



Corn Milling



2008 Malcolm Baldrige National Quality Award Application

Organizational Profile

P.1a Organizational Environment: Cargill Corn Milling North America (CCM), headquartered in Minneapolis, MN, is a manufacturer of value-added corn- and sugar-based products serving the Food, Feed and Fermentation market segments. CCM is a business unit of Cargill, Incorporated, a privately-held international provider of agricultural, food, and risk management products and services.

Cargill entered the corn milling business in 1967 with the acquisition of a small plant located in Cedar Rapids, IA. Over the past four decades, CCM has grown by focusing on our customers, developing our employees, and expanding our product portfolio into more value-added products. Plants were built in Dayton, OH, Memphis, TN, Eddyville, IA, and Blair, NE. Corn Milling later leased the Wahpeton, ND plant and acquired the Decatur, AL plant. Cargill's Dry Corn Ingredient business unit joined CCM as a product line adding plants in Indianapolis, IN and Paris, IL. This growth has increased our complexity and diversity while enhancing our ability to provide distinctive value and become the partner of choice for our customers.

Products & Services: Figure P.1-2 lists the product lines for each market segment (Food, Feed, and Fermentation) served by CCM. These product lines deliver over 60 products to over 3,000 customers. Product delivery mechanisms include pipeline connections with co-located customers, bulk truck, rail, and barge shipments. CCM production locations and terminals load over a thousand product shipments each day. Services provided to customers include technical service, utilities and administration service, and third party marketing and sales services. Technical service includes problem solving and application development. Utilities and administration support are provided for our co-located customers. Marketing and sales services are provided for sugar producers and ethanol producers referred to as marketing alliances. These services are marketed separately to leverage our production capacity and distribution network to help these producers find the best markets.

Organizational Culture: CCM supports Cargill's vision to become the global leader in nourishing people. CCM's Vision, which includes our Purpose, Mission, and Values along with our core competencies as shown in Figure P.1-2, defines our culture and provides guidance, alignment, and integration for all stakeholders and their activities. In 2007, the CCM Purpose was revised to reflect Cargill's long-term strategy. The Mission was first established in 2000 and has been modified to reflect additional product line opportunities and customer and market needs. The Values reflect the characteristics and

behaviors needed to accomplish our Purpose, Mission, and long-term strategies. Values are guiding principles for all stakeholders and are integrated throughout our business. Core competencies are key areas of expertise providing sustainable advantage.

Workforce Profile: CCM's employees come primarily from communities surrounding our facilities. We segment our workforce into three categories. *Non-Exempt Production* includes all operators, *Non-Exempt Support* includes all administrative support positions, and *Exempt* includes supervisors, managers, and technical/professional personnel (i.e. Engineers, Quality Assurance, R&D, Technical Service, Sales, Accountants, Merchants). CCM has multiple job functions in each of these broad categories: Manufacturing, Risk Management, Sales, Quality Assurance, R&D, Technical Service, Procurement, Logistics, Transportation, Finance, Engineering, Maintenance, Automation, Human Resources, and Administration.

Technologies and Equipment: The corn milling process is primarily a continuous process consisting of: *Dry Corn Grinding* – Preparing dry corn for sizing. *Wet Corn Separation* – Separating corn into four basic components: germ, feed, meal and starch. *Conversion* – Continuous and batch processes used to convert starch slurry into dextrose and fructose. *Refining* – Processes used to clean and purify product prior to shipping. *Fermentation* – Enzymatic transformation of organic compounds by microorganisms. Technologically advanced distributed control systems are used to operate and troubleshoot the equipment and processes at all CCM facilities. CCM's corporate functions, plants and terminals are networked together. CCM employees interface daily with computer hardware and software systems to control the production and distribution processes or to access data and information required to perform their work.

Significant equipment used in production facilities include processing and storage tanks, screening and sizing equipment, grind mills, high pressure steam boilers, centrifuges, rotary vacuum filters, steam tube dryers, flash dryers, enzyme reactors, isomerization columns, demineralization columns, carbon columns, check filters, pumps, evaporators, weigh scales, lab and process instrumentation, fermenters, and sterilizers. Equipment used in terminals includes storage tanks, product load and unload pumps, weigh scales, and lab equipment.

