

NATIONAL COUNCIL OF FARMER COOPERATIVES
2017 SUSTAINABILITY REPORT

COMMUNITY WELL-BEING BEGINS WITH CO-OPS.





**WE'RE ON THIS
PATH TOGETHER.**

A LOT OF
PEOPLE CAN
DO A LOT OF
GOOD.





Dear members and friends,

Co-ops have always been about bringing people together to accomplish things they could not do on their own. When the co-op mindset is applied to the idea of “giving back” — engaging important causes, helping our neighbors in need — it is no surprise our communities can thrive in new ways too. A lot of people can do a lot of good. Community well-being is one of the three core principles of NCFC’s vision for improved sustainability, along with environmental stewardship and economic viability. Our member co-ops across the nation strive daily to conduct business responsibly; to maintain a safe, healthy and respectful workplace for employees; and to foster vibrant rural communities for future generations.

In just the past three years, NCFC has made significant progress in our sustainability initiative. Together with our Sustainability Working Group members, we’ve established sustainability principles and developed core messaging to help tell our members’ collective sustainability story. We compiled the Field Guide for Farmer Co-op Sustainability and a complementary Self-Evaluation online tool to help co-ops develop and strengthen their own programs. We’ve also expanded external outreach on our members’ behalf, making presentations and engaging with stakeholders across the supply chain to ensure co-ops are part of the ever-growing conversation.

NCFC is proud of the innovative ways our members are finding to engage with their neighbors every day, and it extends far beyond merely putting food on America’s tables. Every year, our co-ops give money, supplies, time and expertise back to the community.

Just a few of the projects our member co-ops have undertaken in 2017: helping neighbors and strangers across the country after natural disasters; providing educational programming to community members; distributing winter gear to children in need; and collaborating with local members to provide ag safety training. You will read more about each of these in this report.

NCFC is honored to support the men and women who are committed to giving back. I’m proud of the strides we have made in sustainability over the past three years with our members’ support. But I’m even more excited about the road ahead as we continue to collaborate with our member co-ops to engage in dialogue with stakeholders throughout the supply chain, bring attention to America’s farmer cooperatives’ collective sustainability story and develop resources to help our members in their own success. We’re on this path together. On behalf of the NCFC staff, thank you for your continued support and commitment to co-op sustainability.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chuck Conner', written in a cursive style.

Chuck Conner
President & CEO

DOING RIGHT BY OUR NEIGHBORS.





Dear friends of NCFC,

Cooperatives are unique in that they harness the power of many to achieve what the individual cannot. This collaborative approach is useful when it comes to promoting important agricultural and economic interests — the idea the National Council of Farmer Cooperatives is built upon — but it also rings true when it comes to strengthening rural communities all across America.

Co-ops play a unique and dynamic role within their communities, and NCFC understands healthy communities in turn play a vital role in ensuring the operations' sustainability for the future. Our members believe in helping our neighbors and colleagues. That's just who they are.

While we already know engaging our communities is the right thing to do, results also prove it is smart for business. A well-developed community engagement program gives back to the co-op as much as the co-op gives back to the community. Engaged co-ops support more satisfied members and employees. Sustainability is at the core of Ocean Spray's mission, and it has been remarkable to learn what other co-ops around the country are doing to support their own communities.

As farmers have engaged with their supply chain partners more transparently to share their operations' approaches to sustainability and recommit to a healthy, viable future, NCFC has expanded the toolkit farmers have to navigate these conversations. It goes back to the basics of co-op values, that together we can accomplish more and serve our members better.

As your chairman, I thank you for all your continuing efforts to lead the charge in creating stronger rural communities now and in the future.

Sincerely,

A handwritten signature in black ink that reads "Randy Papadellis". The signature is written in a cursive, flowing style.

Randy Papadellis

Ocean Spray Cranberries

GROWING A MORE SUSTAINABLE FUTURE.



Cooperative sustainability from the ground up

Farmer cooperatives provide products and services spanning the entire agricultural supply chain, from handling raw products, processing food and marketing consumer brands to providing services, supplies, fuel, credit and financial assistance to farmers.

Over the years, our farmers have lived the concept of sustainability with operations that have thrived through multiple generations. This expertise in sustaining a uniquely American way of life has become more valuable than ever as supply chain partners field questions from consumers who are increasingly interested in sustainability. People want to hear agriculture's unique stories, and NCFC is helping our members tell them. We want to see our co-ops and their farmer-members get the recognition they deserve for the practices they already have in place as leaders in the industry and to share their commitment to continue to improve their practices and production.

