



HIGHER REACH

OUR YEAR

Performance

\$2.82B

in adjusted operating earnings

\$113.5B

in revenue

\$5.19B

in cash flow

\$2.81B

invested in strategic acquisitions,
joint ventures, and new and existing facilities

People

Food security and nutrition

- Donated \$18.8 million to hunger relief and nutrition education efforts globally
- Collaborated with the Global Foodbanking Network to help support food banks as they provided more than 57 million meals to people in 20 countries

Human rights and inclusion

- Published a new human rights commitment
- Women comprised 29% of our leadership positions globally, as we aspire to achieve gender parity by 2030 as a member of the Paradigm for Parity® coalition

Farmer prosperity

- Trained more than 1.6 million farmers in sustainable agricultural practices, bringing our total since 2017 to more than 2.3 million as we work toward our goal of reaching 10 million farmers by 2030

Employee safety

- Reduced the number of serious injuries by more than 60% since 2017, demonstrating the effectiveness of our companywide safety programs

Enriching communities

- Provided \$61.3 million in total charitable contributions across 56 countries
- Invested \$15.1 million in education programs worldwide

Cargill employees by geography



Planet

Land use

- Enhanced our forest policy, strengthening our commitment to transform our agricultural supply chains to be deforestation-free through prioritized policies and time-bound action plans
- Initiated a new partnership with The Soil Health Institute to assess and promote the benefits of soil health management systems in North America

Water resources

- Conducted water risk assessments across our operations and supply chains, which will inform our development of a new context-based water program

Climate change

- Managed a slight increase in our Scope 1 and Scope 2 greenhouse gas (GHG) emissions due to changes in our product mix and an increasing share of more energy intensive products; continued to work toward our goal of reducing emissions by 10% against a 2017 baseline by 2025

Metric tons CO₂e emitted across global operations

FY2017	12.40M
FY2018	12.53M
FY2019	12.58M
2025 goal	

- Reduced the CO₂ per cargo-ton-mile of our time-chartered ocean shipping fleet by 12.1% against a 2016 baseline, with the target of reaching 15% by 2020

Products

Traceability

- Mapped the farms of 110,000 cocoa farmers globally, representing 48% of our direct supply chain
- Maintained 100% traceability to the mill in all key palm oil destination markets and continued work toward a 100% traceable, transparent and sustainable palm oil supply chain, with 92% of volumes traceable to the mill and 42% traceable to the plantation



Transparency

- Introduced a South America Sustainable Soy Policy and corresponding action plan to protect forests and native vegetation in the region
- Sourced 48% of our cocoa bean volumes as third-party certified sustainable

Training and technology

- Certified 3,019 smallholder farmers by the Roundtable on Sustainable Palm Oil (RSPO) in Indonesia
- Provided one-on-one training to more than 121,000 cocoa farmers globally on Good Agricultural Practices (GAP)

Every day, as a global team, we challenge ourselves to reach higher.

Dave MacLennan
Chairman and
Chief Executive Officer

David Dines
Chief Financial Officer



There are no simple solutions when it comes to nourishing 7.5 billion people safely, responsibly and sustainably. To deliver for our customers and all those who depend on us, we are directing our insights, capabilities and resources toward answering some of the world's biggest questions. Everyone at Cargill is relentlessly determined to transform what is possible in food, agriculture and nutrition. We are proud of how far we have come in 154 years, and we know together we can achieve much more.

Strengthening our safety culture

Nothing matters more than the safety of our people. Every year we challenge ourselves to drive measurable progress in achieving our safety goals. Guided by a set of leading indicators, we focused this year on the frequency at which potential risks are reported and how well we protect against those risks. As we identify conditions with the potential to cause a serious injury or fatality, we are taking action to engineer out the risk, substitute a safer alternative or eliminate it altogether. This continuous process helped reduce fatalities in fiscal 2019 to one – good progress but still an

unacceptable outcome when our goal is zero harm. With a strong safety culture, we know we can achieve our goal to send everyone home safely each day.

Financial performance

We delivered \$2.82 billion in adjusted operating earnings in fiscal 2019, down 12% from last year's top performance. Net earnings on a U.S. GAAP basis decreased 17% to \$2.56 billion. Revenues dipped 1% to \$113.5 billion. Cash flow from operations totaled \$5.19 billion, of which \$2.81 billion was invested in strategic acquisitions, joint ventures, and new and existing facilities.

