



Non-Deforestation Commitment

2022 Global Sustainability Report



Non-Deforestation Commitment

Our commitment to be free of deforestation and native vegetation conversion in our value chains in 2025 is a central part of our business strategy and planning – and is a crucial element of our climate action plan. Bunge is unique among our peers in that we will apply this policy across all our value chains, for direct and indirect sourcing, and have been reporting our progress for several years.

Bunge’s knowledge and experience delivering on our commitment and providing deforestation-free solutions

to our customers allows us to help shape industry-wide solutions to common land use challenges. We are taking an active role in some of the most important networks and associations to align best practices for traceability, reporting, certification, and carbon accounting.

Even as we commit to end deforestation in 2025 in our supply chains, we recognize the need for agricultural expansion in order to meet the growing demands for food, feed and fuel. That is why we work to promote sustainable agriculture through technology solutions,

financial innovations, and most importantly, by supporting the mobilization of resources in the supply chain to reward farmers for their important role in conserving forests and native vegetation. To achieve the latter, we need a scalable model that ensures fair compensation to farmers, which requires considerable engagement and cooperation from all our supply chain partners.

In continuing our practice of transparency around our commitment, we are pleased to present Bunge’s

2022 Non-Deforestation Progress Report, describing progress on our journey to be deforestation-free in 2025. As with previous reports, our commitment encompasses geographies where deforestation is considered a higher risk; specifically, areas in Brazil’s Cerrado, the Gran Chaco of Argentina and Paraguay, and the palm-growing regions of Southeast Asia.



Non-Deforestation Commitment

OUR COMMITMENT: AN OVERVIEW

Principles of our commitment:

- Ending deforestation in our supply chains in 2025
- Applying to direct and indirect sourcing
- Focusing efforts on areas where deforestation is a higher risk
- Reaching 100% traceability and monitoring to farm and plantation
- Encouraging the purchase of certified products
- Engaging the supply chain to scale up ambition and create common standards



Soy from South America

- Apply our commitment to all native vegetation conversion in the relevant geographies
- Protect the Amazon by complying with the Soy Moratorium
- Directly engage with farmers to promote our commitment and sustainable agriculture
- Provide innovative tools and incentives to farmers that enable sustainable expansion
- Offer our traceability and monitoring technology to third-party resellers
- Seek compensation for farmers for their conservation efforts



Palm from Southeast Asia

- Source our palm oil from suppliers with NDPE commitments
- Work toward achieving full traceability to plantation
- Educate smallholders about sustainable growing practices
- Support biodiversity efforts through partnerships and projects
- Engage with stakeholders to eliminate human rights challenges and exploitation



Non-Deforestation Commitment

CLIMATE ACTION AND DEFORESTATION

In 2021, Bunge announced science-based targets, demonstrating our commitment to reduce greenhouse gas emissions within our operations and throughout our supply chains. A substantial portion of the emissions reduction within our supply chains, known as Scope 3, is linked to our industry-first commitment to have deforestation-free supply chains in 2025. By meeting our non-deforestation commitment, we will be well on our way to achieving our Scope 3 target.

Bunge's unique position and scale within the industry, as well as our experience in setting ambitious but achievable targets, allows us to build impactful strategies to address deforestation across our various supply chains. For example, we are working with reputable third parties to help shape guidelines and best practices for the agriculture industry on how to set Paris Agreement-aligned commitments for land use change and carbon accounting in the supply chain. We believe real transformation in the agriculture industry will only happen when there is alignment and cooperation across the entire sector.



“Our non-deforestation commitment is among the most important priorities for Bunge. Our progress toward this commitment reflects our continued collaboration with farmers in South America and an increased focus on working with partners to create innovative solutions. It is also a foundational part of our approach to meeting our SBTs.”

Pamela La Motta De Lucena Moreira
Sustainability Manager, South America



Soy from South America



Soy from South America



OUR 2025 IMPLEMENTATION PLAN

Bunge’s non-deforestation commitment – reaching deforestation-free value chains in 2025 – is especially important to priority regions in South America where deforestation is a higher risk. This is where we apply our strategy and resources, and where the implementation of our commitment for soy will be focused, covering states and municipalities that encompass the savannah-like areas of the Brazilian Cerrado and the Gran Chaco of Argentina and Paraguay.

After more than a year of thoughtful multi-stakeholder dialogue and collaboration with our business partners, we are pleased to debut key elements of our 2025 implementation plan for our non-deforestation commitment, and showcase progress toward it starting from our reference date of January 1st 2020. We will continue to provide annual updates on our progress through 2025, at which point we will have fully implemented our policy and will adapt our disclosure accordingly – and in effect, retire our 2020 reference date.

As part of our implementation plan, we are:

- 1

[Building full traceability to farm](#) for direct (farms we purchase commodities from) and indirect sources (farms that sell to resellers from whom we purchase). By using cutting-edge satellite monitoring and leveraging our strong relationships with farmers, we can identify changes in land use and soy planting on over 12,000 farms we have mapped and monitored to date.
- 2

[Transparently disclosing key performance indicators](#) related to our supply chain, traceability, monitoring, supplier engagement and non-compliance.

- 3

[Working closely and engaging with farmers](#) to protect native vegetation and to support increasingly productive and sustainable value chains. This includes innovative ways of engaging our indirect supply chain.
- 4

[Developing enhanced supplier non-compliance and grievance processes](#) some of which are now in effect ahead of our 2025 commitment.
- 5

[Actively collaborating with the sector](#) to increase industry-wide transparency and to support the creation of fair compensation for farmers who commit to sustainable agricultural practices and who avoid native vegetation conversion.
- 6

[Publicly disclosing progress on our non-deforestation journey](#), and continuing our disclosure once our policy is implemented in 2025.

