



Nourishing the world

# Letter to stakeholders



**David MacLennan**  
Chairman and  
Chief Executive Officer



**David Dines**  
Chief Financial Officer

This was a year that tested all assumptions: about how markets and supply chains function in an age of global interdependency; about what it means to truly deliver for customers, consumers and communities; and about how companies can and should operate in a crisis.

In such a challenging environment, we have anchored ourselves to our purpose and our values. Fundamentally, Cargill exists to nourish the world in a safe, responsible and sustainable way. We connect those who grow food to those who consume it. As we do so, we make decisions based on our core values of putting people first, doing the right thing and reaching higher. This year gave us ample opportunities to live all three.

Having been in business for 155 years, we are no stranger to crises. We have navigated natural disasters, depressions and conflicts. Now, we look toward the future with

a resilient portfolio of businesses, strong relationships around the world with farmers and leading food brands, a healthy balance sheet, and steady revenues that totaled \$114.6 billion for the year.

Most importantly, we have a dedicated team of 155,000 employees propelling us forward. They have persevered even as their work routines and personal lives have been heavily disrupted by the COVID-19 pandemic. To help them as they face unexpected hardships, Cargill launched a \$15 million employee disaster relief fund. Meanwhile, because of our employees' tremendous efforts, farmers and ranchers facing difficult economic circumstances have had a market to sell their products. Grocers have quickly restocked shelves. And families have kept a variety of nutritious, affordable foods on their tables.

As just one example among many, our animal nutrition business in China embraced a new approach to supporting farmer customers amid the COVID-19 pandemic and the continued presence of African swine fever. A single webinar the team hosted in May was viewed by 296,000 hog farmers looking for solutions related to biosecurity and alternatives to traditional antibiotic growth promoters. Going forward, ingenuity like this will help Cargill find new ways to fulfill our purpose.

In a year like no other, we are deeply focused on our essential work of nourishing the world in a safe, responsible and sustainable way.

The disruptions to food, agriculture and trade in the past year made it clear that solving our shared challenges will require working in broad global coalitions. We continue to strongly support the U.N. Global Compact, and its initiatives and principles for human rights, labor, the environment and anti-corruption. More information about our actions in these areas is included in the following pages.

Certainly, there is much more work to do. Collectively, we must build a sustainable food system that both nourishes the world and protects the planet. We must support agricultural communities around the globe so that farming is a viable option for the next generation. And we must ensure that all people are treated with dignity and respect, and given equal opportunities to grow and thrive. For Cargill, this includes confronting systemic racism, using our voice to push for policy changes that will end racial disparities and protect everyone in our communities, and taking action to mitigate bias within our own company and ensure we reflect the communities we serve.

Yet despite all these challenges, what the past year has taught us is that we are capable of much more than we previously thought. We are grateful to our employees, customers and other partners who have shown us this. Alongside all of them, we will make Cargill a company that leads in the areas that matter most.

*David MacLennan*     *David Dines*

August 4, 2020

# Safe

## A relentless focus on protecting people



Safety is Cargill's deepest commitment: to our employees, to those who consume our products, and to the communities where we live and work. Our constant attention to safety has enabled us to steadily remove risks from our business, reducing our injury rate by 88% during the past 30 years. As the COVID-19 crisis emerged, we adapted our pandemic response plan and leaned on our integrated operating approach to quickly deploy robust preparations worldwide.

Our team in China helped us learn and adjust at the start of the outbreak. We set up a corporate crisis action team as well as one for each region, suspended travel and closed offices early to stay ahead of the curve, and put extensive measures in place to protect plant employees, who are essential to our ability to produce food for people everywhere. We encouraged employees to report any concerns through our global, independently managed Ethics Open Line. Despite our efforts, in some instances the virus still

impacted our employees and operations. Throughout the crisis, we have held fast to one primary principle: We only operate a facility if we can do so safely.

