



Cargill Policy on Sustainable Soy -- South American Origins

As one of the world's largest buyers of agricultural commodities, Cargill's purpose is to nourish the world in a safe, responsible and sustainable way.

We believe forests and farming must coexist and both are crucial to life on the planet. Forests provide food, water, fuel, medicine and livelihoods to billions of people, while providing vital habitat, regulating the climate and storing carbon for the wider environment. Agriculture is essential to the livelihoods of billions of people and to food security for all.

South America is home to a number of globally important natural landscapes. Many of these landscapes intersect with areas that are favorable for agricultural development. These intersections are the hot spots requiring urgent attention to protect these natural landscapes.

Meanwhile, consumer demand for global grain and oilseeds continues to grow. In order to meet this demand, choices will be made on which crops to grow and where, with South American agricultural regions playing a vital role in fulfilling this growing demandⁱ.

Our Policy on Sustainable Soy allows for both sustainability values and agricultural development to simultaneously thrive. Cargill sits in a unique position between growers and consumers. We commit to using this position to take practical measures to help protect forests, mitigate agriculture as a contributor to deforestation, provide farmers with access to markets, and promote rural economic development.

To deliver on our policy, we will publish a time-bound Action Plan, developed in consultation with stakeholders, no later than June 15, 2019.

Our Commitment:

Cargill commits to a transparent and sustainable South American soy supply chain that:

1. Transforms our supply chain to be deforestation free while protecting native vegetation beyond forests.
2. Promotes responsible production, which benefits farmers and surrounding communities.
3. Respects and upholds the rights of workers, indigenous peoples and communities.
4. Upholds high standards of transparency through reporting of key metrics, progress and grievances.

Our commitment is guided by our purpose, which we can only deliver through responsible trade and free commodity markets – the backbone of a fully functioning global food system. Through free and fair trade, we connect societies facing shortages in soy and its derivatives to the South American soy supply chain – providing access to the most favorable markets for producers with customers around the world.

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We will deliver with our eye on long-term, sector- and landscape-wide transformation. We will enact changes in our direct supply chain while working in close collaboration with critical stakeholders, including our direct and indirect suppliers, customers, communities, governments, non-governmental organizations, academia and others as necessary, to achieve our commitment.

We will participate in industry and multi-stakeholder forums, and engage with governments to achieve sector-wide and lasting sustainability impacts.

We will:

1.0 Transform our supply chain to be deforestation free while protecting native vegetation beyond forests.

Forests:

- 1.1 Apply the Cargill Policy on Forests and our internal operational guidelines as a means to transform the soy supply chainⁱⁱ.
- 1.2 Adopt the Food and Agriculture Organization of the United Nations (FAO) definition of forest, with nuances defined by each local governmentⁱⁱⁱ.
- 1.3 Promote and advance multi-stakeholder efforts to further refine this forest definition to ensure it is robust, scientifically-sound, and environmentally, socially, politically and economically acceptable.
- 1.4 Continue to fully support and implement the *Soy Moratorium*^{iv} concept to protect the Brazilian Amazon, and build on joint monitoring work undertaken by the soy industry.

Native Vegetation:

- 1.5 Protect native vegetation beyond forests with the aim to end native vegetation conversion in the shortest time possible reconciling the production of soy with environmental, economic and social interests. This includes the Cerrado, Gran Chaco and Llanos.
- 1.6 Utilize advanced technologies to analyze and predict agricultural expansion into important conservation areas, focusing action in the areas of highest impact and monitoring and measuring status and impacts.
- 1.7 Recognize the Brazilian Forest Code and the Rural Environmental Registry (CAR) as the starting point to protect forests and other native vegetation.
- 1.8 Respect land owners' legal rights, while recognizing that additional actions beyond the law are necessary to achieve our Commitments.
- 1.9 Use our influence and activities to create incentives to conserve native vegetation and provide environmental services above those required by the law.
- 1.10 Advocate for driving agricultural growth onto previously converted areas.
- 1.11 Work with governments and communities to establish agro-ecological zones for permanent protection of the most important native vegetation areas.

2.0 Promote responsible production that benefits farmers and surrounding communities.

- 2.1 Promote the agricultural sector as an important contributor to rural economic development, reducing poverty and increasing access to health and education.
- 2.2 Drive socially inclusive economic development in these communities and economic opportunity for the poor.

- 2.3 Promote yield intensification technologies as a core theme of sustainable agriculture due to its significant impact on minimizing land area required to produce food.
- 2.4 Promote conserving and restoring forests through designated conservation areas, riparian buffer zones and other means of vegetation conservation.
- 2.5 Promote soil health practices and other techniques as a means to deliver positive impact on climate change mitigation and to enhance food production capabilities.
- 2.6 Promote responsible use of agricultural inputs such as fertilizer, pesticides and herbicides.
- 2.7 Promote responsible use of water in cultivating crops.