The Sustainable Development Goals

Bunge’s non-deforestation commitment helps to support many of the UN’s SDGs, including Life on Land, Climate Action, and the goals for Innovation and Partnership.



The Most Critical Biomes

As the leading soybean processor in South America, we are focusing and investing a significant share of our sustainability and technology implementation efforts in this region, which is not only relevant for our business, but also considered home to vital landscapes for the global environment and climate.

The biomes of the Cerrado and the Grand Chaco are located in South America, and are subject to pressure from agricultural expansion. That is why they are the focus of preservation efforts and are priority areas for the implementation of our non-deforestation commitment. The Amazon biome is another important ecosystem, but is covered by the Amazon Soy Moratorium, to which Bunge is a signatory. Learn more about the Moratorium on page [40](#).

To better understand the situation on the ground, it is important to highlight that the regions where we operate have very different natural characteristics, unique economically dependent communities and have distinct local legislation.

The Gran Chaco:

Home to many different communities, the Gran Chaco is located in parts of Argentina, Bolivia and Paraguay. It is the largest area of native forest in Argentina and, despite the extreme natural environmental conditions, it is home to thousands of plant and hundreds of wildlife species. It also provides an environmental and bioclimatic balance for the continent. Bunge has sponsored sustainable management efforts with tools such as [Agroideal.org](#) already in use in the Brazilian Cerrado. Agroideal.org helps users to analyze and evaluate socio-environmental risks for the region's soy expansion. [\[Source\]](#)



The Amazon:

The Amazon biome features rich, dense rainforest vegetation, savannah and diverse fauna. It is home to half of the world's biodiversity and its largest water basin, containing 20% of the planet's fresh water. The biome extends to nine countries, and half of it is in Brazil - concentrated in the North and part of the Central-West of the country, including areas in nine Brazilian states. Currently, over 75% of the biome in Brazil is preserved. In the Amazon, 98% of the soy production is located in 102 municipalities, distributed among seven Brazilian states: Pará, Rondônia, Roraima, Amapá, and portions of Mato Grosso, Maranhão and Tocantins. There is an industry-wide Soybean Moratorium in place and no signatories to the Moratorium – which includes Bunge – will accept soybean cultivated on areas open after 2008. Bunge's purchases from the areas covered by the Amazon Soybean Moratorium are audited by a third party. [\[Source\]](#)

The Cerrado:

Known as the Brazilian Savannah, the Cerrado is made up predominantly of small vegetation cover and has a continental tropical climate, with a dry season that may cause occasional wildfires. Currently around 52% of the native vegetation remains in the biome. The Cerrado covers around 25% of Brazil, encompassing twelve states with different levels of agricultural development. Soybeans occupy around 10% of the Cerrado, and recent analysis shows that 97% of the soybean expansion between 2014 and 2021 is over previously cleared area. [\[Source\]](#)

Our Process Today

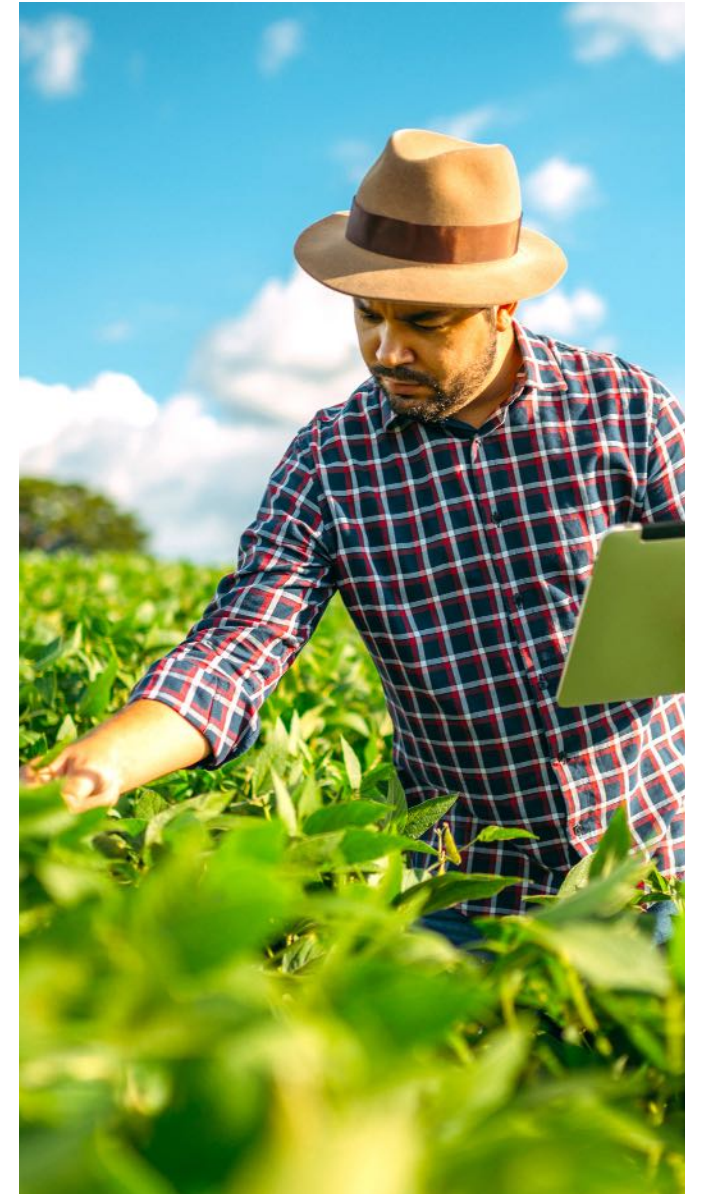
Although our commitment is to be deforestation-free in 2025, we are already employing a robust system to monitor our supply chain, disincentivize native vegetation conversion, provide sustainable solutions to farmers and customers, and engage with farms that do not respect the principles of our commitment, to ensure our concerns are addressed.

