

Particulars

About Your Organisation

Organisation Name

Cargill Incorporated

Corporate Website Address

<http://www.cargill.com>

Primary Activity or Product

- Oil Palm Growers
 - Processor and/or Trader
-

Related Company(ies)

Yes

Company	Primary Activity	RSPO Member	Plantation?	Files	
				GHG Report	Map file
Cargill Tropical Palm Holdings Pte. Ltd. Singapore	o Oil Palm Growers	Yes	Yes	-	-
Cargill BV, Neatherlands	o Processor and/or Trader	Yes	No	-	-
Cargill Palm Products Sdn. Bhd. Malaysia	o Processor and/or Trader	Yes	No	-	-
Cargill Australia	o Processor and/or Trader	Yes	No	-	-
Cargill International Trading Pte. Ltd. Singapore	o Processor and/or Trader	Yes	No	-	-
Cargill NV, Belgium	o Processor and/or Trader	Yes	No	-	-
Cargill GmBh, Germany	o Processor and/or Trader	Yes	No	-	-
Cargill Oil Packers BVBA, Belgium	o Processor and/or Trader	Yes	No	-	-
Cargill Cocoa and Chocolate, Neatherlands	o Processor and/or Trader	Yes	No	-	-
Cargill India Private Limited, India	o Processor and/or Trader	Yes	No	-	-
Cargill Grain & Oilseeds Co. Ltd, Nantong, China	o Processor and/or Trader	Yes	No	-	-
Cargill Meats (Thailand) Limited	o Processor and/or Trader	Yes	No	-	-
LLC Cargill Efermov, Russia	o Processor and/or Trader	Yes	No	-	-
Cargill Plc, Notts, United Kingdom	o Processor and/or Trader	Yes	No	-	-
Cargill Agricola, S.A, Brazil	o Processor and/or Trader	Yes	No	-	-
Cargill Incorporated (DSO), USA	o Processor and/or Trader	Yes	No	-	-
Cargill Cocoa and Chocolate, USA	o Processor and/or Trader	Yes	No	-	-

Membership

Membership Number	Membership Category	Membership Sector
2-0215-11-000-00	Ordinary	Palm Oil Processors and/or Traders

Oil Palm Growers

Operational Profile

1.1 Please state your main activities as a palm oil grower

- Palm oil grower & miller
- Palm oil mill/palm kernel crusher operator

Operations and Certification Progress

Operations and Certification Progress (for oil palm growers)

2.1 Total landbank available

2.1.1 Total landbank licensed / owned

66,117.81 ha

2.1.2 Total landbank for palm oil cultivation

60,634.20 ha

2.1.3 Total land managed for conservation that is set aside including HCV area

5,139.06 ha

2.2 About your estate operations

2.2.1 Mature area

46,511.76 ha

2.2.2 Immature area

4,460.00 ha

2.2.3 Total area of estate plantations - planted

50,971.76 ha

2.3 Certification:

2.3.1 Area certified

66,117.81 ha

2.3.2 Number of estates/Management Units

16 unit(s)

2.3.3 Number of estates/Management Units certified

16 unit(s)

2.4 Total annual production (tonnes)

2.4.1 Total annual Crude Palm Oil production

399,866.31 Tonnes

2.4.2 Total annual Palm Kernel production

89,729.69 Tonnes

2.4.3 Total annual Palm Kernel Oil production

12,160.14 Tonnes

2.4.4 Total annual FFB processing

1,591,708.32 Tonnes

2.5 In which countries are your estates?

2.5.1 Indonesia - Please indicate which province(s)

- Kalimantan Barat
 - Sumatera Selatan
-

2.5.2 Malaysia - please indicate which state(s)--

2.5.3 Other - please indicate which country(ies)--

2.6 New plantings and developments:

2.6.1 Area planted in this reporting period1,220.00 ha

2.6.2 Have New Planting Procedures notifications been submitted to the RSPO for plantings this year?Yes

2.7 Smallholder Operations

2.7.1 Do you have smallholders as part of your supply base?Yes

2.7.2 Please select which type(s) of smallholder operates within your company?

- Schemed

Area of "Schemed" smallholder plantations - planted:

