

The background of the entire page is a repeating teal geometric pattern. It consists of a grid of squares, each containing a different geometric design such as circles, stars, and lines. A solid teal vertical bar runs down the left edge of the page.

**2020  
LAND  
O' LAKES,  
INC.**





20

## *an unprecedented year*

A global pandemic set off a chain reaction of personal and business disruption that created economic hardships and threw a wrench into our daily lives. But all year, the Land O'Lakes, Inc. network showed once again why our cooperative system has been able to withstand countless challenges and deliver for nearly a century.

Through hard work, dedication and collaboration, we were able to show resilience as a system, capitalize on the ingenuity of our farmer-to-fork approach and accelerate efforts to serve the rural communities many of us call home. This resulted in a year of strong business performance and allowed us to ignite initiatives that will provide shared growth opportunities as we head into our 100th Anniversary year and beyond.

20

BY THE NUMBERS

2020



\$14

BILLION

— NET SALES —

\$266 MILLION

— NET EARNINGS —

\$136 MILLION

SECTION 199A PASS THROUGH



\$159

MILLION

CASH RETURNED TO MEMBERS

— PRETAX EARNINGS —



ANIMAL NUTRITION



CROP INPUTS



DAIRY FOODS

\$63 MILLION

\$150 MILLION

\$49 MILLION



## COMMUNITY IMPACT

**\$2 MILLION**

DONATED THROUGH MEMBER-DIRECTED  
PHILANTHROPY PROGRAMS

OVER **65K LBS**

GROWN & DONATED FROM ANSWER PLOT®  
COMMUNITY GARDENS



OVER **600K LBS**

IN-KIND PRODUCT DONATIONS

**140**

MEMBERS OF AMERICAN CONNECTION PROJECT

**2,800+**

Wi-Fi  
LOCATIONS

ACROSS

**49**

STATES

## MEMBERSHIP

**1,638**

DAIRY PRODUCERS

**748**

AG PRODUCERS

**684**

MEMBER CO-OPS

**272**

INDEPENDENT RETAILERS



*"If there were a time to band  
together with and for our  
neighbors - now is that time."*

BETH FORD *President + CEO*





**2020 brought an unpredictable global pandemic that disrupted every aspect of life, both professional and personal. Every sector of every business around the world had to react. At Land O'Lakes, our cooperative did what we do best. We leveraged our farmer-to-fork enterprise on behalf of our member owners.**

In an environment where many organizations struggled to adapt to the evolving landscape, Land O'Lakes was able to perform. We set our direction, then maintained momentum by working differently and with agility. We approached challenges in new ways, strengthening our differentiated approach to leverage analytics and omnichannel solutions as our businesses stood up e-commerce sites as everyone moved online. We stayed connected with our members and customers by moving events to virtual platforms resulting in even higher attendance. We showed resiliency in finding homes for all member milk.

From a financial perspective, taken together, in 2020, Land O'Lakes delivered net earnings of \$266 million with net sales of \$14 billion. We expect this year's earnings will deliver roughly \$159 million in cash to members in 2021, subject to approval by our Board of Directors.

Earnings were up nearly 30 percent from 2019. Using the strength of the enterprise, we were able to meet surging demand and deliver profitability in Dairy Foods and Animal Nutrition and support the resiliency of the Crop Inputs business. Dairy Foods had a strong year in Retail which offset lower COVID-19-related volumes in Foodservice and commodity market volatility. Animal Nutrition delivered a strong year based on higher sales and favorable product mix in the Lifestyle segment and strong relationships with key customers. Crop Inputs closed the year delivering higher than its competitive set, with strong international

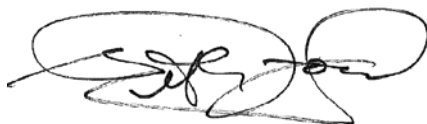
performance, as well as strength in Forage Genetics International (FGI). The business created demand with tools and services built on the breadth of the business, offsetting a challenging pricing environment.

