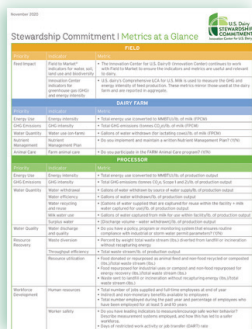


U.S. Dairy Stewardship Commitment (Overview)

This document is a comprehensive overview that details the intent, benefits, alignment, and execution of the Stewardship Commitment. The resource is intended for all sectors of the dairy value chain with an interest to fully understand the Stewardship Commitment and roles they can play. This audience includes farmers, cooperatives and processors, dairy buyers and third-party stakeholders.

To maintain and enhance the Stewardship Commitment's value, this resource is refined and updated annually. Recent updates of the Stewardship Commitment overview include the following:

- Description of U.S. Dairy's Environmental Stewardship Goals and role of the Commitment
- New areas of alignment with global standards and protocols, including Science-Based Targets, financial sector environmental, social and governance (ESG) disclosure and the SAI Platform Sustainable Dairy Partnership (SDP)
- Details on the Stewardship Commitment-aligned Processor Stewardship Reporting Tool
- Current Stewardship Commitment Terms of Adoption, refined in 2022



GHG Inventory Guidance Handbooks (Scope 1, Scope 2 & Scope 3)

In 2019, the Innovation Center developed comprehensive greenhouse gas (GHG) accounting and reporting guidance for processors and cooperatives. It was extensively reviewed by the World Resources Institute (WRI) and determined to be compliant with the GHG Protocol's Corporate and Corporate Value Chain Standards. As a result, WRI formally endorsed the guidance with the 'Built on GHG Protocol' Mark, the **first agricultural sector guidance to obtain this mark of endorsement**.

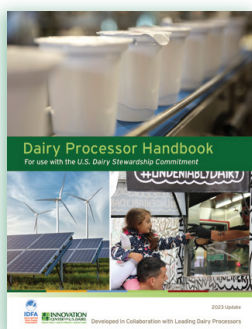
The guidance was developed to streamline and ensure consistent reporting of the Stewardship Commitment's GHG intensity metric through one proven, globally recognized and credible method. For companies that report GHG emissions, the mark assures acceptance in supply chain and ESG disclosures, as well as CDP, Science Based Targets, and other established platforms. The resource is comprehensive, including guidance on Scope 1 (direct emissions from owned or controlled sources), Scope 2 (indirect emissions from generation of purchased energy), and Scope 3 (indirect supply chain emissions) GHG emissions. The Scope 3 guidance **ties directly to the FARM Environmental Stewardship calculator (FARM ES)** as the measurement and reporting platform for on-farm U.S. dairy GHG emissions.

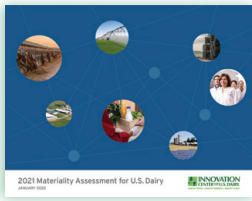
The guidance further strengthens stakeholder support for FARM ES through highlighting the GHG Protocol's acceptance of statistical sampling in Scope 3 reporting, particularly stratified random sampling such as that developed for FARM ES and outlined as a Stewardship Commitment Term of Adoption.



Dairy Processor Handbook

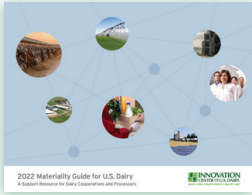
The Dairy Processor Handbook is a complementary resource to the U.S. Dairy Stewardship Commitment. It provides detailed guidance processors can use to assess the sustainability of their operations, highlight responsible management practices and demonstrate progress based on the Stewardship Commitment's processor metrics. The Handbook's measurement and reporting guidance ties directly to the Stewardship Commitment and dairy processor Terms of Adoption through the **Processor Stewardship Reporting Tool**, the mechanism by which adopting processors share information called for in the Stewardship Commitment.





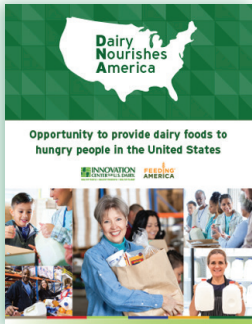
U.S. Dairy Stewardship Commitment Materiality Assessment

The Stewardship Commitment advances dairy sustainability across multiple social responsibility dimensions, and in 2019 the Innovation Center released an externally reviewed materiality assessment to help prioritize these efforts. Developed with extensive stakeholder input and informed by GRI reporting standards, the assessment reinforced the ongoing work of the Innovation Center and informs long-term strategic planning, including the 2020 release of industry-wide environmental goals. The Innovation Center refreshed the materiality assessment in 2021 to ensure the industry remains focused on existing priorities and identifies emerging ones.



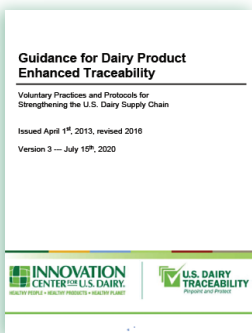
Materiality Guide for U.S. Dairy

The Materiality Guide for U.S. Dairy, created in 2019 and updated in 2022, helps dairy companies conduct their own GRI-aligned materiality assessment. In doing so, companies can identify and better understand their sustainability impacts and prioritize them to inform strategic management and reporting decisions. Further, companies can better communicate to a growing number of stakeholders interested not only in what an organization's sustainability priorities are, but also how they are determined. Conducting a company materiality, or implementing the U.S. industry materiality assessment within two years is a Stewardship Commitment Term of adoption. While relevant sustainability topics are context-specific and vary by organization, the U.S. Dairy Stewardship Commitment Materiality Assessment serves as a strong starting point and is referenced throughout this document.



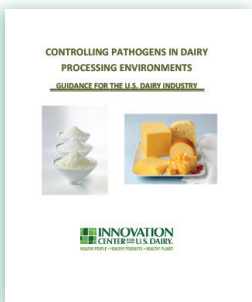
Dairy Nourishes America Tool Kit

Dairy Nourishes America (DNA) was formed through a partnership between the U.S. dairy community and Feeding America to develop community level engagement to increase the servings of milk, cheese and yogurt available for the 34+ million hungry people across the U.S. The DNA Toolkit describes four distribution models dairy companies can use to provide hungry people with access to nutritious dairy foods. It further outlines how dairy companies can get started and gain access to implementation guidance and support. Community contribution programs such as DNA are prime examples of industry leadership. To demonstrate this positive impact, communicating these efforts through Stewardship Commitment metrics is a dairy company Term of Adoption.



U.S. Dairy Traceability Guidance

Ensuring product safety is foundational to the dairy community. Core to these efforts, the U.S. Dairy Traceability Guidance focuses on product flows, record keeping, labeling, and other protocols from the plant through the supply chain to consumers. Following the guidance in the Innovation Center's Food Safety and Traceability documents is a Stewardship Commitment Term of Adoption for dairy processors. Version 3.0 of these Guidelines was released in July 2020.



U.S. Dairy Pathogen Control Guidance

Pathogen Control Guidance for U.S. dairy processors was developed in 2019 and provides best practices for controlling pathogens in dairy manufacturing facilities. This guidance was developed by subject matter experts and builds upon the Listeria Control Guidance issued in 2016. Dairy processors can use this guidance to inform robust food safety programs and management systems. Following the guidance in the Innovation Center's Food Safety and Traceability documents is a Stewardship Commitment Term of Adoption for dairy processors.