Cargill’s Corporate Sustainability Areas

Cargill is working to nourish the world in a safe, responsible and sustainable way.
What is Cargill doing in its beef business for sustainability?

- Investing in **resource conservation and efficiency** in our facilities and our direct suppliers
- Engaging with the beef **value chain** to identify opportunities for improved sustainability throughout our supply chain
- Innovative communication about the beef industry to multiple stakeholders
Resource Conservation & Efficiency in our own Operations
Cargill’s Climate Commitment
Building on nearly 20 years of climate action

• Across our company, we currently avoid more than 1 million metric tons (MT) of greenhouse gases annually through our use of renewable energy sources

• We’ve also committed to reduce absolute greenhouse gas emission in our operations by a minimum of 10 percent by 2025

• That’s an additional 1.25 million MT of emissions reduction and equivalent to taking 270,000 U.S. cars off the road for a year
Reduction of shared-class antibiotics in beef cattle

Cargill announced its decision to reduce shared-class antibiotics used in U.S. beef cattle, which are also used for human health.

- Shared-class antibiotics reduced in cattle at eight feedlots owned by strategic partners
- Involves a total number of approximately 1.2 million cattle
- Cattle covered by this change do not use any antibiotics for growth promotion that are medically important for human health
- Decision built upon the decision to eliminate growth-promoting antibiotics from our U.S. turkey business, which was completed prior to the 2015 holiday turkey season

20 percent reduction impacts 1.2 million cattle
Beef Quality Assurance (BQA)

Cargill is the first company to set ambitious BQA sourcing targets for our U.S. beef cattle supply

• By end of 2018, **90% of our U.S. beef cattle supply will come from feedyards that are BQA-certified.**

• Granted by the National Cattlemen’s Beef Association, this certification **trains cattle producers in animal handling best practices**, including optimal antibiotic usage.

• Cargill is currently **working with NCBA and various industry stakeholders to launch Beef Quality Assurance Transportation (BQAT).**
Communicating our Beef Sustainability Story
Telling our food story differently

- Developed virtual reality videos for partners and stakeholders to understand where their food comes from
- Videos showcase the entire beef supply chain
- Leveraging technology at industry events
Understanding Us - Beef Story Map

This interactive communication piece:

Utilizes new technology to help our customers understand the beef supply chain

Highlights sustainability improvements across the industry

Features real people to enhance authenticity and balance perspectives

Increases transparency in beef production

Story Map
Feedyard Sustainability Program

Our program was designed to align with the U.S. Roundtable for Sustainable Beef and to enable feedyards to advance best practices in priority areas.

Animal Care

Environmental Stewardship

Employees & Communities

Feedyard Sustainability Program Video
Engaging with the Beef Value Chain
Cargill is a founding member of the Global Roundtable for Sustainable Beef, which has set out Principles and Criteria for sustainable beef production.

- **Affiliated roundtables in beef producing regions around the world** are now in various stages of interpreting those principles and criteria for the unique conditions in their regions.

- **Cargill has been actively involved** in the U.S. and Canadian roundtables, and in helping develop ways to track and measure sustainability indicators across the entire beef value chain in these countries over time.
CANADIAN BEEF SUSTAINABILITY ACCELERATION PILOT

An initiative led by Cargill, VBP+, BIXS
## Canadian Beef Sustainability Timeline

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
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<tbody>
<tr>
<td>2014</td>
<td>McDonald’s Pilot Project&lt;br&gt;&lt;i&gt;draft indicators&lt;/i&gt;</td>
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<tr>
<td>2015</td>
<td>CRSB Verification Assurance&lt;br&gt;&lt;i&gt;industry standards&lt;/i&gt;</td>
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<tr>
<td>2016</td>
<td>CRSB CSB Framework&lt;br&gt;&lt;i&gt;marketing claims&lt;/i&gt;</td>
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<tr>
<td>2017</td>
<td>CBSA Pilot&lt;br&gt;&lt;i&gt;supply chain application&lt;/i&gt;</td>
</tr>
<tr>
<td>2018</td>
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Canadian Roundtable for Sustainable Beef Framework

1. The Standards (outcome-based):
   • Sustainable Beef Production Standard
   • Sustainable Beef Processing Standard

2. Assurance Protocols
   • Provide guidance and requirements for the certification process

3. Chain of Custody Requirements
   • Technical and administrative requirements for tracking cattle, beef and claims about beef sourced from certified operations

4. Sustainability Claims
   • Guidance on how to communicate about the Framework
Canadian Beef Sustainability Acceleration (CBSA) Pilot

Objective

Develop and deliver a credible, assured supply of beef from certified sustainable supply chains to participating customers that aligns with and tests the CRSB framework, so that these customers can realize a competitive advantage in their respective marketplaces.
Current Pilot Customers

- McDonald's
- Recipe
- Cactus Club Cafe
- Loblaw
## How the Pilot Works

<table>
<thead>
<tr>
<th>Audits</th>
<th>Ranches</th>
<th>Feedlots</th>
<th>Packers</th>
<th>Verified Sustainable Beef</th>
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</thead>
<tbody>
<tr>
<td>Operations pay for their own audits</td>
<td>VBP+</td>
<td>VBP+</td>
<td>Cargill</td>
<td>CBSA Clearing House</td>
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<table>
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<tr>
<th>Tracking</th>
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<tbody>
<tr>
<td>Cargill/CBSA customers fund traceability</td>
<td>BIXS</td>
<td>BIXS</td>
<td>McDonald's</td>
<td>Loblaw, Recipe</td>
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</table>

<table>
<thead>
<tr>
<th>Credits</th>
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<th>Packers</th>
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</thead>
<tbody>
<tr>
<td>CBSA customers make quarterly credit payments for pounds delivered, which Cargill distributes to producers based on the number of their cattle that qualified.</td>
<td>$</td>
<td>$</td>
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