The team focused on building a strong balance sheet that gives us protection and permission to be bold. The year closed with a liquidity of \$2.15 billion, up 26% from prior year levels. We have cash on hand and our balance sheet is solid.

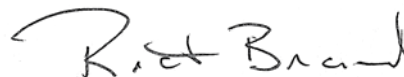
We are different. We took our place among leaders in addressing issues that directly affect our members, their families and the communities in which they live. Truterra, in combination with WinField United, delivered products and services helping growers be part of the climate change solution while being profitable. In July, we announced a multiyear alliance with Microsoft that includes pioneering new innovations in agriculture and closing the digital divide, fueling enhanced technological solutions for our members and customers. The increased focus on broadband access supports the vibrancy of our local communities where our members live and work, improving access to essential services for business, healthcare, education and more.

Our work on the digital divide has given us the opportunity to provide a powerful and influential voice in many arenas, such as government-supported programs, at this crucial time. When the pandemic hit, we leveraged the farmer voice to push for support for our members. We requested economic relief for farmers as prices plummeted and the supply chain collapsed, and we advocated for stability in our food system to continue keeping our families and consumers fed.

Our industry, like many industries, is facing disruption. Thanks to a very strong year, we are in position to emerge on the other side better, stronger and more influential. We look forward to the journey. As we step into our 100th Anniversary year, we are proving our members' and our cooperative's resiliency every day.



Beth Ford, President and CEO



Rick Brand, Chairman of the Board



#### *OUR TOTAL ENTERPRISE APPROACH*

**This year brought us challenges from all angles: market volatility, regulatory uncertainty and, of course, the ongoing pandemic. Through it all, we remained committed to our total enterprise, farmer-to-fork approach as a strategic advantage. This allows us to capitalize on market opportunities and helps insulate us from the volatility of our respective sectors.**





# Animal Nutrition

## Partnering with in-store staff to deliver a great customer experience

We're always on the lookout for ways to deepen relationships with Purina customers while delivering a great customer experience. To support that goal, we launched the Retail Performance Specialist (RPS) program. These employees are leaders in their organizations chosen to help improve the end-to-end customer experience and increase Purina product purchases. We welcomed more than 300 in the inaugural class of RPS and look forward to continuing the program in the future.



## The unstoppable, improbable Purina VIP event(s) went virtual

In a normal year, Purina holds over 40 VIP (Very Important Producer) events annually, across all species—cattle, dairy, swine, equine and show animals. On average, the events last three days each and attract about 125-225 participants. This year, these events were threatened by COVID-19. But the team found a way to host an Honor Show VIP event entirely online, tripling attendance numbers and gaining new sales leads. While nothing replaces a live event or a visit to the Purina Animal Nutrition Center, it helps to know Purina can generate new business by finding creative ways to bring the farm to viewers online.



[shop.Purinamills.com](https://shop.Purinamills.com)

## PURINA LAUNCHES FIRST DIRECT-TO- CONSUMER DIGITAL ECOMMERCE PLATFORM



Increasingly, consumers are demanding convenience and ease of purchase. This is why Purina launched a platform to meet consumers where they are: online. This initial launch of [shop.Purinamills.com](https://shop.Purinamills.com) is the beginning of a long journey for channel and dealer enablement. Our omnichannel strategy is to generate demand for our products, attracting new customers to the Purina brand and driving them to purchase in whatever way suits them best. Local retailers will always have the high ground; their deep knowledge and understanding of our consumers and their needs are unmatched. So the website features a retailer locator where new consumers can view local Purina dealers and retailers near their area.