29,032.20 ha

Area of "Schemed" smallholder plantations - certified:

29,032.20 ha

- Independent

Area of "Independent" smallholder plantations - planted:

578.59 ha

Area of "Independent" smallholder plantations - certified:578.59 ha

2.8 Third party Fresh Fruit Bunches (FFB) sourcing

2.8.1 Do you source for FFB from third parties i.e. FFB that is not sourced from your own plantation(s), scheme smallholders or contracted outgrowers?No

2.9 Fresh Fruit Bunches processing operations

2.9.1 Number of Palm Oil Mills operated6

2.9.2 Number of Palm Oil Mills certified6

2.9.3 Number of Palm Kernel crushers operated1

2.9.4 Number of Palm Kernel crushers certified

1

Supply Chain Used**3.1 Which supply chain options do you sell RSPO-certified palm oil products through?**

- Book & Claim
- Mass Balance
- Segregated

Time-Bound Plan**4.1 Date of first RSPO group certification (planned or achieved)**

2008

4.2 Time-bound plan - Year expected to achieve 100% RSPO certification of groups

2016

Comment:

The new Mukut mill certification audit was undertaken by SGS Indonesia in Nov 2015. However, the certification has been delayed because of the withdrawal by SGS for RSPO P&C accreditation effective 31st December 2015. As such, Cargill is working currently with another certifying body for the transfer of RSPO certificate in 2016.

4.3 Which countries that your organization operates in do the above commitments cover?

- Indonesia

4.4 Timebound plan - Year expected to achieve 100% RSPO certification of associated smallholders and outgrowers

2014

Comment:

Done. Dec 2014 – 100% smallholders were certified

4.5 What are your interim milestones towards achieving RSPO certification commitment (year and progressive CSPO%) - please state annual targets/strategies

a) The certification of new Mill located in Mukut, West Kalimantan has been delayed to 2016 due to SGS withdrawal. However, Cargill is working with another certifying body for the transfer of RSPO certificate in 2016. b) New acquisition from local company, PT.Sumber Terang Agro Lestari (STAL) which consist 4,298 Ha HGU land is currently under new development. PT.STAL has undergone of RSPO New Planting Procedure Process last Jan 2014 and expected to be 100% planted in 2016. c) New development – STAL: STAL Estate was going for certification under scope of estate supply base for Mukut Mill, certification audit done in November 2015. However, certification delayed to 2016 because of SGS withdrawal.

4.6 Time-Bound plan - Year expected to achieve 100% RSPO certification of independently sourced FFB

2014

Comment:

Not applicable (this is a voluntary depending on independent smallholders)

Concession Map

5.1 With regards to the GA resolution 6g that call for map submission by ACOP 2014 deadline. Please upload your estate location concession maps in KML or SHP format here: (RSPO General Assembly resolution 6g calling for map submissions by ACOP 2014 deadline)

Uploaded files:

-

5.2 Map data declaration

I hereby declare that map data submission represents 100% of an oil palm growers' concession sites (both RSPO certified and uncertified)

Please state if any concession sites have been recently acquired or if any concession sites have changed ownership since the previous ACOP submission

We did not upload the concession map because it is unchanged from last year Cargill acquired Alpha Capital Limited (Poliplant group) in 2015. Alpha Capital progress shall be reported under separate RSPO membership in the ACOP report for 2016. Their membership details as follows a) Membership: 1-0199-16-000-00, b) Category: Ordinary, c) Sector: Oil Palm Growers, d) Estate: West Kalimantan, e) Member since: 22 January 2016

GHG Emissions

6.1 Are you currently assessing your operational GHG emissions?

Yes

6.1.1 What GHG assessment tool or method are you currently using?

Currently we follow guidance on ISCC 205 GHG Emissions Calculation Methodology and GHG Audit and comply with EU Directive 2009/28/EC (RED). PT.Hindoli and PT.Harapan Sawit lestari are ISCC certified companies since 2010. For New Planting we adopt RSPO GHG Palm Calculator.