- We carry out daily checks of IBAMA's (the Brazilian government agency responsible for the environment and natural resources) lists of embargoed land to ensure we do not buy soybeans from farmland subject to illegal deforestation.
- We check for forced or compulsory labor in our suppliers' activities through the public list of the Brazilian Ministry of Labor and Social Security, and block farms that are found on this list.
- We suspend business with farms that do not comply with the Amazon Soy Moratorium or the Green Grain Protocol in Pará, both in the Amazon biome.
- We comply with the Law on Environmental Protection of Native Forests (Law 26,331) in Argentina, which establishes the areas considered protected in the region, as well as guidelines for the use of soil for agricultural activities.

- We use farm monitoring systems hosted by an independent third party as a complementary way to check public databases in specific regions in Brazil in order to assess the socio-environmental compliance criteria of landowners and rural properties, as well as ensuring land clearing complies with the legal requirements for land preservation.
- We develop our own monitoring and verification systems, such as AceTrack. Through this technology, Bunge provides customers with traceability and product origin details.
- We leverage Agroideal.org, an open-source tool developed with a coalition of 17 other organizations connected to the value chain in order to assess open land available for the expansion of soybean, mitigating the risk of indirect pressure for native vegetation conversion.
- We are in the process of enhancing our grievance system that utilizes Bunge's powerful Ethics Hotline to report instances of deforestation and allegations of human rights violations.

As a **result of**
our efforts
we have built a
soybean supply chain
in the priority regions
of South America
that is over
95%
deforestation free.

And we continue to close the gap through industry efforts and by furthering our engagement with farmers and resellers.



Traceability & Monitoring

The implementation of our commitment starts with traceability. Traceability – and the more thorough process of land-use monitoring – are important avenues to provide assurances to our customers that we have insight into our supply chain and can course correct as needed.

Traceability begins when we have the identification of a farm’s GPS coordinates – in other words, the physical location of a farm and its full planting area polygon. Bunge has achieved impressive traceability data for our direct-to-farm purchases in South America – reaching 100% for priority areas in Brazil, Argentina and Paraguay. Soy volumes are classified as traceable when Bunge has information such as the Rural Environmental Registry (CAR) number, GPS coordinates, or complete location details of the property where the soy was produced. Having this information allows us to monitor land use against sourcing information provided by suppliers to ensure consistency.

Bunge expects to achieve full traceability to farm for indirect sources in the high-priority regions of South America by the end of 2024, an important enabler for the implementation of our 2025 commitment.

But traceability is only part of the solution. Whereas traceability indicates our ability to locate the farm on a map, monitoring describes our ability to see and evaluate what is physically happening on the property. Our monitoring system is industry-leading in terms of its scale and depth and is only possible due to the strong relationships we have developed with suppliers over the past century, as well as by using third-party satellite imaging technology over the farms in our growing database. The monitoring involves use of images from the MSI sensor, the Sentinel 2 satellite.

Importantly, Bunge even monitors farms that no longer supply us. We believe this is a valuable way to assess the prevalence of land-use change across an agricultural region, and apply new landscape approaches to our engagement with farmers.

Closing the gap to deforestation-free supply chains in 2025 comes down to enhancing our indirect traceability and monitoring. Although we’ve had full traceability to third-party elevators since 2018, we’re now focusing our efforts on reaching the indirect volumes that supply those elevators – a complicated task that requires innovative approaches and continuous stakeholder engagement, and which will help us meet our commitment to deforestation and conversion-free soy supply chains.

2020	2021	Making progress on traceability and monitoring of indirect sources in Brazil*
30%	64%	
100%	100%	Traceability to direct sources in Brazil*, Argentina & Paraguay**
100%	100%	Traceability to third party elevators in Brazil, Argentina & Paraguay

Since 2020, Bunge has been engaging resellers to help them build their traceability and monitoring systems. Additionally, in 2021 Bunge launched the Bunge Sustainable Partnership program which builds on the successes made over the previous year by allowing resellers to utilize our technology, training and experience. Together with the Partnership program, we are gaining enhanced visibility into our indirect supply.

Due to the strength of the Partnership program, we can currently monitor around 64% of the indirect volumes that go to resellers in the priority regions, with a goal of 100% before 2025. Learn more on page [37](#).

* Cerrado regions of Mato Grosso and MATOPIBA region (Maranhao, Tocantins, Piaui and Bahia states)
** Chaco regions of Argentina and Paraguay



Farmer Engagement

ENGAGING WITH NON-COMPLIANT FARMS

One of the foundational elements of Bunge’s non-deforestation commitment and the reason for the success we have seen in recent years is due to our comprehensive communications and relationships with farmers. These relationships are built on trust, and over time we have been able to educate farmers about our non-deforestation commitment and provide insights into the risks associated with land clearing, including loss of market access, loss of certification, and loss of financial opportunities.