In 2014, NCFC's Executive Council tasked the organization with becoming actively involved in supply chain sustainability by providing support for cooperative sustainability efforts. Over the past three years, NCFC has developed a set of common principles that apply to co-ops across the supply chain and tools to support member co-ops such as a sustainability framework, educational videos and messaging tools.

NCFC has over 60 member co-ops, which means over 60 unique approaches to sustainability. To coordinate NCFC's work in addressing the wide-ranging needs of its members, a Sustainability Working Group was convened — a dedicated group of co-op staff — to ensure NCFC's resources remain as relevant and helpful to our members as possible. These staff

members came together to direct priorities and assist with content development for the NCFC Sustainability Field Guide, Messaging Guide and online sustainability Self-Evaluation Tool.

Equally important to their hard work on content development has been the opportunity for working group members to share ideas and learn from other co-op programs. Whether by producing webinars with sustainability experts or hosting annual working meetings, this group has dived deep into learning more about how co-ops can continue to strengthen their sustainability narratives.

Riceland hosted the most recent Sustainability Working Group meeting in October 2017 where attendees had the opportunity to learn about Riceland's sustainability efforts; engage with leaders from academia, The Sustainability Consortium and Field to Market; and provide input on the future direction of NCFC's sustainability program.

Finally, NCFC has made it a priority to participate in sustainability discussions with external organizations, ensuring co-ops have a seat at the table to shape the landscape for agricultural sustainability and are not duplicating what others have already created. Most recently, NCFC had the opportunity to host a breakout session panel at the Sustainable Agriculture Summit where panelists presented the co-op business model as a natural choice for advancing sustainability efforts across the country.

NCFC is excited to release its first sustainability report showcasing members' community engagement efforts. Two videos will be released in conjunction with the report showcasing individual co-ops that serve as tremendous examples of how co-ops can truly help sustain their communities. The videos can be viewed by visiting NCFC's sustainability website, Co-opSustainability.org.



NCFC's Sustainability Working Group gathered in Arkansas in October to share ideas, learn from experts and provide guidance for future NCFC sustainability efforts. The group has played an integral part in helping NCFC develop resources for its members, including co-op sustainability.org, a website showcasing farmer co-ops' sustainability efforts.

GIVING BACK. PAYING FORWARD. SUSTAINING COMMUNITY WELL-BEING.

When some hear the word “sustainability,” they might think first of environmental stewardship. But the word applies much more broadly, extending beyond caring for our land and natural resources and into caring for our communities. This concept aligns strongly with the core values on which farmer cooperatives were founded: shared economic participation, democratic member control, cooperation and a lasting commitment to community.



For NCFC and its member cooperatives, community well-being means conducting our businesses responsibly, maintaining a safe, healthy and respectful workplace for our employees and fostering vibrant rural communities.

Every year, our members go above and beyond when it comes to giving back to their communities by providing relief and support to colleagues, neighbors, families and strangers in their greatest times of need.

Whether it means ensuring families have food on the table or supporting employees who serve double duty as volunteer firefighters and emergency rescue personnel in their communities, co-ops step up when it counts. Some programs address immediate needs such as disaster relief while others occur year after year until they become a neighborhood tradition. No matter the occasion, co-ops are stepping up to meet the needs in their local communities.

NCFC is proud to share some of those stories in our first Sustainability Report, which highlights our members' dedication to one of its core sustainability principles: community well-being.



Lending a hand in the community

As a producer-owned co-op, Darigold's history is rooted in a strong sense of community and the idea of giving back

to your neighbor. In the past several years, Darigold has donated more than \$250,000 in support of hunger relief efforts, agricultural education and programs celebrating healthy diets and lifestyles. Contributions have gone to more than 100 organizations, from the very small to the largest regional nonprofits and academic institutions.

In addition, Darigold donates literal truckloads of dairy products to the community each year. It is more than just a pallet handoff. Darigold employees show up in person to distribute drinks to runners at the finish line, hand out chocolate milk to trick-or-treaters, supply treats to tailgaters at charity football events, deliver butter for pancake fundraisers and the list goes on. Each plant has its own sponsored events, giveaway campaigns and volunteer initiatives to match the unique aspects of its community.

For example, Darigold producer Bill Wavrin and other regional dairy farmers created the Yakima producers Dairy for Life program for their community that distributes milk to neighbors in need via local food banks and meal delivery programs. In addition, Darigold delivers approximately \$75,000 worth of milk annually to Northwest Harvest, who in turn distributes the milk to about 4,000 families each month. One recipient said, "We never thought we'd have fresh milk and are happy to receive it from our local dairy."