# Crop Inputs



## Building the system of the future

To build the system of the future, we must harness our collective strength and move forward with initiatives that keep us on the cutting edge of the competitive agronomy space. We're doing this by forming tighter alliances—both upstream and downstream—to maximize the locally owned and operated position, remove unnecessary cost and show greater influence. We're also working together to operate the most reliable and predictable supply chain through standardized product forecasting, ordering and fulfillment. By transitioning from a model of hundreds of individual distributor/retailer relationships to operating as a system, we can improve the customer experience and remove cost that can be reallocated into R&D, marketing programs and owner patronage.



## MEETING THE MOMENT

We believe we have only scratched the surface of how powerful our system can be, but we must work together. The pandemic only sped up the rate of digital adoption in all areas so we know we need to go to market differently. This means driving omnichannel adoption throughout our system, including back-end system integration, ag tech tool adoption and scalability to provide an end-to-end digital experience with and through our retail network. We're also leaning into our new Analytics Center of Retail Excellence (ACRE) to analyze our data and help sales teams focus on activities that generate the greatest impact for our system. We are working to be the aggregator of our system's data. This will allow us to create a differentiated retailer and grower experience with access to the most comprehensive collection of data and insights, while keeping individual retailer and farmer data secure within our system.

## Supporting our network through innovation and new services

To help our retail network stay at the forefront with the growers of tomorrow, we know it's critical to be a value-added and innovative partner. This includes accelerating adoption of our innovation pipeline—products, services, digital tools—and helping manufacturer partners bring products to market quicker. This also means increasing predictability and efficiency to help farmers and retailers respond to unexpected challenges. That's why we introduced The Fundamental Five, a collection of critical agronomic actions farmers can take to provide a better return on their input investment. WinField United also rolled out a new set of services that provide front-end financing (SECURE™) and performance warranties (Advanced Acre® Rx) that allow retailers to position a differentiated offer and help farmers reduce risk and increase predictability, regardless of the circumstances.





# Dairy Foods

## Flexing to meet consumer and customer demands

While restaurant closures and new safety and social distancing protocols took their toll on the foodservice sector, the pendulum swung in the other direction in the grocery channel. Thanks to the breadth of our well-balanced portfolio, we were able to respond to the resurgence in baking and cooking, and meet the growing demand for butter. While it was a truly challenging year, we harnessed the strength of our supply chain, customer relationships and brand to deliver for our consumers, customers and members. During a time of uncertainty, new consumers turned to a brand whose quality and reputation they could trust. We look forward to continuing to support their newfound love of baking, as well as their return to in-person dining, in the future.



## AT-HOME CHEFS UPPED THEIR GAME WITH VERMONT CREAMERY® PRODUCTS

At-home chefs weren't content with putting just anything on the table for dinner. Instead, they grew bolder and started to branch out with new menus. Vermont Creamery saw incredible growth momentum, and its portfolio was well-positioned to meet the needs of those at-home bakers and chefs seeking affordably indulgent products. While Vermont Creamery also experienced a drop in its foodservice sales due to restaurant closures, it leveraged the strength of its specialty brand to drive retail sales. In fact, Vermont Creamery ended 2020 positioned as one of the fastest growing brands in the specialty dairy category.

## Bringing consumers to the farm—virtually

Consumers tell us time and time again: When they learn Land O'Lakes is a farmer-owned cooperative, they are surprised, excited and want to learn more. So we did just that by telling our farmer-owned story to consumers through packaging, website updates, social media and email communications. Farmers took center stage in a new video series called, "Where Goodness Grows," which features the experiences of farming families, their farm operations and their connection to Land O'Lakes. Plus, the "Meet Our Farmer-Owners" page at LandOLakes.com brings consumers into the homes of our farmer-owners with recipes, facility tours and stories from the farm.