We have also provided resources to support farmers as they expand over previously cleared land. This includes the development of Agroideal.org, an open-source agriculture expansion planning tool, as well as preferential long-term financing options.

We believe none of this dialogue would be possible without having developed strong relationships with farmers. The trust that has been built is a powerful enabler of the implementation of our commitment, and we believe this trust is a unique variable to Bunge’s business in the region.

In anticipation of the implementation of our 2025 non-deforestation commitment, we are enhancing our approach to non-compliant farms, and are engaging with them to promote sustainable production.

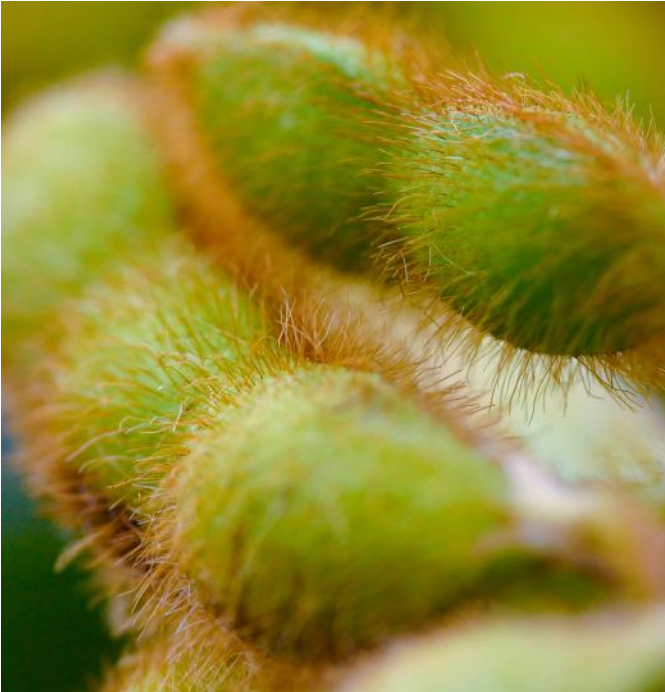
Beyond our own monitoring, we also offer public resources for stakeholders to raise concerns about land use changes in our supply chain. One of the most powerful is Bunge’s anonymous hotline which allows stakeholders to ask questions and raise issues related to our responsible sourcing policies. The hotline is monitored by our Global Ethics and Compliance team with input from commercial and sustainability teams, and will publicly track and disclose all credible allegations received. We are working to enhance this process, and will debut its features in a future report, as well as providing ongoing disclosure into the nature and outcomes of the grievances received.

Components of our approach to non-compliance are described below:

IDENTIFICATION

Bunge is typically made aware of land conversion through satellite imaging that we contract via a third party and check periodically for deforestation. In Brazil, we cross reference the satellite data with the data voluntarily supplied by the farmer, in addition to GPS coordinates collected.

We believe that the farmer provides this information to Bunge due to our mutual relationship of trust, and this information provides us better monitoring capability. With this data, we can create a shape file of the entire farm and can identify whether land use change has in fact occurred.



Farmer Engagement

ENGAGING WITH FARMS THAT PLANT SOY OVER RECENTLY CLEARED LAND

Until the implementation of our policy in 2025, a 45-day due diligence process is initiated when Bunge learns that soy is planted over recently cleared land. During this time, the farm is excluded from traceability services that connect deforestation-free farms with global customers, special financing programs, certification standards and access to some markets.

The due diligence process includes confirming that the minimum legally required amount of natural vegetation was preserved and is supported by government-issued permits. If compliance with regulatory requirements can be demonstrated by the farmer, and if no other violations of Bunge’s sourcing policies or other legislation (such as human rights and labor law) are found, then the due diligence process is concluded and business can continue with the farm although the services mentioned in the prior paragraph are still suspended.

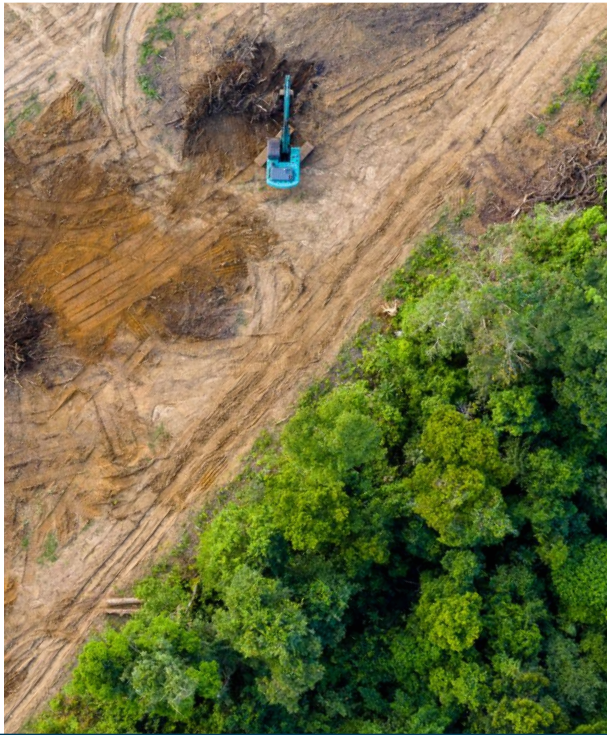
Following these steps, if the farmer:

- 1 Does not respond positively during our due diligence request;
- 2 does not provide proof of authorization to clear the land; or
- 3 is found to be in violation of any of our policies or other applicable legislation within 45 days after the initial notice,

then the entire farm will be blocked from a commercial relationship with Bunge.

