

# Corporate Responsibility & Sustainability

Policy 2022 | India



Cargill's 160,000 employees across 70 countries work relentlessly to achieve our purpose of nourishing 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 154 years of experience with new technologies and insights to serve as a trusted partner for food, agriculture, financial and industrial customers in more than 125 countries. Side-by-side, we are building a stronger, sustainable future for agriculture.

In India, Cargill started operations in 1987. It has businesses in refined oils, food ingredients, grain and oilseeds, cotton, animal nutrition, bio-industrial and trade structured finance. Cargill in India market leading consumer brands of edible oils such as NatureFresh™, Gemini™, Sweekar®, Leonardo® Olive Oil, Rath® and Sunflower® brand of hydrogenated fats. It also markets wheat flour under the Nature Fresh brand.

The animal nutrition business of Cargill provides animal feed and premix and nutrition for aqua, dairy and poultry. It markets animal feed and premix under the brands such as Provimi, Purina, and EWOS. The Cargill's grains and oilseeds crush business originates grains and oilseeds at 200 storage locations. Overall the company employs more than 3,500 employees working across offices and plants and a network of offices, warehouses and depots.

**We bring food, agricultural, financial, and industrial products to people who need them all around the world**





## Corporate Social Responsibility Policy

This CSR Policy builds on the learning from and good practices of the Company's ongoing CSR activities since 2007. This Policy is the statement containing the approach and direction given by the Board, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.

### Purpose of the policy

The purpose of this policy is to give to ourselves a set of guidelines to ensure that all our businesses continue to operate in a manner that is socially and environmentally sustainable. We at Cargill, are determined to surpass our own standards and create greater shared value for all our stakeholders. The policy brings together our existing operating principles and declares to all our stakeholders what we mean by CSR and how we propose to work towards achieving it.

### Applicability

Cargill India (hereby referred to as the Company) CSR policy has been developed in consonance to Section 135 of the Companies Act 2013 (referred to as the Act in this policy) on CSR and in accordance with the CSR rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India in 2014.

The policy shall apply to all CSR projects/ programs undertaken as per the Schedule VII of the Act, by the Company in India. This policy shall be applicable to Cargill in India including all its subsidiaries/ group companies, leadership, officers, employees and business partners and CSR institutional partners. These companies would carry out their responsibilities of Corporate Social Responsibility for the year with a collective goal on key focus areas enumerated in this policy.

The following companies of Cargill in India meet the criteria provided under the Act/Rule of Corporate Social Responsibility

Cargill India Private Limited

Cargill Business Services India Private Limited

Provimi Animal Nutrition India Private Limited

## What CSR means to us

When Cargill began in 1865, our business was founded on the belief that “**our word is our bond**”. Today, as a diversified global company still grounded in a culture of trust and respect, this remains the standard by which we do business. We operate with integrity and accountability. We are committed to nourish the world in a safe, responsible and sustainable way; helping our communities *thrive*.

Cargill’s responsibility extends beyond our own operations to the suppliers, partners and other stakeholders in our supply chains. We believe in creating resilient communities, empowering individuals to be their own leaders and adopt sustainable and responsible measures for their own success.

## Our Priorities

### Developing scalable solutions that nourish the world while protecting the planet

Our corporate responsibility program in India shall continue to primarily focus on nourishing people and possibilities. We shall continue to work with credible partners to provide replicable and scalable solutions to contribute to food security in the country. We are focusing on areas where we believe our size and market presence can help make a significant impact: land use, climate change, water resources, farmer livelihoods, food security and nutrition (for specific programs refer to Annexure I)





## Policy Implementation

### Identification

Cargill through the Nourishing India program is committed to make a difference through interventions in food security & nutrition, sustainability and enriching communities.

While Cargill elaborates its purpose and vision, it looks for a partner who shares a similar vision, has the experience of working in these focus areas and understands the local community and has an expertise in the subject matter.