All of Darigold's contributions are heartfelt gifts from the wallets of their own people to their neighbors in need. In the northwest communities they call home, Darigold consistently shows up.



Whether providing milk to kids at a basketball tournament in Washington or handing out milk at a RE:FUEL event in Montana, Darigold employees consistently show up to give back to their local communities.



Telling the stories of rural America

Sustainability in rural communities is built on the long-term legacy of families who have tended farms and raised crops over multiple generations. For example, farmer-members of the Plains Cotton Cooperative Association (PCCA) have kept their communities viable over many years. PCCA members wanted to engage members of their community with a series of videos highlighting the sustainability work of the co-op’s 16,000 grower-owners across Texas, Oklahoma, Kansas and New Mexico.

The videos feature farm families describing the love they have for their work, their families and their communities, as well as their commitment to keeping each one running long into the future with continuing sustainability efforts. Families like the Abernathys in southwest Oklahoma and the Laheys in Kansas serve as a point of pride for both PCCA and their communities.

“The Abernathys were some of our first customers out of our Altus, Okla., location and have been such a vital part of our success in that area,” said one local co-op member. “We are proud to be part of their conservation efforts.”

PCCA hopes to increase awareness of and pride for today’s rural America. So far, the videos have reached over 10,000 people.



In a local school district, a warm hat for every head

Three years ago, Rocky Sanders, manager for the Aurora Cooperative’s Bertrand location, and Tiffany Langford, the site’s office manager, noticed children in the local kindergarten classes needed warm winter hats. They began to organize deliveries for the schools in their trade area, and now each year they provide a set of gloves and a stocking cap to each child enrolled.

“The kids always love it,” said Michaela Holen, a Bertrand area kindergarten teacher. “They immediately started wearing them out on the playground. Aurora Cooperative has done this every year, and we are just so very thankful for that.”

Other Aurora member co-ops soon started following the Bertrand location’s example through similar drives and other initiatives in their own communities.



Kindergarten students in Bertrand, Nebraska, model the winter hats and gloves hand delivered by Aurora Cooperative staff.

Supporting coworkers in crisis

In 2016, Aurora Cooperative employees decided their annual Christmas party should be an occasion for a new tradition: a silent auction to support a Coworker Crisis Fund meant to support fellow colleagues in times of need. Employees provided items for the auction and bid on things they liked.

The auction was a wholehearted success, and the co-op’s senior management were so moved they offered to match the funds raised through the auction. A second event was arranged at the co-op’s annual stockholder meeting, which gave even more farmer-owners the chance to participate.

To date, funds from the Coworker Crisis Fund have helped 25 different employees and their families get back on their feet following serious health issues, house fires and the death of loved ones.

The program has been an emotionally moving experience for members of the co-op, boosting employee morale and all-around company pride. The journey has also prompted employees to think of new ways they can work together to support their friends and neighbors in the community.



Milk delivers for the people of Flint

In 2016, officials declared a state of emergency for the residents of Flint, Mich. Tests had indicated a dangerous amount of lead in the city's water supply, sourced from the Flint River as a cost-saving measure.

As organizations stepped in to provide the city's residents with clean bottled water, the Michigan Milk Producers Association (MMPA) tackled the issue from another angle by working with supply partners to donate over 12,000 gallons of milk to the Food Bank of Eastern Michigan within 96 hours of learning milk's role of nutrition in meeting the community's need.

As it turns out, nutrients like the calcium found in milk can help mitigate the effects of lead poisoning in young children who have been exposed. Children are far more vulnerable to long-term developmental damage after lead exposure than adults, so access to a nutritious diet is vital to their chances for recovery. Knowing they had immediate

means to help these children and their parents, MMPA could not stand by.

Since that initial donation, MMPA continued to partner with the Food Bank of Eastern Michigan to donate an additional 24,000 gallons of fresh milk in 2016 for the residents of Flint. MMPA worked with supply chain partners including Kroger, Michigan State University Extension, Quickway Carriers and the United Dairy Industry of Michigan to arrange the Flint milk donations. In 2017, MMPA provided 150 gallons of milk per day for a year — over 54,000 gallons in total — to community food banks throughout Michigan including another 12,000 gallons designated for the Food Bank of Eastern Michigan.

According to food bank staff, the availability of milk was a source of joy for families — mothers and small children especially — as it had traditionally been one of the food bank's most widely requested but least available items. For many MMPA employees and members, the joy their organization could provide to needy families in a time of crisis was a major point of pride. MMPA membership has expressed to leadership that the co-op should continue to explore ways of assisting local food banks in the future.