6.2 What is your operational GHG emission value (tCO₂e/tCPO)? (refer to P&C C5.6)

0.00

6.3 What is the projected GHG emission associated with your new plantation development(s) (tCO₂e)? (refer to P&C C7.8)

0.00

Actions for Next Reporting Period

7.1 Outline actions that you will take in the coming year to advance your plans for certification

Cargill has joins the Initiative for Sustainable Landscapes (ISLA) working group led by the South Sumatra provincial government and IDH Sustainable Trade Initiative. The initiative aims to create a sustainable supply shed in South Sumatra. Cargill announces global Policy on Forests and Forest Protection Action Plans. Launch of Cargill's new Palm Grievance Procedures as part if its standing Ethics Open Line. Cargill acquires Poliplant Group expanding our existing oil palm operations in West Kalimantan, Indonesia. Cargill is also engaged in IPOP to promote sustainable palm oil development in Indonesia. IPOP is a partnership of palm oil companies that aims to enable and promote the production of sustainable palm oil that is deforestation free and expands social benefits through collaborative efforts among the private sector, governments, civil society organizations, communities and other stakeholders.

7.2 Outline actions that you will take to promote CSPO along the supply chain

We shall continue to regularly communicate our efforts on sustainability and RSPO to our supply chain and customers. We offer customers the option to utilize the RSPO supply chain models We continue to be actively involved in industry events as speaker on multiple occasions to share our vision on how to achieve sustainable palm oil in the supply chain.

Reasons for Non-Disclosure of Information

8.1 If you have not disclosed any of the above information, please indicate the reasons why

Conflict and Complaints Mechanism

9.1 Has your Group put in place any mechanism to resolve any conflict?

Uploaded files:

- [cargill-grievance.pdf](#)

Please indicate when the procedures would be set up and put in place.

In 2015, Cargill launched the new Palm Oil Grievance procedures as part of its standing Ethics Open Line. Please refer to attachment for future details.

9.2 Has your Group any ongoing land conflict?

No

Palm Oil Processors and Traders**Operational Profile****1.1 Please state your main activity(ies) within the supply chain**

- Refiner of CPO and CPKO
- Trader

1.2 Operation and Certification Progress**1.2.1 Do you have a system for calculating how much palm oil and palm oil products you use?**

Yes

1.3 Total volume of all palm oil products processed and/or traded in the year in the year (Tonnes)**1.3.1 Total volume of oil palm and palm oil derivatives processed and/or traded in the year**

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1.3.2 Total volume of palm kernel oil and palm kernel oil derivatives processed and/or traded in the year

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1.3.3 Total volume of other Palm Oil Derivatives and Fractions processed and/or traded in the year

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1.3.4 Total volume of all palm oil and palm oil derived products processed and/or traded in the year

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1.4 Volume processed and/or traded in the year that is RSPO-certified (Tonnes):

No	Description	Crude Palm Oil (Tonnes)	Palm kernel oil (Tonnes)	All other palm-based derivatives and fractions processed and/or traded in the year that is RSPO-certified (Tonnes)
1.4.1	Mass Balance	16387.00	19101.00	61057.00
1.4.2	Segregated	251143.00	11659.00	29225.00
1.4.3	Identity Preserved			
1.4.4	Total volume of Oil Palm processed and/or traded in the year that is RSPO-certified:	267530.00	30760.00	90282.00

1.5 What is the percentage of certified sustainable palm oil in the total palm oil your company sells in:

Europe --%
 India --%
 China --%
 South East Asia --%
 North America --%

1.6 What is the percentage of certified sustainable palm kernel oil in the total palm kernel oil your company sells in:

Europe --%
 India --%
 China --%
 South East Asia --%
 North America --%

Time-Bound Plan**2.1 Date of first supply chain certification (planned or achieved)**

2010

2.2 Time-bound plan - Year expected to achieve 100% RSPO certification of all supply chains

2020

2.3 What are your interim milestones towards achieving this RSPO certification commitment (year and progressive CSPO%)? Please state annual targets/strategies.

Our palm facilities in Europe, USA, Malaysia, China, Australia, Russia, Brazil are already supply chain certified. Each individual business unit has its own target to achieve the supply chain certification. We don't include that target in this report as we don't report out on individual business unit level.

