

# Ethics



# Strategic Sourcing & Procurement

# “Ethics

is knowing the difference between what you have a right to do and what is right to do”

- Potter Stewart

## Objective

Cargill Strategic Sourcing & Procurement LATAM area is exposed to commercial and relationship situations with suppliers that require a set of rules of professional behavior to protect Cargill interests and those of its affiliates and subsidiaries, and serve as guidelines for their professionals to be prepared to deal with potential conflicts of interests or of ethical nature.



## Application

This Code of Ethics applies to all CSSP LATAM professionals and those linked Purchase Departments, through a clear guidance for these professionals in their business relationships with suppliers.



## Responsibility for this Policy

Those responsible for compliance with this policy are each and all of the employees from CSSP LATAM management and direction, whose leaders are in charge of approving changes and/or have the responsibility for policy improvements.

# The Relationship with suppliers must:

- 1** Be objective, unbiased and neutral, allowing equal terms and access to companies that want to establish business relationships with Cargill.
- 2** Be conducted with maximum transparency from the commercial standpoint.
- 3** Ensure that there is opportunity for competition among qualified potential suppliers without previous preferences.
- 4** Allow the qualification of candidate companies in a transparent way, maintaining due impartiality.
- 5** Ensure comprehensive and consistent evaluation of proposals.
- 6** Inform equally to all suppliers participating in bidding processes (RFPs).
- 7** Prohibit any business relationship with companies using child or slave labor or having a proved and not resolved track record of aggressions to the environment.
- 8** Maintain confidentiality with respect to sensitive information of suppliers or prospective suppliers.

# Good Negotiation Practices

1

Avoid holding “one on one” meetings with suppliers. It is always advisable that people from the technical area are present at them.

2

Give priority to the use of electronic tools to consolidate proposals and requests for information from suppliers (RFI, RFQ, etc.).

3

Keep clear records of all stages of negotiation including written information about meetings and criteria to select suppliers.

4

In RFP processes, open proposals at the same time.

5

After opening the first proposal, no other proposal must be added to the process without the proper justification and authorization of the Director.

6

Communicate clearly and in writing the final decision of the process to all participating suppliers, both to those which won the bid and those which were not selected.

7

Consolidation, analysis and alignment of the proposals must be always carried out jointly with the heads of the respective Cargill areas, considering all stakeholders.



# Gifts

any courtesy, present, hospitality, handout or benefit received from a Cargill supplier or candidate supplier.

Cargill's reputation is its most important asset. All employees in positions that could influence a purchasing, sale or commercial decision, should avoid any activities that would diminish or even appear to diminish the objectivity of the decision-making process. Those in positions of influencing a decision should always keep in mind that they must act in the best interests of Cargill. The following definitions and rules should be considered in addition to the guidelines of the overall policy, available in:

[http://understanding.cargill.com/conduct/\\_files/GGEFeb04.pdf](http://understanding.cargill.com/conduct/_files/GGEFeb04.pdf)

As a general rule, CSSP LATAM professionals should discourage suppliers to offer any type of gift, and should previously inform new suppliers about this policy.



Gifts that might be received may not be considered of a private nature, corresponding to the CSSP LATAM direction/management to decide their destination. They must be normally donated to institutions indicated by the Cargill Foundation or other defined by the corresponding Corporate Affairs area.

# Fairs, Trips, Visits

As a general rule, we discourage to receive any invitation to training, trips, seminars, fairs or events not paid by Cargill.

Participation in fairs, seminars and training must have the previous and formal management/direction authorization.

The CSSP LATAM area will provide all training and materials necessary for the good performance of its professionals.



Toma aérea del puerto de Cargill  
Estados Unidos 1944

## Meals and Entertainment



Cargill dining room at Paranaguá

Lunches and dinners with suppliers must preferably be held in Cargill dining rooms.

Lunches and dinners outside the company must have the previous written authorization of CSS LA management or direction.



# Conflicts of Interests

All professionals of the CSSP LATAM area must act with transparency, avoiding conflicts of interests situations, such as:

- Using the advantages in Cargill agreements and contracts for personal benefit, when these are not extensive, and it has been so communicated to all officers.
- Using of position to get any kind of personal advantage as trips, accommodation, etc.
- Hiring third parties who are relatives or friends, without prior authorization of direction.
- Using inside information for personal gain or to perform any unlawful act (e.g. insider trading).
- Omitting or misrepresenting information to meeting targets.

## Important:

The benefits offered by Cargill itself to its employees as corporate profit are not part of this policy.

If in doubt about whether or not a situation represents a conflict of interests, the first action should be to take the matter to the next immediate superior.



# General Guidance

Cargill will provide all necessary materials for the work of its professionals, and these should not use, carry or display any material or gift from a supplier. The objective of this rule is to be totally impartial in the relationship with suppliers or potential suppliers.

All Cargill officers must comply with the applicable law and the anti-bribery policy of the company.

If in doubt about the application of this policy, consult your supervisor.

Available on the link:  
<http://law.cargill.com/resources/anti-bribery.htm>



# Violations of this Code

The complaints and protests by employees or third parties who become aware of violations of this Code of Ethics can be made to the next immediate superior, to the management of the unit or plant, to their respective director or through the following channels:

- **Ethical Conduct Committee**

- **Ethics Open Line:**

To access a specific phone number to call in your country you must enter in the site of Cargill of the Ethics Line:

[www.CargillOpenLine.ethicspoint.com](http://www.CargillOpenLine.ethicspoint.com).

You can also send an e-mail to:

[ethics\\_openline@cargill.com](mailto:ethics_openline@cargill.com).

You can also contact the Ethics Open Line at

[www.CargillOpenLine.ethicspoint.com](http://www.CargillOpenLine.ethicspoint.com) from any computer with internet access.

# Controls

Be sure to check the latest version on the intranet:

Site Global do Strategic Sourcing:

<http://strategicsourcing.cargill.com/PROCUREMENT/procurementwebsite.nsf/>





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