IN 2017, MICHIGAN MILK PRODUCERS ASSOCIATION PROVIDED 150 GALLONS OF MILK PER DAY FOR A YEAR — OVER 54,000 GALLONS IN TOTAL.



Fighting hunger in Arkansas

Riceland provides marketing services for its 6,000 farmer-members who grow rice and soybeans in Arkansas and Missouri. Each year, the co-op's 1,500 employees receive, store, transport, process and market up to 125 million bushels of grain.

As an important member of America's food supply chain, Riceland is committed to helping solve the problem of hunger, particularly in its own communities. Arkansas consistently ranks highest of any state in the "very low food security" category. In fact, as many as one in five Arkansans don't know where their next meal is coming from.

To combat this problem, Riceland has partnered with organizations like the Arkansas Food Bank, ICCM Food Bank, Southeast Missouri Food Bank and Food Bank of Northeast Arkansas to donate over 1 million servings of rice annually.

LAND O'LAKES, INC.

Giving the tools to grow

Land O'Lakes has made a lasting commitment when it comes to educating the next generation of farmers and agricultural experts.

In Nettleton, Miss., FFA students rise early each morning to till the soil, pull weeds and grow vegetables in their group garden. Down the road, workers at the local food shelf eagerly await the garden's latest harvest. All of this is made possible by a collaboration between Land O'Lakes and Jesse Cornelius, the high school's FFA advisor and agriculture teacher.

The Land O'Lakes college internship program then offers students a chance to learn the ropes beyond high school. This program began with just 17 interns in 2007 and has since expanded to nearly 300.

"I've wanted to pursue agriculture since I was young," said intern Tyler Walker of northwest Florida. "But then in high school, I started looking into how to personalize my relationship with agriculture. I realized I really enjoy in-person contact and working with other people in business."

Walker then became a sales intern with WinField United and had the opportunity to work with citrus growers in Florida, sampling plant tissues in an effort to better understand how to prevent invasions of Spanish Needle Weed in the groves.

Whether interns end up working for Land O'Lakes, joining a local co-op or choose an entirely different career path, the organization wants to ensure they are going forward as educated advocates for the industry.





Good neighbors give back

Landus Cooperative in Iowa offers many annual grant opportunities to support its community. For the first time, local fire, EMT and rescue crews, serving more than 25 counties where the cooperative does business, were invited to apply for a new annual core grant program. Each year, \$750 will be awarded to make sure crews are well-equipped to serve local residents in any emergency.

Landus Cooperative also continued its support of local 4-H and FFA programs through its Core Grant Program in 2017, granting more than \$40,000 to programs across Iowa. Thirty FFA chapters were awarded \$750 each and 20 county 4-H programs received \$1,000 each from Landus Cooperative.

“Landus Cooperative is proud to support county 4-H and FFA programs,” said Milan Kucerak, CEO of Landus Cooperative. “Many of our farmer-members, employees and their families are involved in 4-H and FFA. Those programs play an important role in our rural communities because they focus on rural youth development, agricultural advancement and career success through agricultural education.”



Healthy children, healthy communities

This year, Maryland and Virginia Milk Producers Cooperative (MDVA) joined forces with a local grocery chain and the National Football League’s Fuel Up to Play 60® (FUTP 60) to support nutritious and active lifestyles for school children. The program has been implemented in more than 73,000 schools nationwide, helping more than 38 million students make better food choices.

FUTP 60, the nation’s largest in-school nutrition and physical activity program, was founded under the leadership of America’s dairy farmers and the NFL. The program encourages students to make better food choices by selecting healthy options like low-fat and fat-free dairy products, fruits, vegetables and whole grains. MDVA donated a portion of its milk sales as grants to local schools already participating in the FUTP 60 program.

To date, more than \$150,000 of grants have been donated to local schools through MDVA’s partnership with Giant Food.

FFA students work the Roland-Story Answer Plot® Community Garden in Story City, Iowa, to grow food for people in need within the community as part of Land O’Lakes’ Answer Plot Community Gardens program.



Photo courtesy of Land O’Lakes, Inc.



A pillar of the community

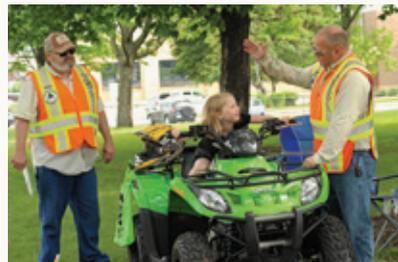
The community-building efforts of CHS Inc. and the CHS Foundation extend the positive impact of the cooperative system to make a meaningful difference to develop ag leaders for life and strengthen hometown communities.