- Earnings were led by our North American protein businesses. With steady domestic and export demand, and plentiful cattle supplies, the beef business posted its third consecutive year of strong performance. Value-added egg products also did very well. Conversely, a mix of operating and market challenges across regions decreased results in our global poultry business.

- Providing solutions across multiple commodities and countries, our metals, risk management and trade finance businesses successfully navigated volatile markets to each achieve higher earnings for the year.

- Grain origination and oilseed processing in North America and Europe posted improved results, but the market uncertainties and commodity flow distortions unleashed by trade tensions negatively impacted agricultural supply chain earnings globally.

- Animal nutrition results trailed last year, as the aqua, compound feed, premix and feed additive businesses faced many regional challenges, including the spread of African swine fever across China and nearby countries.

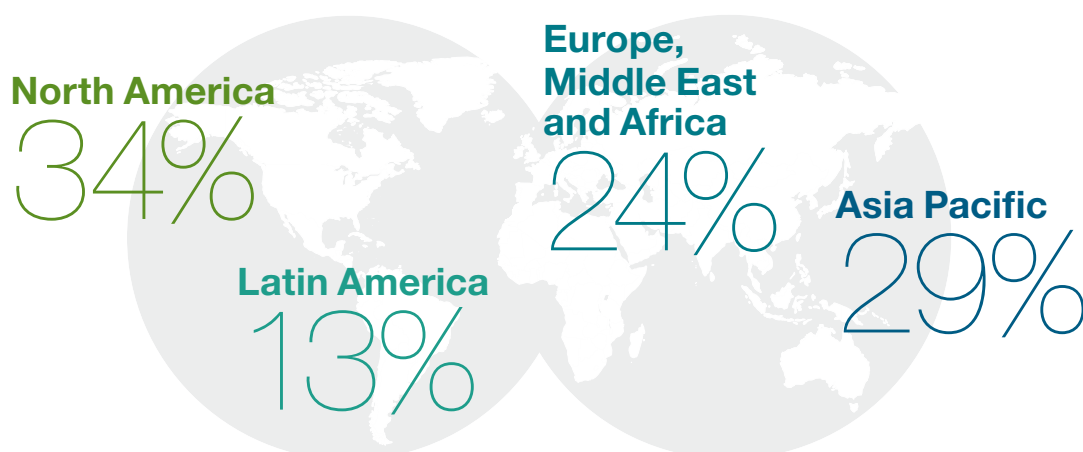
- In food ingredients, our edible oils business outpaced the prior year. Though up slightly in Europe, cocoa and chocolate earnings in total were hurt by operating issues in North America. Starch and sweetener results decreased due to higher energy and raw material costs in Europe and low ethanol prices in the U.S.

- Finally, our focus on efficiencies significantly reduced spending among corporate functions and drove other cost reductions.

Although short of our ambitions, this year's earnings were achieved in the midst of immense geopolitical uncertainty, especially related to global trade. We have long said there are no winners in a trade war, particularly an escalating conflict between the U.S. and China, the world's two largest economies. To that, add the ambiguities surrounding Brexit and the renegotiation of NAFTA, as well as conflicts in Central America and other regions. We also saw disruptions in the ocean shipping industry and, as the year progressed, a shakeup in animal feed demand and global meat trade due to African swine fever.

Serving our customers globally

Cargill sales and other revenues by destination



Accelerating our growth

By remaining agile and focused on what we can control, we succeeded in advancing our strategy and helping our customers win with consumers in local markets. To accelerate our growth, we are investing in markets where our expertise will help us create greater value together with customers. This includes global protein, specialty ingredients, health and nutrition products for both people and animals, bioindustrials, and digital products and services.

We also are targeting the fast-growing economies of Asia Pacific with strategic investments, where populations are growing and diets are shifting. In China, we opened a new addition to our poultry facilities in Anhui province that increases capacity for cooked chicken products. In Jiangxi province, we started constructing a flagship facility for producing premixes and specialty feeds for young animal nutrition. And we announced we will expand our corn facility in Jilin province and build an adjacent food safety and technology center in collaboration with the local government.

