Soft Commodities Forum progress report

Building transparent and traceable soy supply chains, June 2020



Soy sourcing and traceability data

COFCO International recognizes traceability as a prerequisite for sustainable soy supply chains.

In 2019, we made focused efforts to enhance our internal systems and collaborate across soy origination, contract management, trading and logistics teams, in order to collect, validate and manage key information relating to suppliers' individual farms.

As a result, we reached 100% traceability for directly sourced soy from the 25 priority municipalities in Cerrado, fulfilling our commitment under the SCF ahead of time.

In addition, we have also set soy traceability as a key sustainability indicator under our 2.3 Billion USD sustainability-linked loan in 2019. A recent external audit has confirmed our achievement of the

Year One traceability target under the loan terms.

Looking ahead, we plan to take one extra step to further enhance supplier screening in regions with higher environmental and social exposure, in collaboration with our partners. As part of this plan, we will geomap and conduct in-depth environmental and social assessments for 85% of our direct supplying farms in Brazil's Matopiba region by 2021, along with building farmers' capacity in this region towards more sustainable soy production.