One pillar of the CHS Inc. giving strategy is its CHS Foundation. In a strong show of support for education, the CHS Foundation this year awarded 265 scholarships to students pursuing degrees in agriculture across the U.S. It also arranged a three-year, \$3.8 million grant to support the National FFA and National Teach Ag Campaign to ensure students are better prepared to make meaningful contributions to the ag industry and ag teachers have the

resources to train those students for the future.

CHS is also a leading partner in ag health and safety excellence. Through the Seeds for Stewardship program, CHS teamed up with 62 cooperatives to support rural community projects. In the program, 20 grants supported local ag safety efforts, including grain bin extrication training and equipment for rural fire departments. In addition, more than 400 students attended Progressive Ag Safety Days hosted by CHS.

On the ground, the heart of the co-op's community-building success lies with its employees. These men and women have contributed thousands of company-sanctioned volunteer hours, banding together at CHS-sponsored charity events like the Twin Cities United Way Action Day to help pack more than 10,000 backpacks and education kits for students in need, or organizing the Relay for Life in McPherson County Kansas for more than five years.



Whether through supporting students pursuing degrees in agriculture, packing backpacks for kids in need or teaming up with local co-ops to host ag safety days, CHS Inc. and the CHS Foundation take pride in supporting community-building efforts that extend the co-op's positive impact in hometown communities.



Part of the fabric of the community

Ocean Spray established its Community Fund in 2016 to help nonprofit organizations operating in areas where grower-owners and employees live and work. The Fund delivers grants to local programs in regions of Massachusetts, Wisconsin, New Jersey, Washington, Oregon, Florida, Pennsylvania, Texas and Nevada in the U.S., as well as British Columbia, Quebec, Nova Scotia and New Brunswick in Canada. Through funding and employee volunteer efforts, Ocean Spray is proud to serve the many places it calls home.

David Bain, a training platform specialist at Ocean Spray's beverage plant in Henderson, NV, is passionate about supporting his city's senior center. The Henderson Seniors' Auxiliary is a nonprofit aiming to improve the lives of the local senior population and seniors in need. When the organization was named a 2016 Ocean Spray Community Fund grant recipient, David was thrilled to see this important fixture of his city recognized by Ocean Spray, which employs nearly 150 people in the area.

"As an Ocean Spray employee, I was proud to see our senior center, as well as Mannion Middle School's food and clothing pantry for underprivileged students and St. Jude's Ranch for Children, which supports foster kids in our area, chosen to receive grants from the Ocean Spray

Community Fund," said David. "Ocean Spray is truly part of the fabric of our community and dedicated to seeing it succeed, and this is a wonderful way to reach out to grassroots organizations that help to do just that."



Preparing young minds for the future

Producers Cooperative Association is a true champion for education across its home state of Texas. Each year, the cooperative offers scholarships to graduating seniors in surrounding counties. But financial contributions are just the tip of the iceberg for an organization that prefers a much deeper involvement in preparing young minds for the future.

For many years, the cooperative has partnered with groups like the Texas Department of Agriculture, Texas A&M AgriLife Extension, Texas & Southwestern Cattle Raisers Association and others to sponsor programs and competitions to educate and promote young people's interest in agriculture and rural life throughout its service area.

Another program, "From the Ground Up," educates community members throughout southeast and south-central Texas about agriculture's impact on their everyday lives. For the past 19 years, discussions touch on everything from how our food and fiber is produced to technological advancements coming out of the lab to rural policy decisions being made in the legislature.



Ocean Spray is not only committed to its own members and their families but the co-op also leverages its Community Fund to provide funding and volunteer support to nonprofit organizations in areas where grower-owners and employees live and work.

GROWMARK

Coming to the rescue

Employees at GROWMARK are deeply involved when it comes to making their homeland a better place. Some, like Kevin Jones, manager of the Gateway FS co-op's Prairie du Rocher location in Illinois, wear multiple hats in the community. Jones is an EMT and volunteer firefighter, and he believes his work at Gateway FS has a positive impact on his rescue work and vice versa.

"When people come into the office to buy products or deliver grain, we get to know each other," he said. "Then, when something happens and they realize I'm the guy driving the fire truck coming to put out their combine that's on fire, it just takes customer service to a whole different level."

For their part, Gateway FS remains steadfast in their support of Jones and his colleagues in part-time emergency rescue positions by allowing them to respond to calls as they come in.

