

Cargill in the Philippines

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 over 150 years of experience. We have 150,000 employees in 70 countries who are committed to feeding the world in a responsible way, reducing environmental impact and improving the communities where we live and work.

Cargill began doing business in the Philippines in 1947. Our first office in the Philippines, established in 1948, was also our first office in Asia. We employ over 750 people across 17 locations throughout the country. Headquartered in Bonifacio Global City, Taguig, our operations include animal nutrition, poultry processing, grain and oilseed originating, processing and marketing and food and beverage ingredients.

Our Business Scope

- Animal Nutrition Cargill is a leading animal nutrition supplier with an innovative portfolio to nourish animals safely and efficiently. We provide swine, poultry and aqua feed, along with the premix solutions. We also own and operate four feed mills located in Villasis, Baliuag, Pulilan and Villanueva. The total annual feed production capacity of the plants is more than 430,000 metric tons. We have also recently invested in an animal nutrition facility dedicated to manufacturing Provimi premix solutions to serve primarily medium to large livestock farms and feed millers. It is planned to be operational in 2017.
- **Poultry Products** Cargill announced the formation of a joint-venture poultry processing facility, Cargill Joy Poultry Meats Production, in Santo Tomas, Batangas, with Jollibee Foods Corporation. The business will have an integrated supply chain to ensure high quality and safe food products. It is planned to be operational in 2017 and create 1,000 new jobs.
- **Grain and Oilseeds** We are a supplier of grain and meal, serving a wide variety of customers in both the food and feed industries. We also own and operate a copra crushing plant in General Santos City, producing crude coconut oil and copra meal for domestic and export markets. Cargill also operates eight copra buying stations to help coconut farmers gain greater access to global markets.
- Food and Beverage Ingredients We offer a broad portfolio of food and beverage ingredients including starches and sweeteners, and texturizing ingredients. We operate a joint-venture carrageenan (hydrocolloid) production plant, Philippines Bio Industries, in Canlubang Laguna which produces refined carrageenan for export one of our two global carrageenan manufacturing plants. We also import refined palm oil from Malaysia.

A Good Corporate Citizen

Everywhere around the world, we are committed to conducting our business with the highest levels of integrity, accountability and responsibility. Our businesses and employees are actively engaged in giving back to the local community where we live, work and do business. In the Philippines, we focus on supporting rural development through improving farmer livelihoods and supporting education initiatives. Our activities include:

• Sustainable certification program for coconut small holders A partnership with GIZ and BASF, this program aims to improve the sustainability of coconut oil production and the livelihoods of small





holders in Mindanao. The goal is to increase their income by boosting productivity and coconut oil quality. The program has introduced the Sustainable Agricultural Network (SAN) standard, which is the basis for certification by the Rainforest Alliance. The farmers take part in agricultural training courses and receive our newly-developed drying ovens, which improves the quality of the coconut meat and the coconut oil. The program also facilitates access for the farmers to the state health insurance program, where 2,500 smallholder farmers have already registered with a reduced admission fee.

- Project aims to improve the direct income of 1,000 coconut farmers by 15 percent
- o Developed 35 small coconut farmer cooperatives
- Enrolled over 12,500 Filipino family members in PhilHealth
- To date, 300 coconut farms have obtained the Rainforest Alliance sustainability certification, the first sustainable coconut supply chain in the world
- Over 80 copra dryers have been provided to farmers to improve the quality of their copras and increase farmer income
- **Improving the quality of copra** We established the Copra Quality Improvement Program to ensure Philippine copra can meet global Food Safety standards. We also offered price premiums to farmers producing white copra using our dryer technology. Since 2009, there are over 300 of our kukum dryers around General Santos.
- Supporting Farmers in Post-Typhoon Yolanda Livelihood Rehabilitation In 2014, Cargill invested another US\$250,000 into a project to rehabilitate coconut farming communities in parts of the Leyte province which was devastated by Typhoon Yolanda. Cargill has undertaken this project in collaboration with the Philippine Business for Social Progress (PBSP), Philippine Coconut Authority (PCA), Department of Agriculture (DA), Visayas State University (VSU) - Villlaba Campus and the local government of Tabango, Leyte. The program aims to provide farmers with long-term and sustainable solutions by:
 - Set up a nursery producing 70,000 seedlings a year that are distributed free of charge to local farmers
 - Established a 500 ha demonstration and teaching farm
 - Rehabilitated a 600 ha plantation with fast-growing varieties and cash crops
 - o Trained more than 400 farmers on integrated farming systems
 - Organized a farmer's association and trained leaders in financial and project management skills
- Helping Filipinos in Local Disaster Relief Efforts In 2013, Cargill donated US\$250,000 for Typhoon Yolanda relief and rehabilitation efforts. Employees also actively participated in various on-site volunteer projects, such as the re-packing and distribution of relief goods in Capiz and Ormoc City in Leyte and Bantayan Islands in Cebu. The donation was used to deliver life-saving and early recovery assistance. In 2013, Cargill employees across Asia-Pacific donated funds for rescue and relief works for Typhoon Bopha victims, raising US\$25,000 for the American Red Cross' Philippine Typhoon Relief Operations.
- Food for Hungry Minds Since 2006, Cargill has partnered with Food for Hungry Minds School (FHMS) in Bulacan in providing children from low-income families with full scholarships and health care to ensure that their education and nutrition needs are met. Over 100 students have been supported since the program has started. Our employees also volunteer to organize fundraising and educational activities for these children, such as providing regular tutoring sessions to prepare the children for their examinations and organizing field trips.
- **Cargill Cares Scholarships** Established in 1998, the program has supported over 280 students from General Santos City throughout their high school education. Cargill also supports top-performing



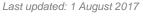


students through college. Our employee volunteers manage the program from fundraising and selection to monitoring and tutoring. Employees also make personal donations to the program.

- "Ang Batang May Kulay, Maganda Ang Buhay" ("A Colorful Child, A Good Life") Cargill employees have adopted the Inaon Day Care Center in Pulilan, Bulacan for their annual Christmas community outreach. Now in its third year, our employees donate funds toward a Christmas gift-giving program and volunteer their time to help with repair work at the center.
- "Adopt a School" Every quarter, Cargill works with a 'Brigada Eskwela' (School Brigade) to clean and repaint classrooms, repair facilities and perform garden maintenance works at our adopted school, the Banisil National High School in General Santos. Cargill also partners with other organizations to support a nutrition program that provides lunches to about 60 students with low body mass index.
- Enriching Local Communities Wherever we do businesses, we want to enrich local communities by helping to promote community development, foster education and improve nutrition. Our activities include:
 - Funding annual medical missions that benefit around 500 residents in rural areas
 - Biannual employee blood donation programs with the Philippines National Red Cross
 - Cargill Big Brothers For the past five years, Cargill's sales employees have been running community outreach initiatives in select territories. These initiatives include 'slippers and school supplies' distribution, a nutrition program and a typhoon relief program
- Habitat for Humanity We have been supporting Habitat for Humanity Philippines' house-building
 programs since 1999. In 2012, we raised US\$74,000 and built 29 houses in Cagayan De Oro City for
 victims of Typhoon Sendong.

Recent Investment

2016 In August, we started the construction of Cargill Joy Poultry Meats Production's integrated poultry processing plant in Santo Tomas, Batangas. The facility will produce dressed and marinated chicken. It will create 1,000 new jobs. The facility is scheduled to begin production in 2017.





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