# Truterra



## 10,000 acres, net zero emissions

What do rockfish and cheesy Pepperidge Farm goldfish have in common? One can be found swimming around the Chesapeake Bay, and the other is made from wheat that is grown in the surrounding region. Retail-owner, The Mill, and Truterra have partnered to work on connecting these “fish” even more, through a sustainability initiative where wheat farmers are improving their local environment. Using the Truterra™ Insights Engine, The Mill can help determine what on-farm sustainability practices they can incorporate to generate results in farmers' fields and their bottom line. Over the course of two years, the initiative met its goal of enrolling 10,000 acres and achieved incredible early outcomes. The insights from this project suggest that smart farm management practices can help slow and mitigate the impact of climate change.



## Supporting The Growing Climate Solutions Act

Advocating for sound public policy is an important component of the work of Land O'Lakes and Truterra. In June, Truterra Vice President Jason Weller testified before Congress to help advance proposed legislation to establish stewardship as a viable revenue stream for farmers. The Growing Climate Solutions Act would complement the work Truterra is doing to create market conditions to help farmers potentially sell a new class of ag commodities: environmental credits. Greenhouse gas reduction credits, for instance, offer new revenue sources for farmers to diversify their income and offset their costs for new equipment and practices. This advocacy is a component of the work Truterra is focused on: building a foundation for a more sustainable agriculture system by supporting farmers, ag retailers and consumers at every step in the supply chain.



## FINANCIAL INCENTIVES FOR SUSTAINABILITY

A new public-private partnership will help growers benchmark their on-farm sustainability practices and be rewarded for improvements through a first-of-its-kind, pay-for-performance model in Dubuque County, Iowa. The Stewardship Incentive Program is a collaboration between Truterra, Dubuque County, the Dubuque Soil & Water Conservation District and local Truterra ag retailer Innovative Ag Services, to support area growers in adopting more sustainable farming practices that can improve soil health and water quality. The program will leverage the Truterra™ Insights Engine to generate a Truterra™ Insights Score, which is an overall sustainability rating that allows growers to track their progress over time. Truterra and Innovative Ag Services will work with participating growers to benchmark their 2020 farm data, then evaluate how implementing new conservation practices on each enrolled field could improve their Truterra™ Insights Score. There will be a financial incentive based on the improvement of their Truterra™ Insights Score.





# International business

## Growing our Foodservice portfolio

Land O'Lakes announced a marketing and sales arrangement with New Zealand-based dairy cooperative, Fonterra, that will add new offerings to our Foodservice portfolio. The arrangement, which is focused on the performance dairy category, is intended to generate additional revenue for Dairy Foods that can be reinvested in our brand and business. We're excited to offer Fonterra's culinary cooking creams, which will be manufactured in the U.S., and will help round out our Foodservice portfolio for existing and new Land O'Lakes customers.



## GROWING WITH VILLA

Land O'Lakes has a majority ownership in this South African crop protection company, which has a strong portfolio of productivity-enhancing crop input products and services to help commercial farmers sustainably improve their yields. Amid COVID-19 disruption in 2020, the Villa team worked to pivot their marketing campaigns to virtual, which helped overall sales increase 22% versus 2019. As part of our strategy to be the key supplier of crop protection products, from first to last liter, Villa has made significant investments in strengthening capacity and reach across all the regions in which we operate. Since the Cape area is a key focus growth region, a new office building, depot and warehouse were officially launched to customers and other industry partners in March 2020 in the Western Cape.



## PMI & Royal Agrifirm Group announce global marketing partnership

Land O'Lakes and the Netherlands-based Royal Agrifirm Group announced a new strategic partnership in functional feed additives. The agreement means PMI's innovative, proven swine and poultry products will be available in Europe, Asia and Latin America – the first time the products will be available outside the U.S. This is the third key partnership between Royal Agrifirm Group's functional feed ingredient brand Agrimprove and Land O'Lakes' PMI feed additive businesses. In 2015, PMI became the exclusive distributor of Agrimprove functional feed ingredients in the U.S. Then, in 2019, Royal Agrifirm Group and Land O'Lakes formed Agrilakes, a dairy animal feed joint venture in China. Now, the two farmer-owned, functional feed additive companies are deepening their relationship.






