

Cargill in India



Corporate Social Responsibility Policy

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A.

Introduction

a. Background

Cargill provides food, agriculture, financial and industrial products and services to the world. Together with farmers, customers, governments and communities, we help people thrive by applying our insights and nearly 150 years of experience. We have 143,000 employees in 67 countries that are committed to feeding the world in a responsible way, reducing environmental impact and improving the communities where we live and work. **We at Cargill take pride in the fact that Corporate Responsibility is part of everything we do!** Our purpose of being in business is to nourish people. This gives a framework to all our actions. Ethics and integrity have been the foundation for how we think and act, and how we seek to earn.

Cargill's operations in India started in 1987. It has businesses in refined oils, food ingredients, grain and oilseeds, sugar, cotton, animal feed, trade structured finance. Cargill markets leading consumer brands of edible oils such as NatureFresh, Gemini, Leonardo olive oils, Sweekar and Rath & Sunflower vanaspati and Nature Fresh Sampoorna Chakki Atta brand of wheat flour in India. It employs more than 2,000 employees working across plants and a network of warehouses and depots.

Food Security is the cornerstone of our corporate responsibility engagement in India that unites our various programs to improve nutrition and food security. India has reported low nutrition levels, underweight in children and high Global Hunger Index (GHI). We in the food industry, feel the need to address this concern. This policy addresses the complex issue of food security and related concerns. In India, we developed a multi-pronged program 'Nourishing India' and deployed more than \$ 11.5 million (INR 69 crores) through Cargill global and local funding over the last 6 years. We promote food security in many ways. For example -- working directly with farmers to help increase their productivity; supporting government investments in rural communities and local agriculture; advocating for open trade; partnering with global organizations, such as CARE and the Global Alliance for Improved Nutrition (GAIN), among others and local community-based organizations; and conforming to some of the most stringent food safety norms such as HACCP across Cargill's plants throughout its global operations.

This CSR Policy builds on the learnings from and good practices of the Company's ongoing CSR activities since 2007. Our activities are focused around the following commitments:

Nourishing people

Our world faces complex challenges. The breadth and scope of our business gives us an unparalleled view – and with that broad perspective comes responsibility. We are committed to nourishing the world's growing population while protecting the planet. We continue to find new ways to help farmers produce food sustainably and to develop efficient methods of moving food from times and places of surplus to times and places of deficit. We know that with the talents and conviction of our employees, we can help meet the challenge of ensuring all people have access to safe, nutritious and affordable food.

Operating responsibly

A responsible supply chain respects people and human rights; produces safe and wholesome food; treats animals humanely; promotes the best, most responsible agricultural practices; and reduces environmental impact, including protecting the land and conserving scarce resources. Achieving this will require collaboration with all stakeholders across developed and emerging markets. We strive to demonstrate measurable progress against the supply chain issues that we can control and those we can influence

Following our Guiding Principles

Adhering to high standards of business conduct has been important to Cargill since our founding in 1865. We are governed by a Code of Conduct, which is grounded by our Guiding Principles. The Principles are ingrained in our culture and serve as the foundation for the behaviors expected from all our employees in all parts of the world.

Our seven Guiding Principles:

- I. We obey the law.
- II. We conduct our business with integrity.
- III. We keep accurate and honest records.
- IV. We honor our business obligations.
- V. We treat people with dignity and respect.
- VI. We protect Cargill's information, assets and interests.
- VII. We are committed to being a responsible global citizen.

We know our ability to grow as a company depends on the way we treat people, how we enrich our communities and how well we serve our customers. Through the efforts of our employees, Cargill will grow profitably and grow responsibly to meet the needs of a diverse, expanding and interconnected world.

b. 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.

c. 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.

The following companies of Cargill in India meets the criteria provided under the Act/Rule of Corporate Social Responsibility for the financial year 2014-15.

1. Cargill India Private Limited
2. Cargill Global Trading India Private Limited

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.

Our Approach to CSR

a. 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 feeding the world in a responsible way; reducing our environmental impact; and improving the communities where we live and work. We are passionate about our goal to be the global leader in nourishing people and operating responsibly across the agricultural, food, industrial and financial markets we serve.