The magnitude of its projects may vary with the locations, but there are certain virtues that we keep in mind before selecting the partner. These key criteria are:

- **Due diligence**
- **Skills & expertise**
- **Need assessment**
- **Scalable**
- **Replicable**
- **Sustainable**

### Approval

All identified areas shall have a project approved by the CSR Committee and approved by the Board.

### Duration

The time period for completion of a CSR program will depend on its nature, extent of coverage and intended impact however the time frame and periodic milestones has to be finalized at the time of approval of a project.



## Execution

The Company may collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programs.

The company may build CSR capacities of its own personnel as well as those of its implementing agencies through institutions with established track records of at least three financial years.

## Board of Directors

The Board of Directors may decide to undertake the CSR activities through a company established under section 8 of the Act, a registered trust or a registered society or a separate company established by the company or otherwise provided that if such trust, society or company is not established by the company, it shall have an established track record of three years in undertaking such programs or projects and the company has specified the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.

## Corporate Social Responsibility (CSR) Committee

The Cargill India CSR Committee shall be comprised of three directors. The committee shall meet at least once a quarter and the time and place of the meeting may be decided internally amongst committee members.

Cargill India CSR Committee shall be responsible for the following wherewithal any appendages that the committee finds required:

- Responsible to the Board
- Reviews the CSR policy and associated frameworks, processes and practices of the company annually and make appropriate recommendations to the BOD
- Formulates and recommending to the Board a CSR Policy indicating activities to be undertaken as specified in line with the Section 135 read with Schedule VII of the Act
- Recommends to the Board, modifications to the CSR policy as and when required.
- Recommends to the Board the amount of expenditure to be incurred on the activities

### **Annual Action Plans**

The Corporate Social Responsibility Committee (CSR Committee) of the Company shall be responsible for formulating and recommending to the Board the CSR policy and a CSR annual action plan for its approval, provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on reasonable justification to that effect. The CSR Committee reports to the Company's Board of Directors.

The CSR Annual Action Plan shall include the following: -

- (a) the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act
- (b) the manner of execution of such projects or programs
- (c) the modalities of utilization of funds and implementation schedules for the projects or programs
- (d) monitoring and reporting mechanism for the projects or programs and
- (e) details of need and impact assessment, if any, for the projects undertaken by the company

### **Impact Assessment**

The Company shall undertake impact assessment of its CSR projects, If applicable, as per the provisions of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, as may be amended from time to time.



## CSR Expenditure

Pursuant to the provisions of the Act eligible company shall allocate not less than 2% of its average Net Profit calculated as per Sec-198 of the Act as its annual CSR budget for the next three immediately preceding financial years. Provision towards the expenditure to be incurred on CSR activities shall be annually and it shall be as per provisions of the Act / Rules made thereof as amended from time to time of the given year. Any unutilized CSR budget shall be carried forward to the next year.

Any Income / Surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of the company and shall be spent on CSR activities.





## Monitoring, Evaluation and Reporting Framework

To ensure funds spent on CSR programs are creating the desired impact on the ground, a comprehensive monitoring and reporting framework is being put in place.