We continue to focus on safety in all its forms: physical, psychological and social. This year, we held companywide events for physical safety and inclusion in October and February, respectively. In October, teams in every business and region paused work and used our *See. Say. Stop.* program to identify potentially unsafe conditions in the workplace. In February, leaders hosted candid conversations with their teams about inclusion and what we can do to make everyone in Cargill feel welcomed, valued and heard.

We know more action is needed. The heartbreaking racial injustices in Minneapolis and beyond, the impact of COVID-19 on our workforce and our neighbors, and the three fatalities in our global operations during the fiscal year make that clear. We will not rest until we achieve our goals, including sending our entire team home safe every day.

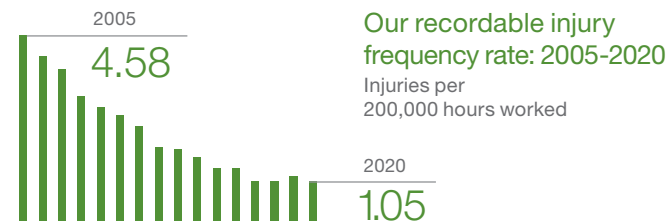
We completed  
**96%**  
of the comprehensive  
COVID-19 action plans  
deployed across our global  
network of 1,400 sites



Employees reported  
**38% more**  
potentially unsafe work  
conditions, demonstrating  
a culture where people are  
comfortable speaking up

They also logged  
**4x more**  
observations to help us  
prevent environmental  
incidents

Incidents related to  
food safety, quality or  
regulatory issues were  
**down  
26%**



# Responsible

## Resilience for both today and tomorrow

Whether it's by providing relief during the current pandemic or by helping farmers prosper for the long term, we are contributing our expertise and resources to help our communities thrive. We committed \$35 million to COVID-19 relief and recovery efforts, and our businesses are making donations on numerous fronts. For example, our food ingredients business in Europe produced and donated 160,000 liters of disinfecting alcohol to the Dutch and Belgian governments. And to help increase COVID-19 testing capacity in Chile and Ecuador, our animal nutrition and health business donated two polymerase chain reaction (PCR) machines in each country.

**“Cargill is not only a business partner, but also a valuable friend to Ecuador. In the midst of the difficult time Ecuador is enduring right now, Cargill was among the first to step up to support my country’s efforts to cope with the COVID-19 pandemic. It is something we will always remember.”**

Ivonne A. Baki, Ecuador’s ambassador to the U.S.



**\$115** million  
total charitable  
contributions  
across 56 countries

Around the globe, we also have provided meals to frontline workers and others in need. And as working families have lost paychecks and lines have formed at food banks, we have stepped up and donated more than 3 million pounds of food. Protein is a particularly acute need, and yet it is difficult for food banks to receive bulk protein donations due to food safety and space considerations. That’s why, as part of our \$3 million, three-year partnership with Feeding America, we established a clean room that meets USDA requirements at the Houston Food Bank, so staff and volunteers can safely handle and repack meat products for families and help close the protein gap.

Farmers also need help nourishing the world through the pandemic and beyond. In Côte d’Ivoire and Ghana, we are delivering information on COVID-19 to cocoa farming cooperatives and lead farmers through a mobile app we developed with FarmForce. We also are distributing soap, hand towels and hygiene kits to thousands of cocoa farmers. And in Turkey, 1,500 corn and sunflower growers have received health kits to protect against COVID-19 and training to help them increase their yields, conserve their soils and grow their incomes.

Attendance at our farmer trainings for sustainable agricultural practices totaled 860,000 this year



To close the gender gap in agriculture and boost the prosperity of women farmers, we launched a \$10 million, three-year partnership across nine countries with CARE, supporting CARE’s *She Feeds the World* initiative. Projects will provide women farmers and their families with education resources and financial support to strengthen their use of sustainable agricultural practices while also improving their food and nutrition security.