We focus on meeting today’s needs without impairing the world’s capacity to serve future generations. Cargill’s responsibility extends beyond our own operations to the suppliers, partners and other stakeholders in our supply chains. We believe in creating leaders from within the community, who will take ahead the flag of development of the community. The community feels connected and responsible for their happiness. This also ensures the sustainability of our programs. We aim to create a world of interdependence because we believe in collaborative, multidisciplinary and holistic approach. In the end, we wish to see the community self-reliant and proud of it, carrying the onus of its own development, feel belonged to its success and take responsible measures.

b. Objectives of the Policy

The **objectives** of this policy are to -

1. Demonstrate commitment to the common good through responsible business practices and good governance
2. Actively support the country’s development agenda to ensure sustainable transformation
3. Set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models
4. Engender a sense of empathy and equity among employees of Cargill India to motivate them to give back to the society
5. Create leaders and champions within the community

c. Our focus areas

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 (for specific programs refer to Annexure I).

Eradicating hunger and poverty: We shall continue to support partners working to address hunger, improve nutrition and increase agricultural productivity.

Promotion of education: We shall continue to support programs and projects that improve access to primary and secondary education for children; build skills in science, technology and engineering; and partnerships with higher education institutions in the areas of agriculture, food security and food safety.

Ensuring environment sustainability: We shall continue to partner with organizations that demonstrate global leadership in protecting our natural resources and promote sustainable agricultural practices in our communities and supply chains.



Promoting livelihood and skill development for the underprivileged: We shall partner with credible organizations to promote awareness in the youth and communities about social issues and support livelihood projects to increase the income levels of the economically backward section of the society.

C.

Policy Implementation

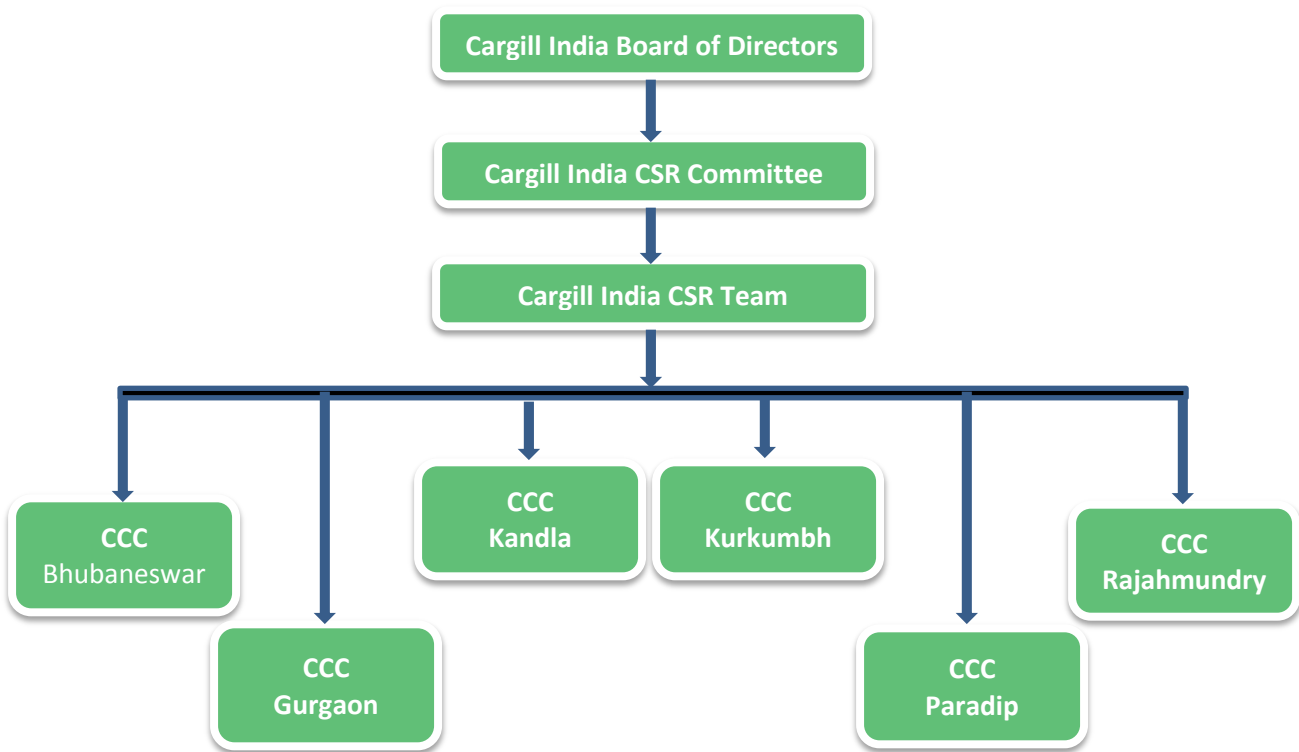
From our present day efforts, we shall collaborate with partners in public and private sector to find long term solutions to hunger and poverty. We shall have a multi-pronged approach with multi-pronged interventions, all of which shall be guided by our primary objective of Nourishing India.