### Progress monitoring and Reporting

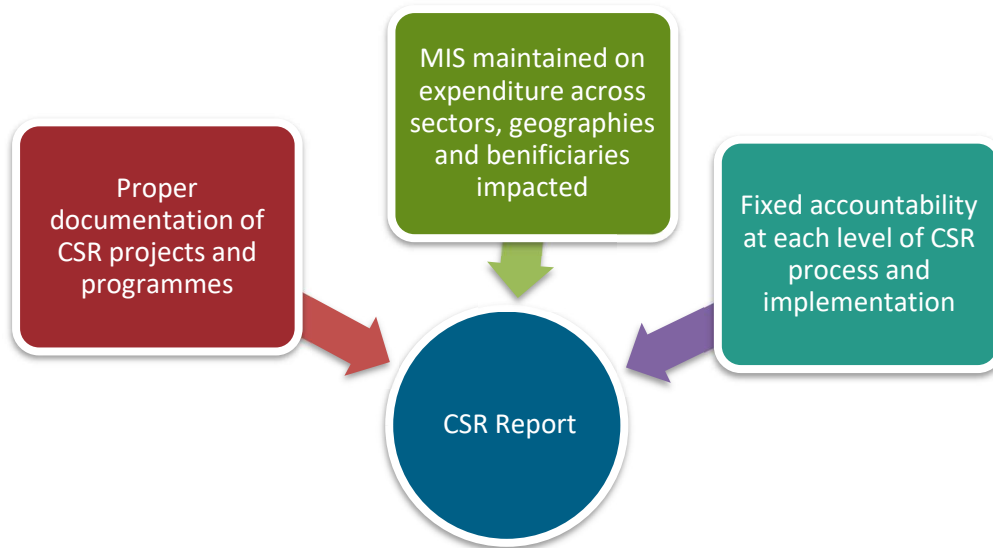
Monitoring shall be an integral exercise for all CSR activities to understand spillages and determine corrective actions against clearly defined inputs, outputs and outcomes. The CSR Team shall monitor the progress of projects on half-yearly basis or in such other manner as may be decided by the CSR team. In cases where the CSR team is a part of the implementing agency, monitoring shall be outsourced.

### Impact Assessment and Evaluation

Impact assessment is essential to understand the manifestation of our efforts. It provides a platform for further development planning and an opportunity for identifying spillages. Evaluation shall be done against clearly defined objectives.

### Report and Consolidation and Communication to the Stakeholders

The Cargill India CSR Committee will prepare the annual CSR report, as per the prescribed format in the Act, to be filed by the Company on approval of the Cargill India BoD.





## Annexures

### Cargill India CSR projects' & programs' overview

Program Name	Partnership	Focus Area	Program Description	Output	Outcome
Project Samriddhi (Location-Delhi)	United Way of Delhi	Enriching Community	Addressing women livelihood problems by engaging them in production-based income generation activities such as sewing & catering. Women groups are collectivized to start micro-enterprises and eventually improving quality of life & a sustainable income.	<ul style="list-style-type: none"><li>-Increased Income level of the group</li><li>-Formation of 'Common Information cum 'Training Center'</li><li>-Formation and registration of women collective as legal entity</li><li>-Enhance sales and purchase of goods through collective</li><li>-Better access to financial services</li></ul>	<ul style="list-style-type: none"><li>-A sustainable and certified SME</li><li>-Strong linkages with market, production houses and financial institutions</li><li>-Ownership &amp; management of 'Common Information cum Training Center' by women members</li><li>-A replicable model available for further implementation</li></ul>

Program Name	Partnership	Focus Area	Program Description	Output	Outcome
Born Learning (Location- Bengaluru)	United Way of Bengaluru	Nutrition	Holistic Early Childhood Development- Education & Growth	<ul style="list-style-type: none"> <li>- Support 1000+ children in 6 <u>Aanganwadis</u> in and around Bellandur</li> <li>- Learning &amp; Education Support in these <u>Aanganwadis</u></li> <li>- Infrastructural support &amp; Capacity Building of <u>Aanganwadi</u> workers</li> </ul>	<ul style="list-style-type: none"> <li>- Growth appropriate development of all children – enhanced early learning abilities</li> <li>- Enlightened mothers and young girls with adequate knowledge on nutritional techniques at early childcare practices</li> <li>- Better learning environment for children at the <u>Aanganwadis</u></li> <li>- School Ready Children</li> </ul>
Pragati School (Location- Gurgaon)	Pragati	Nutrition & Community Enrichment	Financial Assistance to NGO run school to support education, learning, and nutrition of 135 + children	<ul style="list-style-type: none"> <li>- End to end education and learning support</li> <li>- Supplementary nutrition support along with the mid-day meals</li> <li>- Ensure health &amp; hygiene of children</li> <li>- Digital &amp; Computer lab support</li> </ul>	<ul style="list-style-type: none"> <li>- Academically sound and confident children</li> <li>- Ensuring continuation of education by helping them to secondary schools</li> </ul>
Society Maker (Location- Gurgaon)	<u>Agrasar</u>	Enriching Community	It aims at supporting women from disadvantaged backgrounds to become self-aware, confident, self-reliant (socially & financially) to earn a livelihood and lead more meaningful personal and professional lives	<ul style="list-style-type: none"> <li>- 75 women were trained in a basic stitching course</li> <li>- 35 women have completed an advanced level of stitching course</li> <li>- 60 women are participating in regular production.</li> <li>- 280 have undergone financial literacy.</li> <li>- 35 women were trained in the enterprising skill</li> </ul>	<ul style="list-style-type: none"> <li>- 70 women earn an income of INR 1200</li> <li>- 21 women contribute towards product development at an advanced level</li> <li>- 76 women demonstrate an aptitude and competency of savings, taking need-based bank loans, and managing finances at home/</li> <li>- 7 women display leadership/ownership in running <u>Societymaker</u>.</li> <li>- 8 women have their own shop or B2C/B2B sales from home</li> </ul>

