

Supply Chains Act (Canada) Report of Cargill Limited and its Canadian affiliates

Joint Statement – Cargill Limited – Cargill Limitée, Precision Agricultural Services Inc. and EWOS Canada Ltd. for the period June 1, 2022 to May 31, 2023

This report covers the activities of *Cargill Limited – Cargill Limitée* (“**Limited**”), *Precision Agricultural Services Inc.* (“**Precision**”) and *EWOS Canada Ltd.* (“**EWOS**”) (Limited, Precision and EWOS are referred to herein collectively as “**Cargill Canada**”) and addresses our efforts to understand and implement actions to minimize the risk of forced labour and child labour in our Canadian operations and global supply chain. It also includes general information related to policies of our parent company, Cargill, Incorporated that apply to Cargill Canada, and activities of Cargill Canada’s foreign affiliates worldwide, which form part of the Cargill Canada supply chain. “**Cargill**”, without qualification, refers to the global Cargill enterprise consisting of *Cargill, Incorporated* and its affiliates worldwide, including Cargill Canada.

This report is Cargill Canada’s first report filed pursuant to the Fighting Against Forced Labour and Child Labour in Supply Chains Act - Parliament of Canada. It confirms relevant policies, processes and measures applicable as of Cargill Canada’s financial year ending 31st May 2023, seven months prior to this legislation coming into effect.

Cargill’s purpose is to nourish the world in a [safe, responsible and sustainable](#) way. We aspire to be the most trusted source of products and services across the agricultural, food, industrial and financial markets we serve. We have more than 160,000 employees in 70 countries who strive to feed the world in a responsible way and improve the communities where we live and work.

Human rights are fundamental at Cargill. In Canada and throughout the world, our actions are driven by our values. We are committed to respecting the human rights of all whose lives and livelihoods we touch. Cargill complies with local laws and respects internationally recognized human rights throughout our own operations, supply chains and the communities where we do business. We take guidance from international standards and declarations, including the United Nations Guiding Principles on Business and Human Rights (UNGPs), the International Bill of Human Rights and the International Labour Organization Fundamental Principles and Rights at Work. As a signatory to the [United Nations Global Compact](#), we also are committed to promoting human rights.

The most fundamental step Cargill has taken to prevent and reduce the risk that forced or child labour is used at any step in our Canadian supply chain or production process is the adoption and implementation of policies prohibiting forced and child labour, including our Code of Conduct, Human Rights Policy and Supplier Code of Conduct.

Cargill Code of Conduct and Human Rights Policies

Cargill's [Code of Conduct](#) outlines our company's ethical and compliance standards for conducting business throughout the world and serves as a guide for employees in conducting their daily work. Our Code is grounded in [seven Guiding Principles](#) that are ingrained in our culture and serve as the foundation for the behaviors expected from all employees. Guiding Principle #5, "We treat people with dignity and respect" addresses our commitment to human rights. It expressly states that "Child labour and illegal, abusive or forced labour have no place within our operations, anywhere in the world".

Our [Human Rights Policy](#) further outlines our commitment to human rights within our operations and supply chains. We also expect our suppliers and business partners to uphold these principles and urge them to adopt similar policies within their own businesses.

Forced Labour

Cargill does not tolerate the use of any form of forced labour – including all prison labour, indentured labour, bonded labour, and any forms of modern slavery or trafficking – anywhere in our own operations and supply chains. Cargill Canada complies with Cargill policies and applicable law. It confirms the following specific undertakings.

Respecting the terms and conditions of employment with transparency: Terms and conditions of employment are communicated to workers in a language they understand, and changes are communicated transparently. All workers are free to terminate employment upon reasonable notice.

Allowing workers to have freedom of movement: Workers have the ability to move freely and are not restricted through abuse, physical force, or threats of violence or reprisals.

Recruiting responsibly: When Cargill Canada recruits workers internationally, we comply with Canadian law and follow the United Nations International Organization for Migration (IOM) IRIS Ethical Recruitment standards. Employees do not pay recruitment or similar fees to obtain employment. The costs of recruitment are borne by Cargill Canada. Further, temporary foreign workers are accorded treatment and protection equal to other workers and retain control over their personal identification documents and other valuable possessions.