a. Governance Structure

The CSR Committee shall oversee the CSR activities of Cargill India through the CSR Team. The CSR Team shall administer via the Cargill Care Councils (CCC) which are geographically based in the areas of Cargill India business activities. This structure shall be the guiding star for all the CSR initiatives that will be implemented via institutional partners.

The overall accountability shall be of the Board of Directors (BoD). The BoD shall primarily monitor the alignment of the activities with the company's mission and vision and maintain transparency.

CSR Governance ORGANIGRAM



a. Roles and Responsibilities

i. Cargill India Board of Directors

The Cargill India Board of Directors (BoD) shall be responsible for:

- Constituting the CSR Committee, from amongst itself
- Approving the CSR policy formulated by the CSR Committee
 - Ensuring that its essence is aligned to the vision and mission of the company
- Approving the CSR Budget
 - Ensuring that in each financial year the company spends at least 2% of the average net profit before taxation excluding profits arising from overseas branches made during the three immediate preceding financial years.
 - Ensuring that the reasons for any under spending of the allocated CSR budget are specified in the Board's Report.
 - Ensuring that the surplus arising out of CSR activities is not considered as a part of the business profits of the company and is credited back to the CSR corpus
- Disclosure in Annual Report
 - Disclosing in its Annual Report the names of CSR Committee members, the content of the CSR policy and the CSR activities undertaken.
 - Ensuring the annual reporting of all its CSR activities on the Company website.
- Ensuring that every financial year funds committed by the company for CSR activities are utilized effectively and monitored regularly.

ii. Cargill India CSR Committee

The Cargill India BoD shall constitute the Cargill India CSR Committee. It shall compose of three directors. CSR Committee shall meet at least once in a quarter. Members of the CSR Committee can agree upon mutually regarding time and place for the said meetings. A quorum of two (2) members is required to be present for the proceedings to take place.

It shall be responsible for:

- Formulating the CSR Policy
 - Identifying the focus areas of Cargill India CSR
 - Identifying activities to be undertaken
 - Developing a transparent monitoring mechanism
- Recommending to the Cargill India BoD
 - The annual budgeted expenditure project wise to the Cargill India BoD for its consideration and approval.
 - Modifications to the CSR policy as and when required
- Providing an update of quarterly meeting to the BoD
- Monitoring the implementation of the CSR policy regularly
 - Overseeing the systematic development of processes, procedures and guidelines for CSR so as to deliver its proposed value to the company and the targeted community
 - Ensuring that all the CSR activities budgeted are duly carried out, monitoring process is a part of each project proposal
 - Ensuring that the CSR spends are audited in an accountable and transparent manner

iii. Cargill India CSR Team

The CSR Team shall be stationed in Gurgaon. It shall be responsible for:

- Executing the CSR activities approved by the Cargill India BoD
 - Ensuring systematic development of a set of processes, procedures and guidelines for CSR activities
 - Monitoring the implementation of CSR activities

- Submitting an annual comprehensive report, of all the activities and projects, from the CCC, to CSR Committee
- Mentoring the CCC
 - Overseeing the work of Cargill Cares Councils
 - Helping CCCs identify CSR projects in-line with the vision and mission of the organization

iv. Cargill Cares Council (CCC)

There are presently six CCCs in India. An CCC shall be an integral part of any new set-up in India. It shall be constituted by the Business Units and shall constitute of employees of the Business Unit. It shall be responsible for:

- Planning the CSR activity
 - Identifying the community need
 - Identifying the institutional partner
 - Planning the community intervention, timelines and milestones
 - Preparing a proposal of CSR activities for the local area, to be submitted to the CSR Committee for approval from the Cargill India BoD
- Implementing the CSR activities approved for the area
 - Meeting and celebrating timelines
 - Coordinating with the institutional partners
 - Reviewing impact of CSR activities periodically
 - Using feedback for making the CSR activities more impactful
- Reporting the CSR activities
 - Solicit and communicate impact and feedback of CSR activities to the CSR Team as and when milestones are achieved

E.