# **SUPPORTING THE VIBRANCY OF RURAL AMERICA**





SERVING

RURAL COMMUNITIES



**In rural America, agriculture is the economic engine that keeps small towns running smoothly. Land O'Lakes is committed to delivering unique services, business solutions and partnerships to support vibrant communities and help close the rural-urban divide.**



# SUPPORTING — rural —

## COMMUNITIES AMID CRISIS

We believe feeding a growing population begins by supporting our communities, which include small towns, big cities and everything in between. The Direct Member Match and the Ag Retailer Match programs have long been a hallmark of the Land O'Lakes Foundation. This is an annual investment back into the communities where our member-owners live and work by matching donations dollar-for-dollar. This year, \$2 million of matching support was distributed to member communities for things like COVID-19-related support for hunger relief, PPE supplies, rural broadband, childcare, distance learning technology and basic needs.

Land O'Lakes also donated over 664,000 pounds of in-kind products (mac and cheese, butter, shredded cheese, sliced cheese and string cheese) to food banks in 2020—an increase of nearly 30% over our 2019 in-kind donations. Our Nutra Blend business, along with nine of its suppliers and nearly 200 customers, rallied together to donate over \$500,000 through a special effort they called Food for Hope, a Drive to Feed Kids™ Campaign. These funds were used to support food banks and backpack programs in the local communities of the participating customers.

Recognizing the toll the pandemic has taken on the restaurant industry, Land O'Lakes also donated \$25,000 to the Restaurant Employee Relief Fund, which was created by the National Restaurant Association Educational Foundation to help restaurant industry employees experiencing extraordinary hardship in the wake of the COVID-19 outbreak.



### \$2,000,000

*donated through member-directed philanthropy programs*

### \$200,000

*joint derecho recovery donation to the American Red Cross, with CHS, Cobank and Farm Credit Services of America*

### 664,000 lbs.

*in-kind product donations*









# The American Connection Project

Currently, millions of Americans go without broadband internet access, many of them in communities where our employees and members – and their families – live and work. In 2020, with a global pandemic driving many daily activities online, we ramped up efforts to close the digital divide through our American Connection Project, to include:

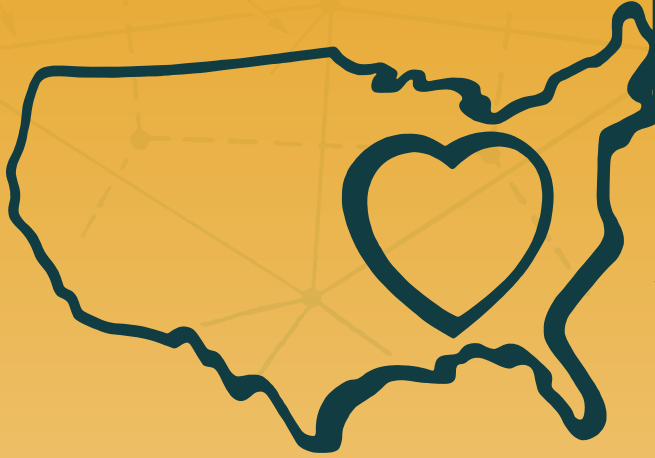
- » **Turning on the Wi-Fi:** Alongside many Land O'Lakes retail-owners, we started offering free, public Wi-Fi access to local communities as a short-term solution for broadband access. Other organizations joined us in this effort, and we are now reaching over 2,800 locations in 49 states.
- » **Using our convening power for advocacy:** Through the American Connection Project, we convened over 140 organizations working together to improve access to broadband in rural and other unserved areas. Together, we are advocating to bring high-speed internet infrastructure to areas that do not have service today.

Coalition members are also contributing their own resources to facilitate remote education, health and mental health services, job opportunities and more. And it's not just about broadband, but what it enables. From precision agriculture to healthcare access to educational opportunities, it's about prosperity for all.

