

# 2023 SUSTAINABILITY UPDATE

In 2022 we set goals related to our 13 sustainability commitments, in 2023 we closely monitored and set out to make progress towards achieving these goals. As we go forward into 2024 we continue to strive towards our goals, measure our progress, and uphold our commitment to deliver high quality, nutritious, safe and sustainable milk products to the marketplace.

**PROGRESS TO REACH OUR TARGETS\***

- Achieved
- On track
- No change from 2022
- Needs attention

RESPONSIBLE FOR **PEOPLE** Uphold a safe, innovative and trusting environment for members, employees and stakeholders to thrive.

Sustainability Commitment	Goal	2023 Status
Customer Privacy	100% of enterprise employees enrolled in cyber security training with active information security accounts completing training	●
	0 complaints from customers related to data privacy	●
Employee Training and Education	Achieve high reaction rates associated with training and development programs	●
	Improve employee perceptions of organizational support for professional development	●
	Improve employee perceptions of training effectiveness	●
Farmer Livelihood	50% of members using online member portal	●
	Member participation in every 2 year co-hort available	●
	Increase member participation in paperless communication	●
Occupational Health and Safety	<2.10 safety incident rate	●
	98% completion of all Safety Management Plan items at all Foremost Farms Plants	●

RESPONSIBLE FOR THE **PLANET** Optimize dairy operations to maintain environmental integrity and enhance natural resources.

Sustainability Commitment	Goal	2023 Status
Animal Care	100% member participation in FARM program	●
	<200,000 average somatic cell count/ml of milk	●
Environmental Compliance	98% completion of all Environmental Management Plan tasks at all Foremost Farms Plants	●
Greenhouse Gas Management	Achieve greenhouse gas neutrality by 2050	●
Wastewater Management	100% of treated process wastewater and non-contact cooling water discharged to surface waters of the state in compliance with issued permits	●
	100% of high strength wastewater land application in compliance with issued permits	●
Water Conservation	Implement water recycling practices at all Foremost Farms plants	●
	Survey members to understand the % of farms with a water stewardship practice in place	●
Water Quality	Complete 100 hours of restoration work at an Adopt-A-Wildlife location	●
	Survey members to understand the % of farms with a land conservation and/or irrigation practice in place	●

RESPONSIBLE FOR **HEALTHY FOOD** Deliver healthy, safe, nutritious and affordable dairy products that support consumer health and wellness needs.

Sustainability Commitment	Goal	2023 Status
Healthy and Affordable Food	Provide monthly in-kind product donations	●
Product Traceability	Adherence to the Food and Drug Administration's FSMA Final Rule on Requirements for Additional Traceability Records for certain foods	●
Product Safety and Quality	No recalls	●
	100% of Foremost Farms plants certified to a GFSI-benchmarked Safe Quality Food Program	●

\*For an in depth look at our goals and commitments please reach out to the Foremost Farms Sustainability Team, sustainability@foremostfarms.com.

# 2023 SUSTAINABILITY COMMITMENT HIGHLIGHTS



In 2023, we continued to “Bring Dairy to Life” through a variety of initiatives on our member farms, in our manufacturing plants and with our employees. We are proud to share the efforts Foremost Farms has made in 2023 as we work together to strive towards our sustainability goals.



## RESPONSIBLE FOR PEOPLE

Foremost Farms cares about investing in the continued development of our employees and offering an innovative environment for employees to thrive! One highlight has been the Building Great Teams with DiSC® program. Building Great Teams with DiSC® uses the Everything DiSC® survey to assess employees’ work-place preferences and tendencies and creates a unique workplace profile that employees can utilize to better understand and communicate with their colleagues and teammates.

Since its launch in 2023, 113 employees have been through the program, 85% of whom indicated that they were extremely satisfied or very satisfied with the training they received.

Offering DiSC® sessions helps us uphold our cooperative value of “One Team” by providing employees with the resources they need to continue to grow relationships in their personal and professional lives.



## RESPONSIBLE FOR THE PLANET

Foremost Farms recognizes the dependence our cooperative has on a healthy planet. That’s why we have formed strategic partnerships to create access to programs that drive environmental and economic benefits for member dairy farms of all sizes.

In partnership with The Nature Conservancy and the U.S. Dairy Net Zero Initiative, Foremost Farms launched the Dairy Feed in Focus Program for our member-farmers in 2022. The Dairy Feed in Focus program offers financial incentives for the integration of best management practices in feed/forage production and feed efficiency. This initiative aims to make on-farm sustainability practices accessible and affordable to dairy farmers.

In 2023, 32 member-farms participated in the program influencing over 9,800 acres of cropland and 25,811 dairy cows, providing \$500,000 in incentives and sequestering greenhouse gas emissions equivalent to 1,183 gas cars driven in one year. Through this partnership, Foremost Farms continues to uphold our cooperative value to “Take Care of Our World” and position dairy as an environmental solution.



## RESPONSIBLE FOR HEALTHY FOOD

Foremost Farms demonstrates our commitment to healthy, high quality and delicious products by participating in various dairy product competitions each year!