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. The monitoring and reporting mechanism is divided into three distinct areas:

1. Progress Monitoring and Reporting
2. Impact Assessment
3. Report Consolidation and Communication

Cargill India's CSR Committee via the Cargill India CSR Team shall monitor the implementation of the CSR Policy through periodic reviews of the activities of the partner NGOs. The respective Cargill Cares Councils will present their annual budgets and list of programs, projects, and activities to the CSR Committee for its approval. The Committee will in turn evaluate the projects based on the identified project selection criteria and recommend this to the Cargill India Board for its final approval.

A. 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 do monitoring. In cases where the CSR team is a part of the implementing agency, monitoring shall be outsourced.

Monitoring will include:

- Ensuring that all funds are released against verified utilizations as per the approved work plans. This may include field visits, comprehensive documentation, and regular interaction with beneficiary communities
- Obtaining all relevant progress reports from the project, studying them and making a note of the gaps.
- Holding discussions with the implementation team on reasons for slippages (if any) and agreeing on a corrective action.
- Holding discussions with the implementation team regarding what lessons are emerging and how they can be applied within the project as well as outside to improvise on the project impact.

B. 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. For this:

- A robust MIS evaluation plan for each CSR activity is being put in place
- CSR Committee shall decide whether it will be internal, external or third party evaluation to ensure objective assessment across baseline and end line parameters.

C. Report Consolidation and Communication to the Stakeholders

Reporting and communicating shall be an important element of the CSR process to ensure transparency of our activities and its communication to our 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. This report will ensure:

- CSR projects and programmes are being properly documented. All individual projects reports shall be consolidated for a program related report, which shall be aligned with Cargill India's CSR policy.

- An MIS is maintained on expenditure across sectors and geographies and beneficiaries impacted.
- Accountability is fixed at each level of CSR process and implementation.

The report shall provide activity-wise reasons for spends as prescribed by the CSR Act and an undersigned responsibility statement that the CSR policy, implementation and monitoring process is in compliance with the CSR objectives, in letter and in spirit.

F.
Annexures

Annexure I

Cargill India CSR Projects' & Programs' Overview

A. Eradicating hunger, poverty and malnutrition

i. Enabling food banks: (include time)

Cargill India established the India Food Banking Network and the first food bank of India -- Delhi Food Banking Network (DFB) together with Global Food Banking Network and Aidmatrix Foundation in June 2012. The food bank harnesses the partnership between the government and the private sector to augment existing initiatives as well as develop new models in food distribution. It allows donors to gain access to safe and efficient distribution channel that provides an outlet and an effective system for donated or procured food to reach those who need it the most. We recently funded the setting up of Gurgaon Food Bank and are working towards setting up more food banks across India.

Executing Body: Cargill India CSR Team

Implementing Partner: Aidmatrix

Objective: To provide access to nutrition based meals to low income families through food banking system, to support thousands of feeding programs that already exist throughout India and to help develop new food bank programs where they are needed

Outcome/Impact: **Nutritional meals have helped in cognitive development of the children.** Providing food is the major concern for NGO, the network of food banks takes care of this, thus making finances of these NGOs available for other developmental concerns like health care, shelter homes etc.

ii. 'Nourishing partner' with PVR Nest:

We partner with PVR Nest for daily nutrition of 250 children in their shelter homes in Delhi. We provide wholesome meals to the children. Nutrition education is provided for over 10,000 PVR community members via the Cargill health experts who help mothers understand the importance of nutrition, best nutrition practices by the medium of films, theatrical performances, interactive sessions and handbooks. Solutions are also provided for best nutrition options with limited income. To bring perpetuity to this flow of information, Cargill Nutrition Guides are identified from the community and trained.

Executing Body: Cargill India CSR Team

Implementing Partner: PVR Nest

Objective: Provide wholesome meal, generate awareness about nutrition and create internal leaders of nutrition

Outcome/Impact: Nutritional value addition of 250 community children in the age group of 5-18yrs improved. These children have been mainstreamed to neighborhood schools from substance abuse. Mothers have a choice of taking informed decisions.

iii. SOS Children's Villages and Pardada Pardadi Education Society

We provide nutrition support to SOS Children's village in Bhubaneswar and girl children in Pardada Pardadi Education Society in Anoopshahar by providing them our edible oil on a month on month basis.