Child Labour

At Cargill we work to eradicate child labour from our operations and supply chains. We implement appropriately designed due diligence systems that are intended to identify, prevent and remediate child labour. We will not hire individuals under the legal working age or in conflict with other legal restrictions. Cargill only employs workers under the age of 18 in accordance with applicable law and will not assign them work that is mentally, physically, or socially dangerous or that deprives them of the opportunity to attend school.

Operating responsible supply chains-

Supplier Code of Conduct

We can achieve Cargill's purpose only by working closely with our Suppliers. Our [Supplier Code of Conduct](#) explains how we expect suppliers to work with us to fulfil that purpose—ethically and in compliance with applicable laws. Our Supplier Code of Conduct extends our seven Guiding Principles into the supply chain and is translated into nearly thirty languages.

We believe this joint commitment to ethical conduct and integrity is a strong foundation for trusted business relationships that create shared value.

Our Supplier Code of Conduct requires Suppliers to know and follow the laws that apply to them and their business. It requires Suppliers to treat legal requirements as a minimum standard. Cargill also expects our Suppliers to stand with us in prioritising the safety, well-being, and dignity of all individuals whose talents and hard work help us deliver our products and services. Our Supplier Code requires Suppliers to provide safe and healthy working conditions at all their operations, foster an inclusive work environment that is free of harassment and discrimination, and respect employees' rights to organise and bargain collectively. Cargill expects Suppliers to uphold the principles outlined in Cargill's Human Rights Policy and take guidance from the International Labor Organization Fundamental Principles and Rights at Work. Cargill demands that Suppliers to act to eliminate any form of forced labour - and work to eradicate child labour - from their operations and supply chains.

More information on the actions we are taking in our supply chains can be found in Cargill's [ESG report](#), which identifies forced labour and child labour as salient human rights issues for Cargill. As stated on page 42 of the ESG Report, in fiscal year 2023, "we refreshed our policy, providing clarity on the salient human rights issues affecting our operations and supply chains, as well as details on our governance and Human Rights Due Diligence (HRDD) process."

CARGILL CANADA- Structure, Operations, Supply Chain

Cargill has conducted business in Canada since 1928. Limited, the key flagship operating entity for Cargill in Canada, is a privately-owned Canadian company headquartered in Winnipeg, Manitoba. It conducts business from more than 80 Canadian locations and employs over 8,000 people across Canada. Limited is a subsidiary of Minnesota-based Cargill, Incorporated, an international provider of food, agriculture, and risk management products and services. Limited, an agrifood business, is one of Canada's largest merchandisers and processors. Our interests include the processing of beef, poultry, chocolate and oilseed, and the manufacturing of livestock feed. We are involved in the distribution and sale of food and food ingredients, bioindustrial products, road safety salt and crop inputs products. Grain handling and merchandising continue to be a core part of our business.

Precision is a subsidiary of Cargill Limited which operates four crop input retail locations in Saskatchewan. EWOS, also a Cargill-owned company, manufactures feed for the aquaculture industry at its facility in Surrey, British Columbia.

Cargill Canada's operations are divided into the four enterprises, each with multiple businesses and supply chains. We are in the process of mapping our supply chains. Details are provided in Appendix A.

Due Diligence and Remediation Measures

Cargill Canada's specific detailed supply chain assessment began in its 2024 fiscal year, but Cargill's longstanding policies prohibiting forced and child labour, and the global efforts to uphold them, have mitigated against the risk of forced and child labour in our local and our global supply chains for many years.

[Cargill's Corporate Due Diligence Policy](#) brings clarity to our due diligence process for identifying risks and working to ensure our products are compliant. We integrate a variety of tools to assist us in our due diligence, which may include partnerships with our supplier partners to conduct on-site visits, certifications, grievances reported via our Ethics Open Line, and information from third party sources – including governmental authorities, international nongovernmental organizations (NGOs), and consulting experts.