3.0 Respect and uphold the rights of workers, indigenous peoples and communities.

Land Tenure:

- 3.1 Support the FAO's Voluntary Guidelines on the Responsible Governance of Land Tenure^v.
- 3.2 Respect the rights of indigenous and local people. We support Free, Prior and Informed Consent as a core to protecting those rights^{vi}.

Labor Practices:

- 3.3 Prohibit the use of human trafficking, illegal, abusive, forced or child labor within our operations anywhere in the world and work with our suppliers to prevent and address such practices across the supply chain^{vii}. In cases where exploitative practices are identified, we will determine remedial actions to ensure appropriate and transparent responses.
- 3.4 Respect and protect the human rights of all workers regardless of age, ethnicity, gender, language, local customs, physical ability, race, religion, sexual orientation, gender identity and expression, contract status or migration^{viii}.
- 3.5 Uphold the right to freedom of association and recognize the right to collective bargaining^{ix}.
- 3.6 Commit to working with our employees, contractors, suppliers, independent organizations and governments to uphold an ethical and transparent recruitment process. We prohibit any form of unlawful retention of identity documents.
- 3.7 Require workers, including those managed by sub-contractors, to be paid a wage equal to or exceeding the legal minimum wage. Only lawful deductions can be made and these are socialized with workers in a manner they comprehend.
- 3.8 Commit to upholding a responsible workplace by taking steps to protect all employees and contractors from occupational health and safety hazards^x. We will also ensure adequate treatment and/or compensation is provided to workers in cases of work-related illness and injury. We expect our suppliers to do likewise.

Freedom from harassment, retaliation and intimidation:

- 3.9 Prohibit harassment, intimidation or the use of violence by anyone associated with Cargill during their work or while performing any activity on behalf of Cargill. This applies to all employees, suppliers, third parties and contractors. Cargill will not tolerate retaliation against anyone who, in good faith, raises a concern or participates in an investigation or whistleblowing.
- 3.10 Should incidents be identified, take necessary, corrective action, including but not limited to disciplinary or commercial action. We will also take steps to protect the anonymity of individuals or groups reporting through our grievance procedure.

4.0 Uphold high standards of transparency through reporting of key metrics, progress and grievances.

- 4.1 Commit to transparency as a means for stakeholders to hold us accountable in achieving these commitments.
- 4.2 Publish regular reports on key metrics, time-bound implementation plans, progress and impacts.
- 4.3 Work with parties to resolve complaints and conflicts in our supply chain through an open, accessible, transparent and consultative process. Cargill Ethics Open Line^{xi} provides a structured approach to ensure external stakeholder grievances are constructively and timely engaged.

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 to 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 125 countries^{xii}.

Where we are:

Cargill operates a network of soy crush plants, in-country collection facilities and port facilities in Argentina^{xiii}, Bolivia^{xiv}, Brazil^{xv}, Paraguay^{xvi}, Uruguay, Colombia, Peru, Ecuador, Venezuela and Chile, serving customers around the world with South American soybeans and soy derivative products^{xvii}.

How to reach us:

Contact Information: <https://www.cargill.com/page/cargill-contact-us>

ⁱ OECD / FAO (2018) Agricultural Outlook 2018-2027, OECD Publishing, Paris/Food and Agriculture Organization of the United Nations, Rome. https://doi.org/10.1787/agr_outlook-2018-en

ⁱⁱ Cargill Policy on Forests, <https://www.cargill.com/doc/1432136544290/cargill-policy-on-forests.pdf>

ⁱⁱⁱ <http://www.fao.org/docrep/017/ap862e/ap862e00.pdf>

^{iv} <http://www.abiove.org.br/site/index.php?page=soy-moratorium&area=MTEtMy0x>

^v <http://www.fao.org/tenure/voluntary-guidelines/en/>

^{vi} <http://www.fao.org/indigenous-peoples/our-pillars/fpic/en/>

^{vii} Cargill Commitment on Human Rights, <https://www.cargill.com/doc/1432136529974/cargill-commitment-on-human-rights.pdf> ; and Cargill Supplier Code of Conduct, <https://www.cargill.com/about/supplier-code-of-conduct>

^{viii} Guiding Principles, <https://www.cargill.com/about/ethics-and-compliance> ; Cargill Commitment on Human Rights, <https://www.cargill.com/doc/1432136529974/cargill-commitment-on-human-rights.pdf>; Global Anti-Discrimination Policy, <https://www.cargill.com/careers/ethics-values-careers>

^{ix} Cargill Commitment on Human Rights, <https://www.cargill.com/doc/1432136529974/cargill-commitment-on-human-rights.pdf>

^x <https://www.cargill.com/about/workplace-safety>

^{xi} <https://www.cargill.com/about/ethics-open-line>

^{xii} <https://www.cargill.com/>

^{xiii} <https://www.cargillargentina.com.ar/en/locations>

^{xiv} <https://www.cargill.com/worldwide/bolivia>

^{xv} <https://www.cargill.com.br/en/locations>

^{xvi} <https://www.cargill.com.py/en/locations>

^{xvii} <https://www.cargill.com/page/worldwide#latin>