After the implementation of our 2025 commitment, farms that we confirm have planted soy over recently cleared land will be in breach of our policy and will be blocked from our origination, even if the alleged clearing and planting is limited to only a part of the farm. To resume a commercial relationship with Bunge, the farm is required to cease planting the commodities that Bunge sources over that land.

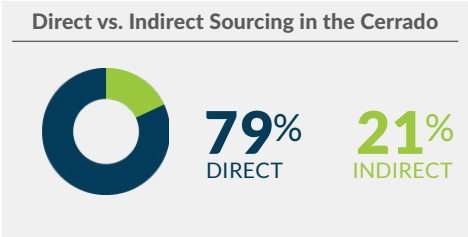
However, the farmer will likely be able to sell their product to competitors with weaker sustainability commitments, or those who have 2030 deadlines for deforestation-free supply chains, as happens with farms that are blocked today. That is why it is essential that supply chain partners – competitors, customers and NGOs – work towards accelerating their commitments to align with Bunge’s commitment, and adopt common sectoral definitions and standards.



Our Progress – Dashboard

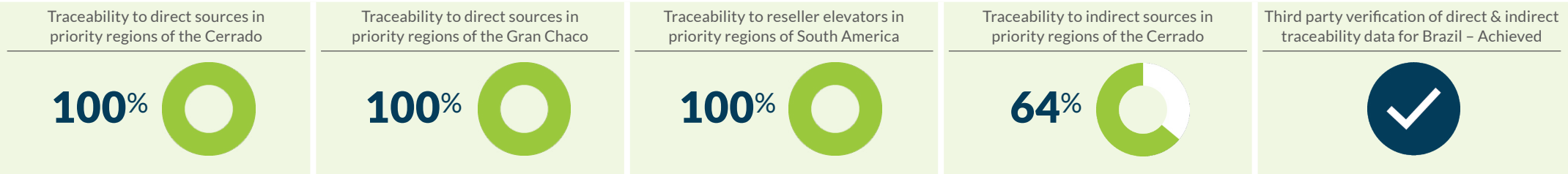
Bunge has been regularly disclosing progress on the implementation of its non-deforestation commitment in the high priority regions of South America, which include areas of the Cerrado* of Brazil and Gran Chaco of Argentina and Paraguay facing higher risk of deforestation and native vegetation conversion.

Key Facts			
Total mapped and monitored land (000 ha) in South America	Number of monitored farms in South America	Number of municipalities monitored in the priority regions of the Cerrado	Native vegetation preserved by farmers on monitored farms in South America in hectares
16,850	12,431	336	6.7M

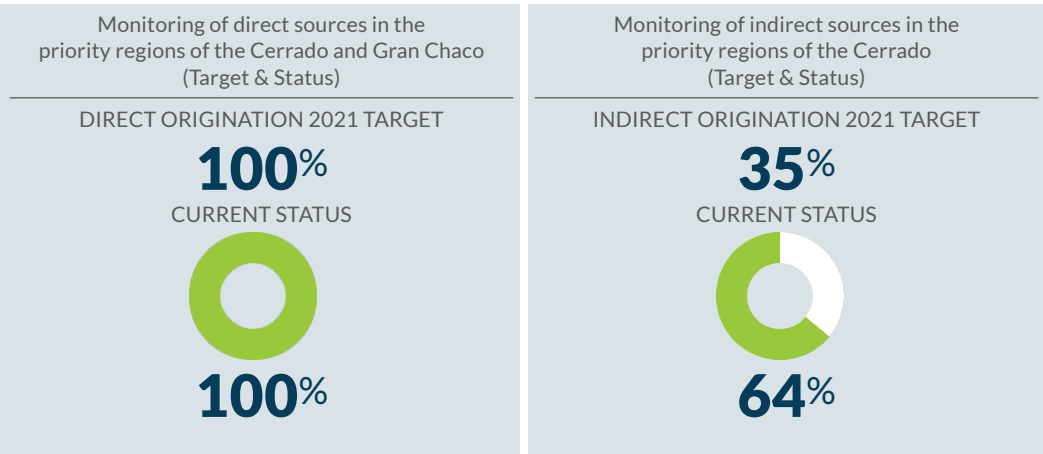


Deforestation- and Conversion-Free (DCF) Volumes in Brazil	
Verified DCF volumes - Total	Verified DCF - Direct Sourcing
96%	99.9%
Verified DCF - Indirect Sourcing	Non-verified DCF but traceable to farm - Total
91.2%	.08%
Non-verified DCF but traceable to farm - Direct	Non-verified DCF and not traceable to farm - Total
.14%	3.9%
Non-verified DCF and not traceable to farm - Direct	Non-verified DCF and not traceable to farm - Indirect
0%	8.82%

TRACEABILITY
Information such as the Rural Environmental Registry (CAR) number, GPS coordinates, or complete location details of the property where the soy was produced.



MONITORING
Our ability to see and evaluate what is physically happening on the property using technology and engagement tools.



SUPPLIER SCREENING

Total Farms Blocked Due to Social & Environmental Criteria in Brazil					
Embargoed areas - IBAMA	Amazon Soy Moratorium	Modern Slave Labor Legislation	Pará Green Grain Protocol	Bunge's sourcing standards	Total Blocked
114	106	3	119	44	386

*The regions of the Cerrado facing higher risk of deforestation across the Brazilian States of Mato Grosso, Maranhao, Tocantins, Piaui and Bahia (MT+ MATOPIBA)
Data is measured from a reference date in 2020.
Soy that is grown in areas not experiencing land use change is considered DCF



Our Digital Tools & Incentives for Farmers

Our commitment to be deforestation and conversion-free in 2025 is dependent on the ability of farmers to continue expanding sustainably while preserving native vegetation. Since farmers are key to our success, we believe it is critical to connect farmers with the tools, programs and incentives that will enable the transformation of the industry.