2.4 Timebound plan - Year expected to only "handle/supply" RSPO certified oil palm products

2020

Comment:

We will continue to offer and supply RSPO certified palm products based on customer demand. Our customers want more customization with respect to traceability for their specific supply chains and despite the complexity, we continue to work to find ways to improve tracking and reporting at origin. Cargill is committed towards a 100% transparent, traceable and sustainable palm supply chain by 2020. Our policy is rooted in the Principles and Criteria of the Roundtable on Sustainable Palm Oil (RSPO) and we believe they serve as the primary global sustainability standards for palm products and encourage all end-users of palm oil and palm oil products in mature markets

2.5 How do you promote RSPO and RSPO certified sustainable palm oil to your customers proactively?

a) We regularly communicate our efforts on sustainability and RSPO to our customers b) We offer customers the option to utilize the RSPO segregated or mass balance supply chain models c) We are active involved in the organisation of several industry events, as we are present as a speaker on multiple occasions to share our vision on how to achieve sustainable palm in the palm supply chain. d) We have signed up for the different EU market initiatives to stimulate the uptake of sustainable palm amongst the local manufacturers and users of palm oil, either directly or via the associations that we are member of.

2.6 Which countries that your organization operates in do the above own-brand commitments cover?

Australia, Belgium, Brazil, China, Germany, India, Indonesia, Malaysia, Netherlands, Russian Federation, Singapore, Thailand, United Kingdom, United States

GHG Emissions**3.1 Are you currently assessing the GHG emissions from your operations?**

Yes

3.2 Do you publicly report the GHG emissions of your operations?

No

Please explain why

Today we do not publically report the GHG emission of our operations. However, on selected transactions we share our GHG emission value to our customers since it has been included in the bill of lading documents, part of ISCC oil sales contract. We will comply with this requirement once it becomes mandatory by RSPO to publically report

Actions for Next Reporting Period

4.1 Outline actions that you will take in the coming year to promote CSPO use along the supply chain

a) Continue promotion towards sustainable palm with customers, via national country initiatives, seminars and via our direct sales force b) Encourage our third party suppliers (especially integrated players) to join RSPO and attain certification. c) Encourage our customers to become RSPO members and to start implementing CSPO. d) Offer our customers the option to utilize all physical 'chain of custody' trading models authorized by the RSPO, i.e., 'segregation' and 'mass-balance'. We will deliver RSPO certified product in response to market demand. e) In 2013, Cargill teamed up with Solidaridad and WildAsia with the goal of promoting the growth of RSPO certified fresh fruit bunch (FFB) production among independent smallholders near Air Kuning, Perak, in peninsular Malaysia. The collaboration builds on existing relationships between refiners, mills, FFB dealers and smallholders. The FFB dealers play an important in facilitating relationships with smallholders. As a result of this project, 34 independent smallholders achieved RSPO certification in March 2015 and an independent mill received certification in April. In early 2016, we expanded the project to include an additional 143 new independent smallholders which are expected to be audited by June 2016. Once certified, there will be a total of 177 independent smallholders with 708 hectares of planted area and 24,619 metric tons of FFB in the WildAsia group scheme. f) Cargill is working with The Forest Trust (TFT) and Proforest to map the palm oil supply chain in order to understand where the palm oil comes from and identify risk areas in this supply chain. Once the level of risk for a supplier identified, we establish a list of high priority suppliers that we will engage with first. We also use the Aggregator/Refiner Transformation (ART) plan, a TFT approach to ramp up the transformation process of suppliers on a wider scale than simply one mill catchment at a time. g) In Q4 2015, the company had reached 97% traceability to mill level (98% for kernel and 96% for palm).