80% **Amount of operating cash flow we reinvest on average in our business to help nourish the world**

Elsewhere in the region, we opened a food and nutrition innovation center in Singapore. We announced planned investments to grow our animal nutrition and agricultural supply chain businesses in the Philippines, as well as to advance the seafood and poultry sectors of Thailand. In Vietnam, we opened our largest feed mill to date in the country. And in Pakistan, we declared our intention to invest across several agricultural segments.

In other parts of the world, we started construction on a pectin plant in Brazil, purchased a specialty chocolate maker in Belgium, acquired poultry processors in Colombia and Poland, invested in Israeli cultured meat startup Aleph Farms, and opened a new protein headquarters in the U.S. Additional acquisitions and partnerships in our strategic focus areas are detailed in the following pages.

Contributing to sustainable global development

Central to our business strategy is our work every day to deliver on our sustainability commitments and help the world achieve the U.N. Sustainable Development Goals (SDGs). With those overarching aims in mind, we continue to support the U.N. Global Compact and are committed to its principles on human rights, labor, anti-corruption and the environment.

This year, we published a new human rights commitment that respects and upholds the rights of workers, indigenous peoples and communities everywhere we operate. It is in keeping with our Guiding Principles, one of which states that we treat people with dignity and respect. Among other things, the commitment outlines our promise to maintain a safe, equitable and supportive work environment.

\$61.3M **Total charitable contributions provided across 56 countries**

Empowering women is essential to strengthening families and communities, as well as nourishing a growing world. We work directly with thousands of women farmers across continents to help them raise food more sustainably, reach broader markets and improve their standards of living. In our cocoa supply chain for example, we worked with CARE to establish 29 village savings and loan associations in Côte d'Ivoire and 108 women's groups

in Ghana. We also teamed up with the ONE Campaign to increase girls' access to education and lift women and girls out of extreme poverty by sharing the stories of those who are fighting for change in their communities. It is part of a two-year, \$2 million commitment to help break down the barriers holding them back.

Another crucial dimension of sustainable development is combating climate change, one of the most significant issues of our time and one that directly impacts food and agriculture. Last year, we announced we would cut greenhouse gas emissions from our operations (also known as Scope 1 and Scope 2 emissions) by 10% by 2025, against a 2017 baseline. To help reach this goal, we signed a virtual power purchase agreement with Geronimo Energy to buy 50 megawatts of renewable power from its new wind farm in the U.S. state of South Dakota, while our partner and strategic customer Walmart will buy the remaining energy from the installation. The wind farm is expected to come on line at the end of 2019. This agreement complements our drive to increase the use of energy from renewable sources, and it represents approximately one-tenth of our target for emissions reductions from our global operations.

Protecting global forests is a vital element for managing the impacts of climate change. Nourishing the world in a sustainable way means that forests and farming must coexist. In addition to updating our global forest policy, we developed a new policy and action

plan for sustainable soy production in South America. To extend our impact, we committed \$30 million to source and support innovative ideas for preserving vital forest landscapes and natural vegetation in the region while also allowing for rural economic development. These steps are part of our commitment to eliminate deforestation from our supply chains.

In all these areas, Cargill is uniquely positioned to connect people, planet and products to make solutions possible. Together with our partners like The Nature Conservancy and World Resources Institute, we are finding innovative ways to achieve our goals. And we continue to collaborate with diverse groups of stakeholders – farmer organizations, governments, customers and others – to drive broad-based progress across food and agriculture. Together, we can increase access to safe, nutritious food while ending deforestation and advancing climate solutions.

In closing

This year, we focused on making changes to how we get our work done so that we can create more value together with our customers. We are accelerating these efforts in the new fiscal year. Yet some things will not change: our values, our vision to be our customers' most trusted partner, and our purpose to nourish the world in a safe, responsible and sustainable way. This is what continues to inspire us to reach higher.

July 30, 2019



David MacLennan
Chairman and
Chief Executive Officer



David Dines
Chief Financial Officer

JOIN TOGETHER



A one-stop digital shop

Until now, there has not been a platform where farmers can see all the information on markets, their crop contracts and their operations in one place. Today, we are partnering with Archer Daniels Midland Company and other crop buyers to help farmers by building that platform: GrainBridge.