At Bunge, we pioneer the use of powerful tools and programs that enable sustainable expansion and incentivize best-in-class agricultural practices by providing digital solutions and incentives to farmers and indirect suppliers.

- **Agroideal.org** – A free, online tool allowing users to integrate agronomic, environmental and social data to make better decisions about how to sustainably expand agriculture production. This tool was developed by Bunge and the Nature Conservancy (TNC) in coalition with 16 other partners, and is now under the management of EMBRAPA, the Brazilian Agency for Agricultural Research, a leading global reference for agriculture development.
- **Agroapp Bunge** – A mobile application in Brazil that acts as a hub of information and tools to support sustainable production, in addition to offering farmers easy access to the data of the Rural Environmental Registry (CAR) of their farms.

- **AgroPlus** – Through Abiove, we support AgroPlus, a program that offers training, supporting materials and technical assistance to participating farmers in Brazil. Since 2011, AgroPlus has offered courses to 7,500 farmers, and developed technical assistance for 3,878 farms, representing a production of 16.1 million tons of soybeans (11% of Brazilian oilseed production). Since late 2021, the program has expanded its scope to other agriculture activities, such as cotton, cocoa, coffee, cattle, and more. [Learn more.](#)
- **Brazilian Seal of Social Fuel (Selo Combustível Social)** – We are part of the National Biodiesel Production Program, an initiative of the Brazilian Federal Government, to promote the qualified insertion of smallholders into the biodiesel production chain.
- **Visec** - We are part of the Platform for the Sectoral Vision of Gran Chaco, a space promoted by the Nature Conservancy and CIARA with support from the Peterson Control Union to bring together the main origination, processing and agricultural commodity traders with the objective to reduce the environmental impacts associated with the production of soy and other crops in the Argentine Gran Chaco.



“Many investors believe we are leaders in our industry based upon our 2025 non-deforestation commitment, investments in technologies that drive sustainability and social responsibility across the industry and robust disclosures detailing our progress towards our goals. We have received very positive feedback about sharing the satellite data with the industry and our assistance to smallholder farms in finding funding to implement better technology and procedures for the environment”

Ruth Ann Wisener
Vice President, Investor Relations



Preserving the Amazon



The latest report on the Amazon Soy Moratorium for the 2019/2020 crop year shows that out of the 102 municipalities across seven states representing 98% of soy production in the Amazon biome, just 2% of the total soy grown in the biome during the last crop failed to comply with the no-deforestation requirement.

[\[Source\]](#)

In this biome, through Abiove, we are also signatories to the Green Grain Protocol of Pará since 2014, which establishes socio-environmental guidelines for the purchase of grains in the Pará state. The Amazon Soy Moratorium and the Green Grain Protocol in Pará are audited by an independent third party, and Bunge complies with the requirements of both commitments.

In the Amazon, the increased number of fires in the past two years has become another area of attention from communities and leaders around the globe. Bunge condemns the use of fire as a method of clearing land for agriculture. Currently, 225 farms are blocked due to non-compliance with our voluntary commitments related to the Amazon Biome.

Bunge is a signatory to the Amazon Soybean Moratorium, a globally recognized voluntary commitment, which prohibits the purchase of soybeans from designated areas cleared after 2008. Bunge has been in compliance with the Soy Moratorium since its inception in 2006.

The initiative has mechanisms for monitoring the opening of areas for growing soybeans in the region, and auditing companies' purchases from the Amazon Biome. The Moratorium has been a resounding success, and is chiefly responsible for soy no longer being a major driver of deforestation in the Amazon.

Multi-Stakeholder Engagement Platforms

Scalable and permanent solutions to end deforestation require collective action from supply chain participants. For years Bunge has been a driver of industry-wide collaboration and transformation. We are a founder and active member of the most important industry associations and platforms to find practical solutions to common sustainability challenges. And we apply our experience and knowledge to help shape the new standards and approaches for deforestation-free solutions in the sector.

In importing countries we are a founding member of the Soft Commodities Forum, a World Business Council for Sustainable Development subgroup; The French platform Duralim; the Dutch Soy Platform, through our membership in the Netherlands Oils and Fats Industry Association (MVO); the Forum for Sustainable Protein Feed (FONEI) of the German Federal Office of Consumer Protection and Food Safety; and we support OVID (German Association of Oilseed Processors) by signing the respective discussion papers in order to maintain a constructive stakeholder dialogue.



Photo courtesy of World Business Council For Sustainable Development (WBCSD)



Delivering Certified Products

Over 95% of our monitored volume from the priority regions is currently deforestation-free from a 2020 reference point. In addition to our customizable service AceTrack, connecting deforestation-free landscape to consumer markets, Bunge is also a leader in sourcing deforestation-free products, and even acquires more certified products than current demand supports.

Certifications and standards from recent years:

- ISCC
- 2BSvs
- PRO-S
- PROTERRA
- RENEWABLE FUEL STANDARD
- RTRS



Palm Oil

2021 Dashboard



Palm Oil



Palm oil is an essential ingredient and the most widely used vegetable oil in the world. We are committed to sourcing and processing traceable and sustainable palm oil. We believe that all palm oil volumes must be produced in a manner that is legally compliant and traceable, that protects forests and biodiversity, reduces greenhouse gas emissions and has a positive social impact.