Foundational to Cargill's strategy is a risk management process to proactively identify and manage human rights impacts. We are continuously enhancing our human rights due diligence program to identify, prevent, mitigate and account for human rights impacts in our operations and supply chains. We take guidance from the UN Guiding Principles on Business and Human Rights and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Business Enterprises.

In our global supply chains, including palm, cocoa and South American soy, Cargill reduces the vulnerability of children to child labour by supporting farming families and producers through prevention efforts such as enhancing income generation and access to education and employment. Our integrated approach combines prevention with a supply-chain based monitoring system and is supported by a network of community development activities to address critical needs.

In select high priority geographies, remediation of child labour is provided at both the individual and community levels by Cargill together with NGO and governmental partners.

Key Risk Mitigation Programs Applicable to Cargill Canada Global Supply Chains

Programs applicable to Cargill Canada's global supply chains operating in 2023 include:

Cargill Protein and Salt

- **Protein**
 - Our Protein enterprise has instituted third-party audits with SEDEX for their own operations and on-site sanitation companies.
 - Select Protein facilities in Canada have recruited skilled migrant workers from outside of Canada. In these cases, we align with the [International Organization of Migration](#)'s Ethical Recruitment Principles. We connect our workers to affordable housing, and make them aware of community resources and local services to facilitate a smooth transition. We provide on-the-job training while also recruiting experienced migrant workers who are already trained in skilled labour, specifically industrial butchers and meat cutters, filling skills gaps in the local workforce.
 - Due to an identified risk of child labour within the US meatpacking facilities in 2023, Cargill is reinforcing its stringent supplier verification procedures with the addition of new protocols in our US protein business, including a visual inspection requirement by our management team of suppliers' employees on our worksite to identify age concerns. These risk mitigation procedures benefit our Canadian protein supply chain.

Animal Nutrition

In FY2023, our global Animal Health & Nutrition enterprise began conducting internal assessments of forced and/or child labour risks in their activities and supply chains, identifying 'high risk regions'. Our global aquaculture feed business developed a distinct Sourcing Policy that carries specific reference to ILO International Labor Standards. Through these normative documents, we conduct assessments of our aquaculture feed ingredient supply chains on the risk of modern slavery and human trafficking. Assessments centre on the country of origin and supply sector, and suppliers identified as working in high-risk countries or sectors are contacted individually and asked to provide more details about how they work to mitigate risk.

Cargill Food & Bio-Industrial

- **Cocoa** – As part of our [Cargill Cocoa Promise](#) Cargill is committed to protecting the rights of children, raising awareness of labour issues and improving working practices through training and education of farmers, their communities and families. To address the root causes of child labour, we are combining CLMRS (Child Labor Monitoring & Remediation System) with preventative measures such as community development, women's empowerment, and opportunities for youth. The steps of the CLMRS are as follows: field agents visit households and farms to conduct surveys during school holidays and harvest season; the data collected allows us to identify the number of incidents of child labour, the type of activities carried out by the children (such as using machetes and pesticides or carrying heavy loads), and vulnerability factors in the household as causes of child labour (such as school attendance); based on the data collected, a remediation plan is developed that includes direct remediation activities for the cases of child labour identified and broader activities to address potential endemic root causes.
- **Palm** – Cargill has a global [Policy on Sustainable Palm Oil](#) through which we monitor our supplier's compliance with our guidelines and industry-wide frameworks using a supplier questionnaire and verification process.
 - In Indonesia, we engage with suppliers through visits, assessments, and workshops.
 - In Malaysia, Cargill works with Earthworm Foundation <https://www.earthworm.org/> in an effort to improve labour and human rights practices through the Labor Transformation Program. The program's goal is to generate long-term engagement with suppliers and improvement on prevalent social issues, including recruitment practices, employment contracts, grievance mechanisms, freedom of movement, freedom of association, wages and working hours, health and safety, and access to safe accommodation.
 - Our [palm grievance dashboard](#) is publicly available. We prioritize engagement based on varying levels of severity and impact. When a supplier is unable or unwilling to make progress within the agreed upon timeframe, or has repeated non-compliances, we remove the supplier from our supply chain.