"Our stewardship is not limited to the land we farm," says GROWMARK Chairman of the Board and President John Reifstack. "It includes every industry and community we do business with."

Emergency rescue efforts are just one of the many initiatives that the larger GROWMARK community supports. For children in the community, GROWMARK organizes the Pollinator Seed Program, which provides pollinator-friendly wildflower seeds to member co-ops, 4-H clubs, and local educators so each group can start a garden plot. More than 90 plots have been established in the tri-state area of Illinois, Iowa and Missouri.

Likewise, GROWMARK member cooperatives have worked with nearly 40 school districts throughout Illinois, Iowa and Wisconsin to transition school bus fleets to cleaner propane fuel.

The increased efficiency saves approximately \$30,000 to \$35,000 per bus over the lifetime of the bus, which districts can reallocate to more pressing needs.



SCHOOL DISTRICTS THROUGHOUT ILLINOIS, IOWA AND WISCONSIN SAVED \$30,000 TO \$35,000 PER BUS BY SWITCHING TO CLEANER PROPANE FUEL.



MBG Marketing

Growing The Naturipe Way

Building new connections in the community

For years, MBG Marketing has worked closely to support multiple organizations in western Michigan, including The Kids' Food Basket, whose Sack Supper program aims to curb childhood hunger, and the Southwestern Michigan Migrant Resource Council, which provides information and services to migrant and seasonal farm workers in the area.

The Kids' Food Basket's Sack Supper program delivers approximately 7,500 brown-bag dinners daily to elementary-aged children who might not have food on the table at home. With financial support from MBG Marketing and other sponsors, the program is able to send these children home with a full stomach and a brighter outlook for the next school day.

With the Migrant Resource Council, MBG Marketing is a true hands-on partner, sponsoring its mission financially

and also ensuring the organization has all the tools it needs for its outreach efforts.

"The partnership with MBG is more than just money," says Migrant Resource Council Representative Ginger Vallejo. "They are out with us in the field. MBG is always the first one to respond. They help us with the projects we do in the community to service farm workers, and they're our number one supporter."

On paper, the missions of the Kids' Food Basket and the Migrant Resource Council are very different, but MBG's mutual connection helped Lorrie Merker, MBG's Vice President of Grower Relations, realize how the two might work well together. The groups came up with the idea of having migrant children decorate the paper bags used for the Sack Supper program, directly connecting kids with other kids.

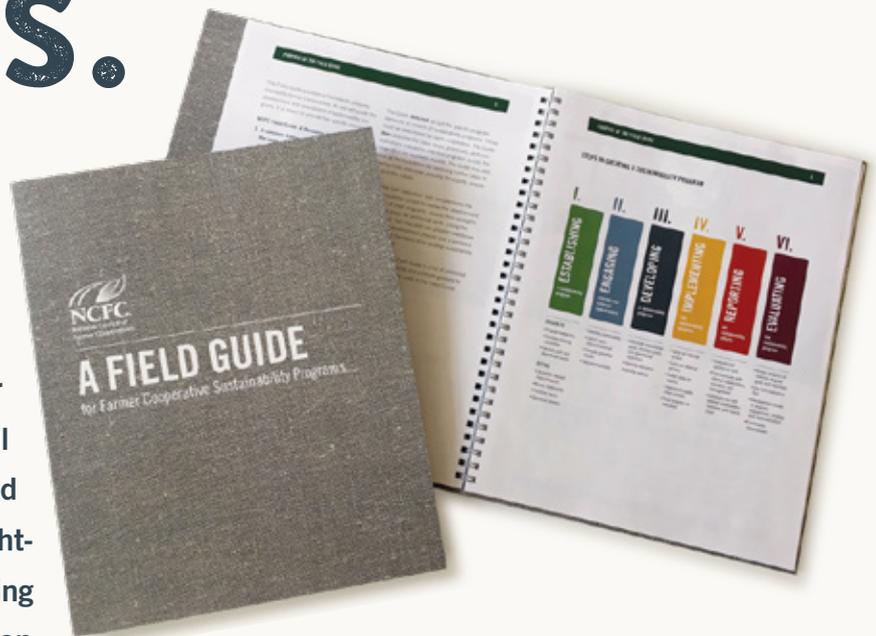
Vallejo was overjoyed with the results, saying, "It was a neat way for us to give back to MBG and to connect to agencies we never would have thought of working with. It's amazing when you share that story with the kids, and they know there are other children happy to see their art."