## American Connection Project Broadband Coalition Members



## Helping rural families dealing with mental illness



The COVID-19 pandemic took its toll on people's mental health. On top of grappling with social isolation and economic uncertainty, many of us are faced with new and pressing needs in our families, from supporting children's schooling at home to caring for the health of an elder.

We recognize the unique stressors among farmers and have worked toward destigmatizing mental health in rural communities. While Land O'Lakes isn't a health care provider, we can use our vast network to connect our members to people who are.

This spring, we partnered with National Alliance on Mental Illness (NAMI) to provide a virtual learning opportunity focused on helping family members support loved ones through mental health recovery. Land O'Lakes was also pleased to roll out a new program for members that included a 24/7 hotline focused on providing access to services that promote well-being.

### *New Kenya alliance with FGI and Venture37*

Forage Genetics International and Land O'Lakes Venture37 joined with Corteva Agriscience and the International Livestock Research Institute in the Nourishing Prosperity Alliance that aims to strengthen dairy production in central Kenya. The Alliance will help advance the sustainable farming practices of more than 5,000 women smallholder, rural dairy farmers and ease the annual 2.2 billion-liter shortage of dairy products in the country. This group of private sector, nonprofit and research organizations will engage in a two-year Alliance designed to increase the supply of nutritional dairy products available to local communities. The Alliance will also guide women smallholder farmers in methods that bolster the production of nutrient-rich forages to provide reliable feed for dairy cattle, improve milk production and reduce the production cost of those dairy products.





While focusing first on employee and member safety, Land O'Lakes and our member-owners showed great agility as we faced the global pandemic as a united cooperative system. Our teams worked tirelessly to keep our supply chain operating smoothly, meet customer and consumer demands and, importantly, support our members as they plant and produce the nation's food supply.

### Serving those who protect our nation's food supply

From day one of the pandemic, ag retailers and farmers stepped up to protect our nation's food supply to keep grocery shelves stocked and meals on families' tables. That's not to say our food systems and supply chains weren't also strained.

We recognized these challenges early, then leaned into our forecasting and supply chain capabilities to provide ag retailers with a 60-day supply at the beginning of COVID-19, which coincided with planting season. This helped us get ahead of any potential supply disruptions and ensure owners had product available when farmers took to the fields.

The WinField United team then committed

itself to providing services and solutions to support retail-owners all season long. From helping ag retailers with supply chain efficiencies and omnichannel solutions, to providing farmers and retailers digital tools and new services to support a productive and profitable season, WinField United worked to help the system navigate through volatility and uncertainty.

While the pandemic certainly shined a spotlight on some of the challenges facing rural America, we harnessed our network's collective strength to help local ag retailers continue to be vital resources for the farmers and communities they serve.



Meeting the moment

TO MANAGE A

# 24/7

## MILK SUPPLY

As a farmer-owned cooperative, we do dairy differently. More than any other year, we needed to lean into our cooperative strengths, like our proactive and transparent partnership with our farmer-owners, the strength of our brands and our relationships throughout the industry. That, like every year, meant picking up and processing member milk into products for customers and consumers. All while enhancing protocols to best keep our employees, members and customers safe.

Each year, Land O'Lakes sources about 12.5 billion pounds of milk from our member-owners. The expert problem-solvers on the milk supply team work together 24/7 to find a home for every drop of milk—in LAND O LAKES® butter, cheese, milk powder and other products, or with third-party customers. Every

piece of the supply chain must operate efficiently and effectively to make this model work. Employees at our dairy plants have excelled working on the frontlines of America's food supply to help turn our farmers' milk into the food consumers need and want. The milk doesn't get processed and the butter doesn't get made without them showing up.

In what was a very challenging year, Land O'Lakes' proactive relationship with our members, adherence to safety protocols and the dedication shown across our supply chain helped us manage supply and demand swings and avoid discarding raw milk. The advantage of the co-op model is its team of dedicated problem-solvers working to ensure farmers' milk won't go to waste.