Launching this year, GrainBridge will give farmers powerful new insights so they can make more profitable decisions about when and how to market their crops. Advanced analytics will combine with the option to transact directly with companies on the platform, all underpinned by strong data security and privacy. Free for farmers to use, GrainBridge will provide them with vital details like break-even levels based on crop conditions, margin price targets, current risk management positions and more, all so they can successfully navigate an ever-changing marketplace.

50%

**of U.S. farmers
will have grown up in the
digital age by 2020**

Source: USDA, Cargill analysis

Partners for performance

Eighteen years ago, Everton Gubert set out with a computer and a vision to help Brazilian farmers improve pig production. Today, his company Agriness provides a unique technology platform used by the majority of the country's swine farmers to manage the performance of their sows and piglets. Cargill and Agriness are deploying this technology globally and adapting its data collection and analysis capabilities so it can assist poultry and dairy farmers, as well.



90%

of Brazil's pig farmers use
Agriness technology to
manage their animals' well-being
and performance

Breakthroughs to end hunger

From micro-savings and credit platforms for small-scale farmers to technology that makes it easier for mills to fortify flour with nutrients, startups are innovating in diverse ways to help people everywhere secure the food and other resources they need. In May, eight teams representing these and other projects participated in a boot camp run by the World Food Programme Innovation Accelerator in Germany. Cargill collaborated on the boot camp and mentored the teams. Now, up to three projects will receive \$100,000 each from Cargill in equity-free financing to help them sprint toward commercial readiness.

Open-source solutions for traceability



Cargill was recognized by *Forbes* for putting blockchain, a distributed ledger technology, to work in meaningful ways. We began by connecting U.S. consumers to the farmers who raised their Thanksgiving turkeys. Then we joined with Intel and software engineer Bitwise IO to help build Hyperledger Grid, an open-source framework that all organizations can use to create supply chain solutions. We will use Grid to improve food safety, traceability and trade efficiency.



EXPAND POSSIBILITIES

A new path forward

The Netherlands prides itself on pursuing sustainability across all aspects of life. So producing roadways and cycling paths in an environmentally friendly way makes sense. KWS-Infra is a subsidiary of the biggest paver of paths and roadways in the country. Thanks to Anova™ asphalt rejuvenator from Cargill, the company can produce asphalt that has a lower impact on the environment. It also is more durable and costs less.

Asphalt starts to break down when the bitumen – which functions like glue – becomes brittle. But Anova changes that equation by adding bio-based rejuvenators to the bitumen in old asphalt that has been scraped up, so more of it can be recycled into the new mix. Asphalt with Anova also can be made at a lower temperature, reducing CO₂ emissions. All this helps KWS-Infra meet the changing expectations of society.

**With Anova asphalt
rejuvenator, recycled
asphalt can be added into
new asphalt at rates of**

up to
100%

Better risk management

About two-thirds of Cargill's U.S. farmer customers sell their grain in months when prices are historically lower. Determined to help turn that statistic around, we developed a grain marketing contract that harnesses the power of diversification to improve farmers' profitability over time, without adding complexity. Called Portfolio Builder, it combines four risk management strategies into one that automatically executes during key times throughout the year. This approach would have exceeded 85% of the traditional sales farmers made to Cargill during the past five years. In just seven weeks, about 4,000 farmers enrolled part of their crop.

Sensational tastes

One of America's hottest food cities, Portland, Oregon, was the backdrop for a tasting tour led by Cargill for Sonic and its Collaborative Chefs' Council. Experiences like this showcase our comprehensive approach to serving our protein customers. We offer innovations prompted by consumer insights, accompanied by smart risk management solutions and supply chain expertise. The tour led to dozens of potential new menu ideas to help Sonic grow its business, similar to the successful Signature Slingers that we co-developed last year.

Supply chain solutions

Fieldale Farms, a poultry company in the southeastern U.S., wanted to offer fresh chicken products raised entirely without GMOs for supermarket shoppers seeking that option. With most of the available feed ingredients derived from GMO corn and soy, building a high-volume, non-GMO supply chain back to the farmer would be daunting. That's when Fieldale called Cargill. We redesigned several of our facilities to separate the non-GMO ingredients and signed up large numbers of farmers to grow the corn and soy required. These farmers are earning more for their specialty crops, while consumers are responding enthusiastically to Fieldale's new chicken products.