Program Name	Partnership	Focus Area	Program Description	Output	Outcome
Mid-day Meal Program & Nutrition supplement	Akshaya Patra	Food & Nutrition	The Mid-day meal program & nutrition supplement aims at the nutrition aspect of the children in Government schools. A nutrition-rich Midday meal along with a healthy nutrition supplement can be a game changer for reducing the stunting data numbers of India.	<ul style="list-style-type: none"> <li>- Nutritious and good quality breakfast meals served to the students</li> <li>- Increased nutritive value &amp; better hygiene</li> <li>- Reduced classroom hunger</li> <li>- Increased attendance and better school enrollment</li> <li>- Improved cognitive concentration</li> <li>- Reduced economic burden on beneficiary families</li> <li>- Adoption of best practices on nutrition</li> </ul>	<ul style="list-style-type: none"> <li>- Improvement in the overall health of the child</li> <li>- Students Education performance improves</li> <li>- Improved learning outcomes</li> <li>- Improved nutrition status and reduction in malnutrition</li> <li>- A healthy nourished and educated child contributing to the knowledge of the economy</li> </ul>
Capability based Learning for Government Schools (Location- Bengaluru)	<u>Prajayatra</u>	Community Enrichment	To enhance the learning outcomes of children by creating a conducive learning ecosystem in government schools	<ul style="list-style-type: none"> <li>- Integrated Curriculum and concept mapping</li> <li>- Formative Assessment/document ation of children learning development</li> <li>- Teacher empowerment</li> <li>- Capacity Building of School Institutions</li> </ul>	<ul style="list-style-type: none"> <li>- 65% increase in children's learning level from the baseline</li> <li>- 60% teacher empowerment/capable of facilitating classroom sessions</li> <li>- 60% of the parents to participate in children education</li> <li>- Improved involvement of school management committees in school decisions</li> </ul>



Program Name	Partnership	Focus Area	Program Description	Output	Outcome
Bachpan (Location- Gurgaon)	Agrasar	Enriching Community	Supporting out of school children attain age- appropriate learning levels, nutrition and mainstreaming them to formal schools and enhancing the quality of education in those schools	<ul style="list-style-type: none"> <li>- Children are being mainstreamed in formal schools</li> <li>- 102 children (25% of total strength) studying in government schools were part of the program.</li> <li>- Capacity was built of 12 teachers from government schools</li> <li>- 310 children have completed life skills education program</li> <li>- 110 children got nutritional support and regular health check-up.</li> <li>- 200 children were registered in the community library.</li> <li>- 300 parents became aware about the negative impact of Corporal Punishment and are trained in positive discipline techniques and approaches to create a positive environment at home</li> </ul>	<ul style="list-style-type: none"> <li>- 50% children to have increased participation, resiliency and affinity to education</li> <li>- Increased learnability and age-appropriate academic skills</li> <li>- Increase in continuity of education</li> <li>- Improved Quality education</li> <li>- Improved functionality of School Management Committee's (SMC's)</li> </ul>