Given its importance to so many sectors, Bunge is committed to building a supply chain that reflects these beliefs and the principles cited in our policies, which is based on current best practice and informed by stakeholder input.

TRACEABILITY

We believe traceability enables more responsibly sourced materials. It's what gives us greater control over our supply chain, right from the origin – and that means being able to more rigorously influence the sustainability, quality and food safety of palm oil for our customers. For several years, we have been on a journey towards high traceability for palm oil, and now have one of the highest traceability-to-plantation numbers in the industry.

Today, we are able to offer customers the option to purchase palm oil that is traceable to plantations and comes from sources with a “no deforestation, no peat, no exploitation” commitment, while delivering the highest standards in quality and food safety. Setting these high standards for the traceability of our palm oil allows us to be a more active, responsible and connected partner.

SOCIAL POLICIES

It's also important to us that the production of palm oil and palm kernel oil has a positive social impact, respecting the rights of indigenous peoples, workers and local communities. Our [Code of Conduct](#) and our [Global Labor Policy](#) prohibit the use of forced labor or child labor in any form. We recognize that forced labor has been a significant concern in certain palm oil producing countries and have taken steps to vigorously address this issue and ensure our supply chain remains free of the scourge of forced labor.



Aligning with NDPE Expectations & Practices

Our sustainability goals cannot be achieved in isolation, and we believe being a leading force in environmental protection across our global supply chains requires the collaboration of our stakeholders. Since Bunge does not source palm oil directly from plantations, third-party suppliers and mills are Bunge’s focus for transforming the industry and making sure palm oil is produced sustainably. By closely and actively engaging with our suppliers, we can support them in improving their standards and practices and deliver a positive impact.

In choosing our supply base, four core elements are at the heart of everything we do:

- 1 Seeking to source from suppliers that have robust NDPE commitments and implementation plans.
- 2 Increasing the traceability to plantation for our purchases.
- 3 Using cutting edge radar and satellite technology to monitor and assess land use change on the over 30m hectares of land cover that we observe.
- 4 Conducting appropriate due diligence, and immediately logging any allegations of deforestation or exploitation that we are aware of in our public grievance tracker.

We deliver palm oil that is produced in accordance with NDPE practices, which guide not only our approach but also help support our customers to deliver on their commitments for:

NO DEFORESTATION, which refers to no deforestation when developing land, identifying and protecting High Conservation Value (HCV) areas and High Carbon Stock (HCS) areas, a no-burning policy and the reduction of GHG emissions.

NO PEAT, which refers to no new developments on peatland and encourages the use of best management practices on existing plantations on peat. Where possible, peat restoration is also implemented.

NO EXPLOITATION, refers to no exploitation of workers, children, local communities or small-scale growers in the production of palm oil.

CERTIFICATION

Each year we certify or verify the sustainability of greater volumes of our palm. In 2021, 87% of our palm oil volumes were sourced from suppliers with robust NDPE commitments. Below are our palm certification standards.



You can find our sustainability certificates on our [certifications page](#).

Mapping and Monitoring

Bunge has mapped its palm supply chain back to its origin at the mill. As part of our supplier due diligence process, suppliers are asked to provide detailed information in their sourcing base. We use satellite images of the areas where we have concession data and other supply chain related information – peat lands, forest reserves, mills –

to detect if there is any deforestation taking place. On a biweekly basis, we receive land use change alerts from Satelligence to detect this.



Our partner Satelligence specializes in providing highly detailed, semi-automated satellite-based insights and actionable results over large areas. They have world class expertise on scalable processing of radar and optical satellite images to assess patterns and trends in forests, agriculture and water.

From 2018 to 2021, we actively monitored more than 30 million hectares of land. Through our in-depth knowledge of our suppliers and our collaboration with Earth Equalizer, we have the elements at hand to check for and act on instances of suspected deforestation.



Aligning with NDPE Expectations & Practices

Positive Yields for ILHAM Smallholders

Smallholders play a critical role in the palm oil supply chain: 40% of the total worldwide palm oil production is ultimately provided by smallholders. In 2018, Bunge Loders Croklaan, IOI Corporation Berhad, Kerry Group and Kilang Kelapa Sawit Fortuna Sdn Bhd (Fortuna Mill) started Program ILHAM, a three year palm oil smallholder support program.

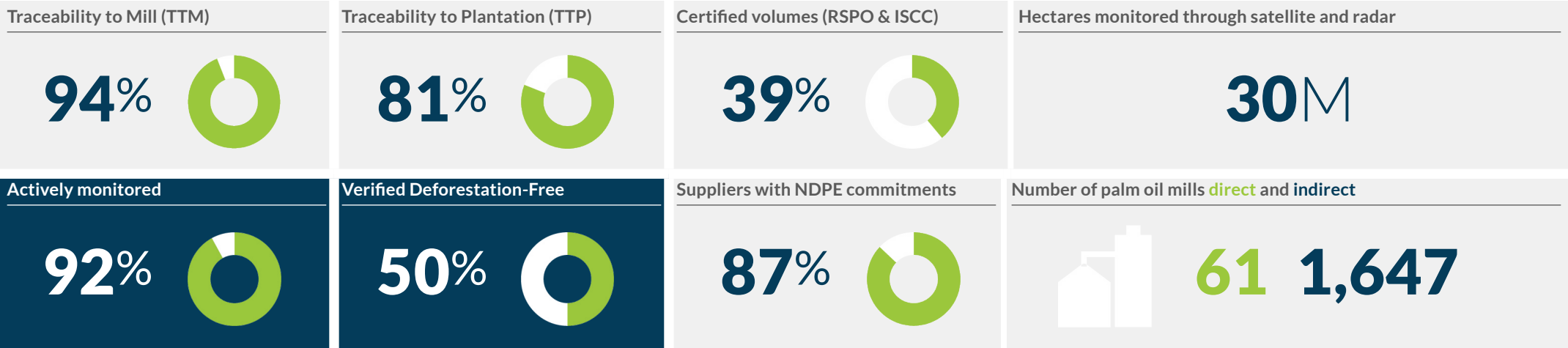
From providing trainings on best agricultural practices, to initiating socialization visits to distributing fertilizer, to performing foliar and soil sampling exercises, the program has led to a productive yield to the benefit of the smallholders.