Support from MBG Marketing helps the Kids' Food Basket in Holland, Michigan, ensure local students in need have a meal at night through its Sack Suppers program. Top: A mural at Kids' Food Basket depicts how the program works and the way it benefits local students. Bottom left: Volunteers pack sack suppers at Kids' Food Basket. Bottom middle: Migrant children decorate paper bags for use in the Sack Supper program.

GUIDING CO-OP SUSTAINABILITY EFFORTS.

Following the 2017 publication of the Field Guide, NCFC interviewed staff from member cooperatives involved with the Sustainability Working Group to get their feedback and to learn how it was useful to them. What did we discover? The Field Guide offers co-ops a simple and straight-forward template for beginning or continuing sustainability programs. Cooperatives can



take different approaches to using the Field Guide to support the development of their sustainability programs. While co-ops like Agri-Mark and MBG Marketing are utilizing the Field Guide's Self-Evaluation Tool to assess or establish benchmarks, others like Land O'Lakes and the Michigan Milk Producers Association are using the Field Guide when developing sustainability programs.

LAND O'LAKES SUSTAIN™

A resource for co-op sustainability

Land O'Lakes SUSTAIN™ utilizes the NCFC Field Guide for Farmer Cooperative Sustainability and other resources when working with ag retailers and farmers to identify and implement the most effective agronomic practices, products and technologies. Land O'Lakes SUSTAIN™ has found the NCFC Field Guide to be a particularly valuable tool outlining the basic steps to engage stakeholders and develop a foundation

for a sustainability program in a co-op business model, utilizing it in training programs for member co-ops.

In 2018, SUSTAIN™ will continue to offer the Field Guide as a resource, including it as part of the first-step process discussions with member owners.



Using the Field Guide to implement, integrate and improve sustainability

The Michigan Milk Producers Association (MMPA) is using the Field Guide as an integral part of developing its sustainability program.

Based on earlier customer interest in sustainability, MMPA decided to be proactive in developing an industry aligned program. They established three essential components necessary for a successful program: engaging with producers and customers; understanding sustainability work throughout the industry; and coordinating efforts among divisions in the company. For that reason, MMPA leadership named a full-time staff member, Kendra Kissane, to head up the co-op's sustainability efforts.

Kendra based the implementation plan for MMPA's sustainability program on the NCFC Field Guide. She used the framework in the Guide to describe the steps Michigan Milk would follow in its sustainability work. The plan was presented to the board of directors as MMPA conducting a pilot program for the NCFC Field Guide. It laid out the internal and external benefits for the co-op and how the Guide could help MMPA capitalize on those opportunities. Board members approved the plan, noting that the resulting program could be instrumental in bridging the gap between customers and producers by helping to tell the co-op's story.

A Sustainability Integration Team was established to work internally with staff and externally with farmers. Extensive staff engagement led to a better understanding of customer questions and helped establish a consistent message from the cooperative. Kendra led the program in coordination with the sustainability management team, giving the co-op increased contact with customers and more opportunities for customers to see dairy farms firsthand.

MMPA found that farmers were often unfamiliar with sustainability and had questions. How much work will sustainability add to already busy work days? Would it make financial sense? Are the practices based on science, or public opinion? The co-op's field staff, the people who most regularly talk with farmers, played a key role in helping the co-op's members understand the importance of sustainability to the future of the co-op. They have conveyed the needs and concerns of farmers back to the sustainability team, ensuring open lines of communication and transparency.

In coordination with the Field Guide's framework, MMPA's sustainability program is capitalizing on existing farm programs their members currently utilize in their day-to-day operations to measure and report on sustainability. This allows MMPA to save time and resources and remove duplicative on-farm surveys. Since 100% of the co-op's members participate in the *Farmers Assuring Responsible Management* (FARM) program for animal welfare, MMPA is going one step further by implementing the *Environmental Stewardship Module* (FARM ES) with its members. MMPA focuses on six key performance indicators in FARM ES including energy intensity, GHG emissions, water use, soil health and nutrient management, resource recovery/feed management and animal care. MMPA also tailors energy audits to make it easier for farmers to participate in those assessments. MMPA also partners with the Michigan Agriculture Environmental Assurance Program, which identifies environmental risks on farms.

MMPA staff say their progress is a result of building a team approach from the beginning, dedicating key staff resources and having board and senior management support. They look forward to expanding on this success in the coming year by establishing new metrics and refining key performance indicators.