Each year, Land O'Lakes sources about 12.5 billion pounds of milk from our member-owners.





—IT'S OFFICIAL—

# The chicken does, in fact, come before the egg!



2020 was certainly an unforgettable year.

There were so many stories of people adapting to the “new normal” by focusing on what they can control within their own households. This led to significant home improvement projects, unprec-

edented pet adoptions and the addition of backyard flocks.

Over 750,000 households added coops to their backyards and answered the age-old question by showing us that the chicken, or more precisely a few baby chicks, come before the first egg.

Our Purina-branded Flock business responded to the needs of this new consumer by focusing messaging on addressing the needs of backyard flock owners both in media and in-store. We also reinforced our connection to them and their lifestyle through a new home self-sufficiency campaign.

The business experienced a record rise in backyard flock interest and daily site visits for the poultry webpage at [PurinaMills.com](https://PurinaMills.com) doubled. In an additional effort to meet consumers where they want to shop, the innovative Purina Animal Nutrition online store was launched to provide a direct-to-consumer shopping experience and increase the accessibility and convenience of purchasing products online.

Thanks to these dynamic efforts, our Flock business grew by 26% in 2020 with our premium branded flock starter business (feed for those baby chicks) leading the way with a 64% increase in sales.



# Senior leadership



## COLUMN 1

### **Beth Ford**

President & Chief Executive Officer

### **Heather Anfang**

SVP, U.S. Dairy Foods

### **Teddy Bekele**

SVP & Chief Technology Officer

### **Brett Bruggeman**

President, WinField United  
& EVP, Land O'Lakes, Inc.

### **Lisa Deverell**

President, Purina Animal Nutrition  
& EVP, Land O'Lakes, Inc.

## COLUMN 2

### **Yone Dewberry**

SVP & Chief Supply Chain Officer

### **John Ellenberger**

SVP, Land O'Lakes Venture37

### **Loren Heeringa**

SVP & Chief Human Resources Officer

### **Pete Kappelman**

SVP, Member & Government Relations

### **Jerry Kaminski**

EVP & Chief Operating Officer

## COLUMN 3

### **Tim Leviny**

SVP, Asia-Pacific  
& Global Dairy Ingredients

### **Thea Keamy**

SVP, Corporate Strategy  
& Business Development

### **Heather Malenshek**

SVP & Chief Marketing Officer

### **Bill Pieper**

EVP & Chief Financial Officer

### **Sheilah Stewart**

SVP & General Counsel

# Board of directors



**Mark Berning**  
Minnesota



**Rick Brand**  
Iowa



**Rick Brubaker**  
Indiana



**Brian Buhr**  
Minnesota



**Sharda Cherwoo**  
New York



**Paul Coppin**  
North Dakota



**Justin Curti**  
California



**Carl Dickinson**  
Nebraska



**Jared Fernandes**  
California



**Joey Fernandes**  
California



**John Habedank**  
Minnesota



**Duane Hershey**  
Pennsylvania



**Jeff Johnson**  
Minnesota



**Neal Keppy**  
Iowa



**Jeff Lakner**  
South Dakota



**Dale Locken**  
Kansas





**Stephen Mancebo**  
California



**Stan Stark**  
Kansas



**Andy Mason**  
Maryland



**Christine Sukalski**  
Minnesota



**Doyle Pearl**  
Kansas



**Jeff Troike**  
Indiana



**Levi Ransom**  
Pennsylvania



**Bruce Vernon**  
Illinois



**Nic Schoenberger**  
Wisconsin



**Galen Vetter**  
Minnesota



**Paul Schweiger**  
Wisconsin



- Ag member
- Dairy member
- Advisory member



**Dan Siemers**  
Wisconsin





*Looking — forward*

1921  
2021

2021 will mark 100 years of the Land O'Lakes cooperative system. Over that time, we've worked side-by-side with our members to bring the power of farmers and retail owners to the market. As we move later into the year, we will officially celebrate the progress we've made and the future we will shape together. Building on the foundation of our shared co-op values, we'll mark the moment as we share our pride in the 100-year milestone throughout the year. The same resilience, dedication and ingenuity that brought us to where we are today will guide us as we explore new and emerging markets while staying grounded to our cooperative roots.