RAISE PROSPERITY



100M
people

will benefit from Hatching Hope by 2030

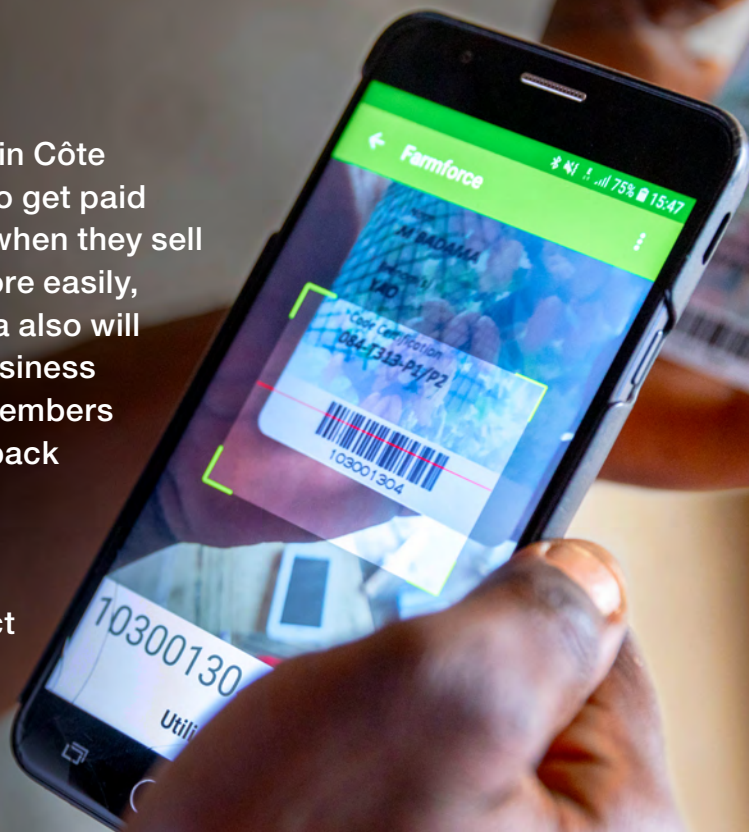
The power of poultry

Protein is an important part of the human diet. We believe it also can help transform the lives of small-scale farmers and their neighbors. This year, we teamed up with Heifer International to launch the Hatching Hope Global Initiative, using poultry production to open up new opportunities for women farmers and strengthen their communities. We will use practical solutions to produce dramatic results in nutrition, economic livelihoods and animal productivity.

Starting with work in India, Mexico and Kenya, Hatching Hope will offer training based on Cargill's animal nutrition expertise to help farmers expand and improve their poultry production in a sustainable way. Programming will ensure farmers are connected to the products, services and markets they need to grow their businesses. All of this will move farmers toward living incomes and improve productivity, nutrition and resilience, while also increasing the amount of protein available to their families and communities. Additionally, the program will raise awareness of the value of protein in the diet through Heifer's proven community development model.

Connecting more in cocoa

The digital systems we are implementing in Côte d'Ivoire and Ghana allow cocoa farmers to get paid immediately, transparently and securely when they sell us their beans. Plus, farmers can save more easily, increasing their access to credit. The data also will help farmer organizations make better business decisions so they can do more for their members and communities. And bean traceability back to individual farms is helping provide our customers – and their consumers – with greater confidence that our cocoa and chocolate products are made with respect for people and the planet. In Ghana, all of the cocoa farmers we buy from directly use our first-mile traceability system. We aim to achieve the same in Côte d'Ivoire during 2020.



New livelihoods through seaweed

Red seaweed is used to make a texturizer that is added to many food, beverage and personal care products. About 1 million people worldwide make a living growing and harvesting it. To help them, we partnered with Proforest to create the Red Seaweed Promise™. This program shares best practices for production and harvest while also increasing the amount of sustainable red seaweed – and texturizers – available. It provides assurance to consumers and improves the lives of seaweed producers.



Holistic community development

Four years ago, we set out with TechnoServe in southern India to reach 5,000 small-scale farming households across 27 villages with the tools to raise their resilience. This has included agronomic training to increase crop productivity, homestead gardens for better nutrition, water and sanitation upgrades at local schools, and entrepreneurial resources for women and young people. Having reached its targets, the project has connected these villages to greater opportunities and a path forward.

About Cargill

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. For more information, visit [Cargill.com](https://www.cargill.com) and our News Center.