Employee Training

Cargill Canada employees receive annual training on the Cargill Code of Conduct, which prohibits forced and child labour.

In addition, Cargill offers employees robust training on the definitions of human rights issues and their root causes, and enhancing skills to identify, analyze and resolve human rights issues in our operations and supply chains. Additional human rights training for employees covers Cargill's Human Rights Strategy Framework and policy, including an overview of forced and child labour and child protection.

Assessing the Effectiveness of our Measures

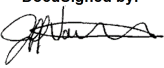
Cargill is working with customers, suppliers and service providers to learn about and resolve complaints and conflicts in its own operations and supply chains through an open, accessible, transparent and consultative process. Since 2023, Cargill Canada has done further work to identify and assess its supply chains and identify the specific risks of forced and child labour associated with them. Cargill Canada is committed to taking measures to remediate any instances of forced or child labour that are identified and to remediate any loss of income to the most vulnerable families that results from any such measures taken.

We continue to increase awareness of the opportunities for workers and other stakeholders in our supply chains, including community members, to bring concerns to the attention of Cargill. Individuals can anonymously report on the conduct of a Cargill employee or business through the [Cargill's Ethics Open Line](#) which is available 24 hours a day, seven days a week for employees and third parties anywhere in the world (subject to certain countries' legal limitations). This channel is managed by a third-party to secure confidentiality and protection from retaliation.

Attestations

The attestations below confirm the approval of this report by the respective governing bodies of each entity covered by the report, pursuant to subparagraph 11(4)(b)(i).

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for **Cargill Limited – Cargill Limitée**. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.”

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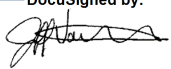
30 May 2024

M. Jeffrey Vassart, President

Date

“I have the authority to bind Cargill Limited – Cargill Limitée.”

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for **EWOS Canada Ltd.** Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.”

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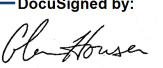
30 May 2024

M. Jeffrey Vassart, President

Date

“I have the authority to bind EWOS Canada Ltd.”

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for **Precision Agricultural Services Inc.** Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.”

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31 May 2024

Glenn Houser, Board Chair

Date

“I have the authority to bind Precision Agricultural Services Inc.”

Appendix A

Cargill Canada Structure, Operations and Supply Chains

1. Cargill Agricultural Supply Chain (“CASC”)

Head Office- Winnipeg, Manitoba

CASC: Grain Origination

Main Operations

- Acquiring grain and oilseeds

Supply Chain

- Grain and oilseed products purchased from growers, traders
- Employment services – agents and distributors who provide professional services
- Service providers who deliver services to our origination business to facilitate for example, payments to growers, payment paperwork

CASC: Trading and Supply Chain

Main Operations

- Transporting/moving goods/ rail and truck
- Commodity Trading; sales and marketing
- Distribution of meals and oils
- Supply of specialty seed for oilseed production

Supply Chain

- Grain and oilseed products purchased from growers, traders
- Service providers, contractors and sub-contractors who deliver services to our supply chain business: road and rail transport providers; storage services; stevedoring and port terminal services; container packing; shipping agents

CASC: Grain and Oilseed Storage and Handling

Main Operations

- Receiving, storing and out turning grains and oilseed

Supply Chain

- Grain and oilseed products purchased from growers, traders
- Site consumables (e.g. tarps, ground sheets, fuel, PPE, electricity, fumigant)
- Service providers, contractors and subcontracts who deliver services to our sites such as consulting services, OH&S services, waste removal, electrical/mechanical/civil maintenance, freight, fumigation, equipment certification, lease and hire equipment, security, drug and alcohol testing, IT
- Employment services – casual labour provided by professional services/recruitment providers

CASC – Canola Oil Processing, Crushing and Refining

Main Operations

- Process oil seeds to produce crude oil and oilseed crush by products
- Process crude oil to produce refined oil
- Cargill Processing