Earlier in 2021, a team conducted a foliar and soil resampling exercise in Kampung Basai, Beluran in Sabah, Malaysia alongside five farmers who were selected to monitor the progress of the program.

We are encouraged by the results, which showed an improvement in the foliar and soil nutrient levels, and will explore additional opportunities to support smallholders in the years ahead.

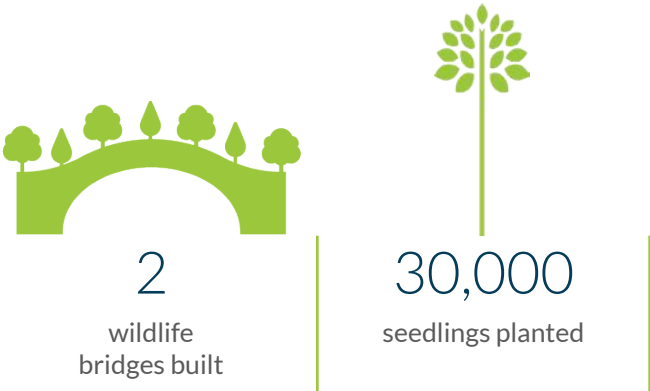


Palm Oil Transparency & Traceability Dashboard



We define “actively monitored” when volumes are observed by Satelligence / EarthEqualizer via optical and radar satellites or if RSPO IP certified, and “verified deforestation-free” if the volumes are from suppliers that are not linked to active deforestation for palm oil development demonstrated through mapping and monitoring and third party verified data.

The Sabah state in Malaysia is one of the major palm producing regions of the world, and is rich in biodiversity. In order to ensure continued health of the natural ecosystems and the region’s wildlife sanctuaries, Bunge is supporting biodiversity corridors to ease the movement of wildlife around the palm plantations and through the natural vegetation, including planting native flora and building passageways.



Supplier Due Diligence Process

Direct suppliers in our palm value chain are required to have complied with Bunge's Sustainable Palm Oil Policy from February 2017 and to be transparent about their operations. Prior to receiving deliveries of palm oil products originating from potential new suppliers, we strive to implement the following due diligence measures:

- Provide the potential supplier with a copy of Bunge's Sustainable Palm Oil Policy and advise them of the requirements for third party suppliers.
- Conduct a group-level risk review, to determine if the company's operations have the potential to involve non-compliance with our policy. This will include a review of the potential supplier's feedback on Bunge's policy commitments and our request for relevant permits, legal licenses and concession maps (in shapefile format and where legally possible) for the potential supplier's entire operations, as well as environmental impact assessments and HCS and HCV studies.
- Undertake a gap analysis to identify what material is missing, inadequate or unclear, and request additional material from the potential supplier.

- Fact-check claims by seeking publicly available information including information lodged with government agencies, satellite mapping information (e.g. through Global Forest Watch), RSPO complaints and information available online. Where potential new suppliers have undertaken plantation development that is incompatible with this policy after February 2017, appropriate conservation measures are required before entering into contracts to receive oil originating from that supplier. Where evaluation responsibilities rest with our trading partners (indirect supply), we will request our trading partners to observe similar due diligence measures and provide its findings prior to shipping oil from potential new suppliers to Bunge or its subsidiaries.

Once all elements are completed and our in-house questionnaire is completed online, the supplier is marked for approval.

Engaging with Suppliers

Bunge takes a proactive and risk-based approach to engaging with its suppliers and monitoring for potential gaps in human rights governance, which can include audits on forced labor activities. Our multi-pronged approach includes: ensuring suppliers sign onto our policies; exercising due diligence at the point of onboarding suppliers; verifying through audits and certifications; following up on grievances; and collaborating at the sector and government level. For more information, [refer to a recently published report from Embode](#).



Public Grievance Process

At Bunge, we believe that all internal and external stakeholders play important and constructive roles in the implementation of policy. We are committed to an open and transparent approach to resolve grievances with the involvement of affected stakeholders. Bunge has established a Grievance Procedure to ensure timely and transparent responses to stakeholders who identify issues or incidents in the Bunge supply chain that are not in line with the principles stated in the Bunge Sustainable Palm Oil Sourcing Policy.

Grievances include credible allegations of deforestation, ethics violations, and instances of human rights abuses or exploitation. Our supplier due diligence process can result in the logging of grievances. Allegations received from stakeholders that are linked to our suppliers will be investigated and, if confirmed, logged at our grievance tracker, and appropriately addressed or mitigated. They can be submitted through the following channels:

- Online: [via this link](#)
- Make a call: to +1.866.921.6714 or
to +1.888.691.0773

To view the grievance flow, please visit [this link](#).