Reasons for Non-Disclosure of Information

5.1 If you have not disclosed any of the above information please indicate the reasons why

Other

Application of Principles & Criteria for all members sectors

6.1 Related to your sourcing, do you have (a) policy/ies, that are in line with the RSPO P&C such as:

- Water, land, energy and carbon footprints
[P-Policies-to-PNC-waterland.pdf](#)
- Land Use Rights
[P-Policies-to-PNC-landuseright.pdf](#)
- Ethical conduct and human rights
[P-Policies-to-PNC-ethicalconducthr.pdf](#)
- Labour rights
[P-Policies-to-PNC-laborrights.pdf](#)
- Stakeholder engagement
[P-Policies-to-PNC-stakeholderengagement.pdf](#)

6.2 Where relevant, what prevents you from trading/processing only CSPO?

a) Uncertainty of demand for CSPO from customers b) Logistical considerations at facilities when handling various palm fractions and blends for customers c) Supply availability and price d) Customers are also demanding for supply chain traceability which creates a challenge for MB products

Commitments to CSPO uptake

As you don't source 100% CSPO through physical supply chains (IP/SG/MB), please answer the following questions: Do you have plans to?

No

Please explain why:

a) Uncertain supply availability as there are many growers especially small growers, smallholders and independent millers who would face challenges to move towards certification b) Varied demand from customers ranging from certified, non-certified and product traceability

7.1. Do you have plans to immediately cover the gap using Book & Claim?

No

Please explain why:

It depends on customer demand. We offer our customers various options to utilize all physical 'chain of custody' trading models authorized by the RSPO i.e, 'segregation' and 'mass balance' as well as Book and Claim. We will deliver RSPO certified products in response to market demand.

Concession Map

Do you agree to share your concession maps with the RSPO?

Yes

Map files:

-
-

Challenges

1 What significant economic, social or environmental obstacles have you encountered in the production, procurement, use and/or promotion of CSPO and what efforts did you make to mitigate or resolve them?

a) Availability of CSPO is challenging for standalone refiners to secure supply to meet customer demand b) Lack of awareness among the independent estates, smallholders and mills about RSPO. c) Difficult for smaller users to embark on supply chain certification because of lack of resources d) Transparency to independent small holder base due to presence dealers, making it more difficult to engage on issues e) Lack of market transparency at smallholder level which doesn't encourage certification or reduce bargaining power f) Customer need to increase uptake of CSPO

2 How would you qualify RSPO standards as compared to other parallel standards?

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Cost Effective:

No

Robust:

Yes

Simpler to Comply to:

No

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

We have regular engagement with suppliers, customers, smallholders, and NGOs on our palm sustainability practices and actions. In March 2015, 34 smallholders were group certified in Malaysia through smallholder programme in partnership with Solidaridad and Wild Asia to raise the capability of smallholders to RSPO standards. We are also mapping our palm oil supply chain and work on continuous sustainability improvement programmes with key suppliers. High level engagements to understand the suppliers' approaches to sustainability and responsible sourcing. The goal is transparency and ensuring progress.

4 Other information on palm oil (sustainability reports, policies, other public information)

Cargill is continuing to make progress to reach its sustainable palm oil commitments. Since we issued our 2014 action plan, some major accomplishments include: a) We completed our first high carbon stock (HCS) assessment at our PT Hindoli plantation and started a second assessment of a third party supplier. b) In Q4 2015, the company had reached 97% traceability to mill level (98% for kernel and 96% for palm). c) We completed 10 planned field assessments of suppliers, and an eleventh was adapted into a supplier workshop. Key learning and challenges: a) Globally, we are working to build and improve our relationships with smallholders to increase transparency and improve traceability. We learned that active engagement with smallholders across the supply chain is critical to ensuring voluntary reporting. b) We committed to sponsoring three HCS assessments at third-party concessions. The first was delayed but is now in progress; the other two are pending the selection of suppliers to participate c) While we launched our new Palm Grievance Procedure as an important avenue to engage and hold accountable suppliers, and we will file, review and monitor any allegations through the process, we still see opportunities to further increase transparency in 2016. d) Our customers want more customization with respect to traceability for their specific supply chains and despite the complexity, we continue to work to find ways to improve tracking and reporting at origin. e) One of the challenges ensuring traceability to the plantation is the need to work through intermediaries, such as traders, which adds to the complexity of the supply chain and makes it more difficult to engage with smallholders directly, some of whom we have not historically had direct interactions. For more on Cargill's Sustainable Palm Oil 2015 Progress Update and 2016 Action Plan, please visit our website at <http://www.cargill.com/corporate-responsibility/sustainable-palm-oil/news-progress-reports/index.jsp>