Supply Chain

- Oilseed products purchased from growers, traders
- Plant consumables

CASC: Crop Inputs

Main Operations:

- -Wholesale distribution of seed and agriculture crop protection products
- -Retail distribution of seed, agriculture crop protection and fertilizer products

Supply Chain:

- Crop Protection, Seed, and Fertilizer supplied from manufacturers.
- Transportation services of products to warehouse and to customers
- Third party warehouse storage

2. Cargill Protein and Salt (“Protein”)

Protein: Beef Processing

Main Operations

- Primary Beef Harvest Facilities, harvesting live cattle, beef carcass deboning, trimming, cutting and grinding to produce boxed beef, ground beef, beef trimmings, beef by-products and offals.
- Beef product distribution
- Beef by-product rendering

Supply Chain

- Live beef cattle
- Plant consumables

Plant Locations: High River, Alberta & Guelph, Ontario

Protein: Chicken Processing

Main Operations

- Harvesting live chicken, chicken carcass deboning, trimming and cutting to produce chicken pieces, chicken by-products and offals.
- Chicken meat marinating, grinding, forming, coating, frying and freezing to produce par-cooked chicken products
- Chicken product distribution

Supply Chain

- Live chicken
- Coating ingredients, marinades and spices
- Plant consumables

Plant Locations: London & Ingersoll, Ontario

Protein: Hatchery

Main Operations

- Egg incubation, chick hatching, sorting, vaccination and preparation for distribution to independent, contract chicken farmers

Supply Chain

- Broiler chicken eggs (from chicken breeder farms)
- Plant consumables

Plant Locations: Jarvis, Ontario

Protein: Case Ready

Main Operations

- Portioning and tray-packing fresh meat products for grocery retail sale
- Meat product distribution

Supply Chain

- Boxed meat
- Marinades and spices
- Plant consumables

Plant Locations: Calgary, Alberta; Guelph, Ontario & Chambly, Quebec

Protein: Frozen Beef Patties

Main Operations

- Beef grinding, forming and freezing to produce frozen beef patties for retail and foodservice
- Beef product distribution

Supply Chain

- Fresh and frozen beef trimmings
- Plant consumables

Plant Locations: Spruce Grove, Alberta & Brampton, Ontario

Protein: Road Safety

Main Operations

- Transporting/moving goods/ Vessel and truck
- Commodity Trading; sales and marketing
- Distribution and supply of Bulk de-icing Road Salt

Supply Chain

- Bulk Road salt products

- Service providers, contractors and sub-contractors including: road transport providers; storage services; stevedoring and port terminal services; Customs broker and shipping agents.

Main Office: Montreal, Quebec

3. Cargill Animal Nutrition & Health (“ANH”)

Eastern Canada Main Office- Woodstock, Ontario

Western Canada Main Office- Lethbridge, Alberta

ANH: Cargill Animal Nutrition

Main Operations

- Manufacture and distribution of feed products for beef, dairy, swine, poultry, pet food and other agricultural animals
- Plant Locations: Lethbridge & Camrose, Alberta; North Battleford, Saskatchewan, Addison, Arkona, Mitchell, Palmerston, Strathroy & Woodstock, Ontario; St. Romuald & Drummondville, Quebec

ANH: Cargill Premix

Main Operations

- Manufacture and distribution of micro ingredient premixes for animal feed products
- Plant Location: St Valérien Quebec

ANH: Aquanutrition (EWOS)

Main Operations

- Manufacture and distribution of aquafeed products

Plant Location: Surrey, British Columbia

4. Cargill Food & Bioindustrial (“CFB”)

CFB: Cocoa & Chocolate

Main Operations

- Manufacture of finished packaged and bulk chocolate for further processing

Plant Locations: Georgetown and Burlington, Ontario

CFB: Go to Market

Main Operations

- Sale of food ingredient to Canadian manufacturers

CFB: Specialty Canola

Main Operations

- Marketing of high oleic canola oil