“THIS IS NOT JUST A MARKETING THING, BUT AN INDUSTRY STANDARD WE ALL WORK ON TOGETHER.” — JOE DIGLIO, MMPA GENERAL MANAGER



**D.C. CENTRAL
KITCHEN:
FEEDING THE
COMMUNITY.**

At the end of 2017, co-op community members helped combat food waste and community hunger by preparing nutritious meals at the D.C. Central Kitchen (DCK), a nationally recognized nonprofit based in Washington, D.C. DCK fights hunger differently by providing healthy food to at-risk people in D.C. as well as job training in the food service industry for marginalized citizens. Staff members from multiple co-ops and partners including CoBank, American Crystal Sugar Company, CHS Inc. and the Farm Credit Council spent hours cutting, chopping and peeling hundreds of pounds of donated food.

With the help of volunteers like our NCFC community members, DCK creates 5,000 balanced meals each day from food that would otherwise be wasted. The meals are then delivered to nearby homeless shelters, rehabilitation

clinics, transitional homes, nonprofits and after-school programs in the D.C. community.

“NCFC and our members have enjoyed the opportunity to partner with DCK in many ways over the past several years,” said NCFC President and CEO Chuck Conner. “It was a privilege to join forces with our friends and members, and take the time to give back to our local community.”

CoBank also supports DCK’s work to source local produce for school food and the Healthy Corners program on an ongoing basis. DCK sources ingredients from more than 30 local family farms to scratch cook high-quality, nutritious school meals. The Healthy Corners program delivers fresh produce and healthy snacks to corner stores in D.C.’s food deserts. CoBank not only funds DCK, but has an associate serving as the chairman of the board.



The Washington, D.C. co-op community joined forces to combat hunger and food waste by volunteering at the D.C. Central Kitchen in December.

2017 brought with it a particularly brutal wave of natural disasters. By year's end, powerful hurricanes and sweeping wildfires had destroyed record amounts of property and displaced thousands from their homes. However, 2017 also brought hope in the shape of an overwhelming community response to those in need.

Co-ops respond in times of need

Farmer cooperatives including GROWMARK, Welch's, Sunsweet Growers, MBG Marketing, CHS Inc., Land O'Lakes, Farm Credit Bank of Texas, Producers Cooperative Association, MFA Oil Company, MFA Incorporated, Southern States, CoBank and others stepped up, providing invaluable on-the-ground assistance, necessary products and millions of dollars in financial donations to disaster relief efforts both in their local communities and around the world.

SOUTHERN STATES

In the wake of the devastation from Hurricane Harvey, Southern States employees collected everything from cash to food to bedding for horses in need. One retail location collected supplies and worked with a group of local cattlemen to load the donated items and coordinate their shipment to Texas. And another location collected funds from employees

that were matched dollar for dollar by the company, raising enough money to fund 15,000 meals at the Houston Food Bank.



When Hurricane Maria ravaged the island of Puerto Rico, Welch's stepped in immediately to assist in relief efforts, and they continue to do so today. In addition to financial donations, the co-op has collaborated with local distribution partners to provide products to relief organizations and distribute juices directly to communities in need. They have provided sponsorships to local organizations that are providing meals, medical aid, shelter and more. Puerto Rico has been a valuable part of Welch's long history, and the organization is committed to being a part of its rebuild, fueled by the spirit and dedication of its residents.

There are just two of countless instances of farmer cooperatives helping until the job is done.

HURRICANES IRMA AND HARVEY WERE RESPONSIBLE FOR NEARLY \$150 BILLION



IN ECONOMIC LOSSES TO TEXAS, FLORIDA AND SURROUNDING STATES. ONE OF THE LARGEST RECIPIENTS OF CO-OP DONATIONS, THE AMERICAN RED CROSS, USED DONOR DOLLARS TO PROVIDE SHELTER, FOOD, COMFORT AND EMERGENCY SUPPORT.

WILDFIRES CONSUMED OVER 650,000 ACRES OF FARMLAND

IN KANSAS, OKLAHOMA, TEXAS AND COLORADO. CO-OP MEMBERS FROM ACROSS THE NATION COMBINED RESOURCES TO REACH OUT WITH HELP, CASH, FEED AND MILK.



NCFC'S CO-OP MEMBERS ACTED TO



PROVIDE AID

IN THE FORM OF MONEY, PRODUCTS AND BOOTS ON THE GROUND.

IN 2017, MEMBER COOPERATIVES DONATED OVER \$2.5 MILLION

AND TENS OF THOUSANDS OF DOLLARS MORE RAISED BY INDIVIDUAL EMPLOYEES.

Sustainability is in the soul of every farmer
and at the heart of co-op success. Discover how
NCFC and member co-ops bring sustainability to
life every day at CoopSustainability.org.





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