Executing Body: Cargill India CSR Team

Implementing Partner: SOS Children's Village in Bhubaneswar and Pardada Pardadi Education Society in Anoopshahar

Objective: To influence the health and fitness of the future of the country positively

Outcome/Impact: This program has brought parentless children out of misery, provided a stronger and healthier community who are then prepared to take responsibility.

B. Promotion of education

iv. Pragati Vatika School:

Rapid urbanization has turned Gurgaon into a "Millennium City" but only for the affluent. Migrant laborers, construction workers and the housekeeping staff who have no facilities support this rapid growth silently. Pragati Vatika School provides for fulfilling the learning dreams of the children of this lesser-privileged community. We support the Pragati Vatika School in Gurgaon by taking care of all their yearly operational expenses (—education, nutrition, staff etc.). The school caters to the educational, nutritional and overall developmental needs of children of daily wage laborers.

Executing Body: Cargill India CSR Team

Implementing Partner: Pragati Vatika School

Objective: To provide underprivileged children and youth an opportunity to make wider choices through high quality education and life skills training.

Outcome/Impact: The children are confident and are motivated to learn and explore the world. Life skills training have helped them live a life of dignity and respect.

v. Rural Development Foundation:

Every child has the right to education and everyone has the duty to give back to the society. In this background, we partner with Rural Development Foundation (RDF), an NGO that runs five schools and one junior college in the rural areas of Andhra Pradesh, in their mission to make education available for rural underprivileged girls and boys, by supporting children with educational expenses of the students.

Executing Body: Cargill India CSR Team

Implementing Partner: Rural Development Foundation

Objective: To promote critical thinking skills, encourage students to understand and apply concepts, be socially sensitive and become empowered leaders of their community.

Outcome/Impact: 580 rural students at Kalleda village have been able to continue their education. Since their nourishing requirements are met, they are focused on their extra-curricular development to become responsible leaders.

vi. 'Shiksha Saheli'

We partner with 'Rasta' School for Girls in their intention **to nurture** and turn childhood dreams into reality. *Rasta* School works in the *Khora* Colony in Ghaziabad with high Muslim population. The school intends **to break** the religious and cultural ironies to the young female lives and make them realize the value of childhood through exposure to mainstream education.

Executing Body: Cargill India CSR Team

Implementing Partner: *Raasta*

Objective: Primary education of girls of *Khora* community, to shift them from the non-formal education system (*Madrassa*) to mainstream.

Outcome/Impact: This program has transformed the mindset of people towards girl children of the community. It has brought significant change in the mindset regarding the relation of education with motherhood. Foremost, it has been instrumental in creating a paradigm shift in the mindset of the community regarding girl education.

C. Ensuring Environmental Sustainability

vii. Million Trees Gurgaon Project:

We are in the league of 'The Doers and Believers' of the Million Trees Project in Gurgaon. Here we have not just planted trees but have taken the onus of upkeep of the samplings, till they become trees.

Executing Body: Cargill India CSR Team

Implementing Partner: IAM Gurgaon

Objective: To give back to the community where we operate

Outcome/Impact: by planting trees and maintaining them we have improved the greenery in the area where we live and work.

D. Promoting livelihood and skill development for the underprivileged

- viii. We work closely with Enactus, an international organization that brings together student, academic and business leaders who are committed to using the power of entrepreneurial action to enable progress around the world, to create social awareness amongst college students by providing them seed money to fund social projects to promote innovative livelihood and skill development opportunities to the economically weaker sections of the society, encouraging them to get socially conscious and take the challenges of creating projects.

Executing Body: Cargill India CSR Team

Implementing Partner: Enactus

Objective: To help generate economic opportunities for the weaker section of the society by engaging with college students to encourage social entrepreneurship

Outcome/Impact: Foster social entrepreneurship amongst youth thus improving livelihood opportunities for the weaker section of the society.

E. Promoting gender equality and empowering women

ix. Mobile Creches:

We have teamed-up with Mobile Crèches, an NGO that ensures a healthy and secure daycare environment for children of laborers who work at construction sites, and adopted day care centers. These daycare centers create favorable conditions for their cognitive development by providing nutritious food and basic education. We also support Mobile Crèches for providing skill-building opportunities to the mothers and for creating awareness among stakeholders on issues affecting these women and children.

Executing Body: Cargill India CSR Team

Implementing Partner: Mobile Crèches

Objective: To support early child care and community development.

Outcome/Impact: We are supporting the development of 200 children, providing them a caring world to enable them to develop into competent and confident individuals.