Efforts will directly benefit women like Damaris Betanco (pictured below), who grows a variety of nutritious fruits and vegetables for her children and grandchildren at their home in western Nicaragua. Thanks to technical support provided by Cargill and CARE, she has increased her output enough to sell a surplus to her neighbors. She also has received training on climate change resilience, agricultural inputs and food safety, which she has passed on to others in her community.



**30%**  
of global leadership  
roles in Cargill are filled  
by women

**12%**  
of U.S. leadership roles  
in Cargill are filled by  
U.S. minorities

# Sustainable

## Bolder climate action and more transparency



Our commitment to protect the planet has not wavered, and we continue to take action. Agriculture is how we will empower farmers to mitigate climate change, regenerate soils and improve water use. We [announced a new target](#) to reduce greenhouse gas emissions from our global supply chains (Scope 3) by 30% by 2030, measured per ton of product. And to protect and enhance water resources, we set new context-based water targets in priority watersheds to take action where it's needed most.

Our [BeefUp Sustainability™](#) initiative in North America is working with ranchers, customers, NGOs and innovators to meet the Scope 3 target for our beef business. Projects are focused on grazing management, feed production, innovation and food waste reduction. To begin, we sponsored the Yield Lab Institute's [Manure Challenge](#), which helps start-ups develop smart ideas that enable farmers to turn waste into revenue while reducing environmental impact. Also, we formed an external advisory panel that will review our strategy and resources for BeefUp Sustainability.

To help row-crop farmers implement practices with positive environmental benefits, we joined with the Iowa Soybean Association and Quantified Ventures to create the [Soil & Water Outcomes Fund](#). Farmers receive \$30 to \$50 an acre for adopting practices like planting cover crops, reducing tillage and optimizing nutrient management. These techniques have been shown to improve the quality of water, soil and air. In this first year, we enrolled 9,400 acres. We aim to scale this up to 100,000 acres next year, and also look for ways to bring this type of program to other parts of the world.

Elsewhere, we are making steady progress to use more sustainable ingredients and reduce emissions. Our [ocean transportation](#) business has reduced gross CO<sub>2</sub> emissions by around 800,000 metric tons over the last two years by operating a more efficient fleet and retrofitting energy-saving devices aboard vessels. And in [aquaculture](#), all of the soy used in our salmon feeds in 2019 was certified sustainable or organic.

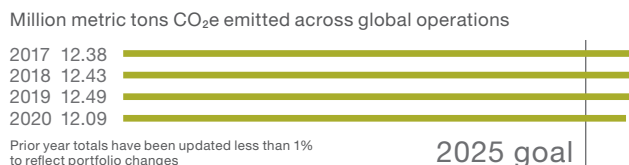
Transparency along the supply chain is necessary to continue improving sustainability outcomes, and so we are investing in traceability solutions. In our [cocoa](#) business, 50% of the sustainable beans in our direct supply chain are now traceable back to the farm. For [palm oil](#), we achieved 93% traceability to mills and 48% to plantations. And in Brazil, we mapped 100% of our [soy](#) supply chain with geo-referenced single points six months ahead of schedule. We continue to develop more precise traceability tools to help drive transformation in South America's soy sector.



Our new 2030 water targets for priority watersheds:

- **Restore** 600 billion liters of water
- **Reduce** 5 million kilograms of water pollutants
- **Improve** access to safe drinking water
- **Implement** water stewardship programs at 81 priority facilities

We made progress towards our climate commitment to reduce our absolute operational emissions 10% by 2025



10 experts

are on our new [Land Use and Forest Sustainability Advisory Panel](#), from academic, environmental, social and farmer organizations

# About Cargill

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

155K  
employees

Working in  
70  
countries

155  
years of  
experience

Delivering for  
customers in  
more than  
125  
countries

Supporting  
communities with  
350  
Cargill Cares  
Councils

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



### We transform raw materials into finished goods



### We move products around the world



#### For farmers

We supply feeds, other inputs, and expertise to farmers, and we 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.



**thrive**

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the world  
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