100



## THE FUTURE OF DAIRY SUSTAINABILITY

### Dairy 2025 Commitment Program

What will the world look like in the year 2025? One thing is clear: The demand on industries to create more sustainable solutions will only increase. Land O'Lakes member-owners have always been committed to animal care and environmental stewardship. Now we're moving forward with an evolved commitment to sustainability over the next five years and a promise to better connect our member-owners to the consumers at the end of the farmer-to-fork journey.

As part of the program, our dairy member-owners will stay on the forefront of animal care and complete an industry-leading, on-farm sustainability assessment by 2025. Leading up to this, we will share member stewardship stories with customers and consumers to paint an accurate picture of current sustainability efforts and the ways members are continually improving their operations.



## Land O'Lakes and Microsoft form strategic alliance to pioneer new innovations in agriculture

Land O'Lakes, Inc. and Microsoft Corp. announced a multiyear strategic alliance to pioneer new innovations in agriculture and enhance the supply chain, expand sustainability practices for farmers and the food system, and close the rural broadband gap. As one of the nation's largest farmer-owned cooperatives, Land O'Lakes is deeply connected to rural America and has a unique understanding of farmers' needs and the communities where they and their families live and work. Combined with Microsoft's trusted cloud technologies and AI capabilities, the alliance will deliver solutions that help farmers' profit potential and drive adoption of sustainable agricultural practices.

Initially, the companies will focus on developing a connected ag tech platform, built on Microsoft Azure, that will bring together Land O'Lakes' portfolio of innovative ag tech tools such as WinField United's R7® Suite, Data Silo and the Truterra™ Insights Engine under one unified architecture. The companies will also work to create a Digital Dairy solution to provide data-driven insights for dairy producers.

## Diversity, Equity and Inclusion (DEI), rooted in our cooperative values



Diversity, Equity and Inclusion is business critical to Land O'Lakes. We know, as a cooperative, we all do better when we work together—and that's reflected in our commitment to DEI. Companies with more diverse leadership teams are shown to report higher innovation revenue.\* Our female and minority representation at the Executive Leadership Team level has increased 25% for females and 8% for minorities since 2018.

This commitment goes beyond our executive leadership team. It's about creating a culture of inclusion for all. It's also equipping everyone to become stronger allies and advocates. At Land O'Lakes, we support veteran, LGBTQ, women-owned, disability-owned and minority-owned businesses through our Supplier Diversity program. We encourage employees to get involved in any of our 11 Employee Resource Groups, and integrate DEI efforts into the recruitment and development of employee talent and member-elected leadership positions. And this is just the beginning.

\* according to a BCG report



## Land O'Lakes/Truterra launches TruCarbon program to reward on-farm stewardship

We believe agriculture is an important part of the climate change solution. That's why Land O'Lakes, through our Truterra business, is working with our retailer network to launch a transformational new carbon program that will help farmers generate and sell carbon credits to private sector buyers. The TruCarbon program represents a unique farmer-owned carbon program in the U.S. that is designed to provide both the best experience for farmers and their ag retail partners and the highest quality credits for buyers.

TruCarbon offers buyers high-quality credits that are created using leading soil and conservation science, and precision data and verification methods. For farmers, TruCarbon brings together the Truterra Retailer network and the industry-leading Truterra™ Insights Engine to arm them with a powerful suite of soil health planning tools. This will help farmers decide what is best for their business while optimizing their fields' carbon credit potential.







LAND O'LAKES, INC.