In 2023, Foremost Farms showcased the superior quality of our cheese, butter and dry ingredients by winning multiple blue ribbons and placing within the top three across various product categories. Participating in product contests drives excellence in our manufacturing, showcases the rigor our employees have with product quality and allows our Cheese Technology and Commercial teams to demonstrate their knowledge and expertise through contest judging and product presentations.



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Highlights of our 2023 season include three first place awards at the National Milk Producers Federation Competition, 21 awards at the Los Angeles International Dairy Competition, three awards at the Wisconsin State Fair and two first place awards at the 2023 World Dairy Expo Championship. Through participation in contests, Foremost Farms upholds our cooperative value of “working with integrity” as we continue to deliver the highest quality dairy products to the marketplace.

# ESG SCORECARD



SUSTAINABILITY COMMITMENT	MEASUREMENT (KPI)	GOAL	2022	2023	TARGET YEAR
<b>RESPONSIBLE FOR PEOPLE</b>					
<b>Customer Privacy</b>	% of employees enrolled, with active information security accounts	100% of employees enrolled in cyber security training with active information security accounts completing training	92% of enterprise employee accounts	98% of enterprise employee accounts	2025
	# of customer complaints related to data security	0 complaints from customers related to data privacy	0 Complaints	0 Complaints	Annual
<b>Employee Training and Education</b>	% of individuals that felt training met their development needs	Achieve high reaction rates associated with training and development programs	No data available	85% of employees were satisfied or very satisfied with their T&D programs	2025
	Career Advancement & Development Driver Score in Annual Employee Engagement Survey	Improve employee perceptions of organizational support for professional development	49% of employees felt there was strong organizational support for their development	43%	2025
		Improve employee perceptions of training effectiveness	47% of employees felt their training helped them do their job better	47%	2025
<b>Farmer Livelihood</b>	% of members accessing online member portal	50% of members using online member portal	44.9%	45.5%	2025
	# of members participating in NMPF's National Young Cooperators Program	Member participation in every 2 year co-hort available	3 participants	3 Participants	2025
	% of farms electing for paperless communication	Increase Member participation in paperless communication	4%	4%	2025
<b>Occupational Health and Safety</b>	Safety Incident Rate	<2.10 safety incident rate	2	2.74	Annual
	% Completion of all tasks included in the Safety Management Plan	98% completion of all Safety Management Plan items at all Foremost Plants	93.70%	95.50%	2025
<b>RESPONSIBLE FOR THE PLANET</b>					
<b>Animal Care</b>	% Member participation in FARM program	100% Member participation in FARM program	100%	100%	Annual
	Average somatic cell count	<200,000 average somatic cell count/ml of milk	172,000 average	167,000 average	Annual
<b>Environmental Compliance</b>	% Completion of all tasks included in the Environmental Management Plan	98% completion of all Environmental Management tasks at all Foremost Plants	95.4%	94.7%	2025
<b>Greenhouse Gas Management</b>	% Reduction in scope 1, 2, & 3 greenhouse gas emissions compared to 2018 baseline	Achieve Greenhouse Gas Neutrality	-4.34% Number updated from 2022 report to reflect change in calculation methodology	-5.89%	2050

SUSTAINABILITY COMMITMENT	MEASUREMENT (KPI)	GOAL	2022	2023	TARGET YEAR
<b>RESPONSIBLE FOR THE PLANET</b>					
<b>Wastewater Management</b>	% of treated process wastewater and non-contact cooling water in compliance with issued permits	100% of treated process wastewater and non-contact cooling water discharged to surface waters of the state in compliance with issued permits	No data available	99.92%	2025
	% of high strength wastewater in compliance with land application limits	100% of high strength wastewater land application in compliance with issued permits	No data available	100%	2025
<b>Water Conservation</b>	% of Foremost plants with a water recycling practice in place	Implement a water recycling practices at each Foremost plants	No data available	100%	2025
	% of farms surveyed using the conservation practice questionnaire	Survey Members to understand the % of farms with a water stewardship practice in place	No data available	9.4% Survey collection efforts to increase in 2024	2025
<b>Water Quality</b>	# of volunteer hours restoring wildlife area	Complete 100 hours of restoration work at Adopt-A-Wildlife location	No data available	103 hours	Annual
	% of farms surveyed using the conservation practice questionnaire	Survey Members to understand the % of farms with a land conservation and/ or irrigation practice in place	No data available	9.4% Survey collection efforts to increase in 2024	2025
<b>RESPONSIBLE FOR HEALTHY FOOD</b>					
<b>Healthy and Affordable Food</b>	Lbs of product donated	Provide monthly in-kind product donations	No data available	Monthly donations to begin in 2024	Annual
<b>Product Traceability</b>	Yes or No	Adherence to the Food and Drug Administration's FSMA Final Rule on Requirements for Additional Traceability Records for Certain Foods	Yes	Yes	Annual
<b>Product Safety and Quality</b>	# of recalls	No recalls	No recalls	No recalls	Annual
	% of Foremost plants certified to GFSI-benchmarked Safe Quality Food Program	100% of Foremost plants certified to a GFSI-benchmarked Safe Quality Food Program	100%	100%	Annual



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