailed below:

During the first visit: If the invited producers are not in compliance with any of the mandatory requirements, the field implementer must inform Cargill, and the producer/farm cannot continue in the process. Their name/ID will not be included in the list of certified producers that feeds the mass balance spreadsheet. Additionally, if the farm is not approved in the deforestation satellite control, their name/ID will not be included in the list of certified producers.

During the program:

- If during one of the verifications visits the field implementer detects non-compliance with any of the mandatory requirements, the field implementer must inform Cargill, and the producers/farmers will automatically have their status changed on the list of producers to NOT CERTIFIED.
- If the farm is not approved in the annual deforestation control, the producers/farmers will automatically have their status changed on the list of producers to NOT CERTIFIED.
- If the producer's score decreases from one visit to another, they will be notified by the field implementer. For the next visit, they need to increase their score; otherwise, they will be excluded from the 3S program.
- If the producer does not cooperate with the visits of the field implementer, the field implementer will pass on this information to Cargill Sustainability Team. The local Cargill commercial team will then contact the producer to understand why they are unable to receive the field implementer. If the field implementer cannot make the visit, the producer will be removed from the 3S producer list.