Regulatory Environment: CCM operates under requirements and regulations established by various regulatory agencies, including the following: U.S. Department of Agriculture (USDA), Food and Drug Administration (FDA), Occupational Safety and Health Administration (OSHA), and Environmental

Protection Agency. Additionally, CCM follows Cargill Governance Guidelines, Food Safety and Hazard Analysis Critical Control Point (HAACP) requirements, General Accepted Accounting Principles (GAAP), Kosher and Halal inspection guidelines, and all applicable federal, state and local laws and regulations.

FIGURE P.1-2 CCM VISION

PURPOSE	To be partner of choice of the customers we serve.
MISSION	Cargill Corn Milling delivers distinctive value to customers in: FOOD: including High Fructose Corn Syrup (HFCS), Corn Syrup, Sugar, Corn Oil and Dry Corn Ingredients (DCI) FEED: including Gluten Feed and Gluten Meal FERMENTATION: including Ethanol, Acidulants and Industrial Starch
VALUES	Demonstrate Integrity, Injury Free, Expand Customer Focus, Be Innovative, Develop Talent, Promote Collaboration, Demand Accountability, Strengthen Communities
CORE COMPETENCIES	Risk Management and Origination; Technical Support; Supply Chain Management; Corporate Social Responsibility

P.1b Organizational Relationships

CCM is part of the Cargill Food Ingredients and Systems (CFIS) platform. The CFIS platform reports to the Cargill Corporate Leadership Team (CLT). The CLT reports to the Cargill Board of Directors. The Cargill Guiding Principles (**Figure 1.1-2**), reporting requirements, functional accountabilities, leadership structure, and policies govern CCM. The CCM President, accountable for all CCM activities and results, reports to CFIS leadership, part of Cargill's Corporate Governance structure. The CCM President reviews progress monthly with Platform and Corporate Leadership to discuss strategy, key business initiatives, large capital projects, and progress toward goals. The CCM President leads the Senior Leadership Team (SLT) and the Senior Management Team (SMT). The SLT is a group of senior CCM leaders responsible for setting CCM strategic direction and policy. The SMT is a larger group, which includes the SLT, Product Line Leaders, Functional Area Leaders, Commercial Managers, and Facility Managers. The SMT is responsible for business unit communication, resource allocation, and engagement. CCM utilizes a product line structure and matrix management approach to leverage knowledge within common functions.

Customer Groups, Markets & Requirements: CCM provides products, services and innovative solutions in the Food, Feed, and Fermentation segments and serves diverse customer groups such as: food manufacturers, bottlers, cattle feeders, pet food manufacturers, fuel manufacturers, dietary supplements manufacturers, and paper manufacturers. Key market requirements and expectations for our customer groups include error free deliveries and food safe products. Many mechanisms are used to communicate customer requirements and customer feedback to the CCM organization, and to relay CCM performance information back to customers.

Suppliers & Supply Chain Requirements: Our most important suppliers are corn farmers, transportation service providers, energy producers, and chemical manufacturers. CCM deploys appropriate resources to build relationships and monitor business trends related to our suppliers. The CCM supply chain is defined as the transportation of raw material to our facilities through the delivery of final product to our customers. The key requirements of our supply chain are meeting product or service specifications, and complying with relevant regulatory requirements.

P.2a Competitive Environment

CCM operates in extremely competitive markets offering unique challenges for each of our product lines. Since 1999, the corn sweetener industry has been impacted by a decline in demand, a restricted Mexican border for imports, and rising energy, transportation, and processing ingredient costs. The challenging market situation has resulted in industry consolidation. More recently, as a result of the rising fuel costs and substantial government subsidies, ethanol as a fuel additive has become much more attractive. Corn is now being valued on its capacity to create fuel rather than food or feed, putting more pressure on food manufacturers. Changes in diet, including a decrease in soft drink consumption based on perceived health concerns associated with added sugars,

adversely impact demand.

P.2c Performance Improvement System

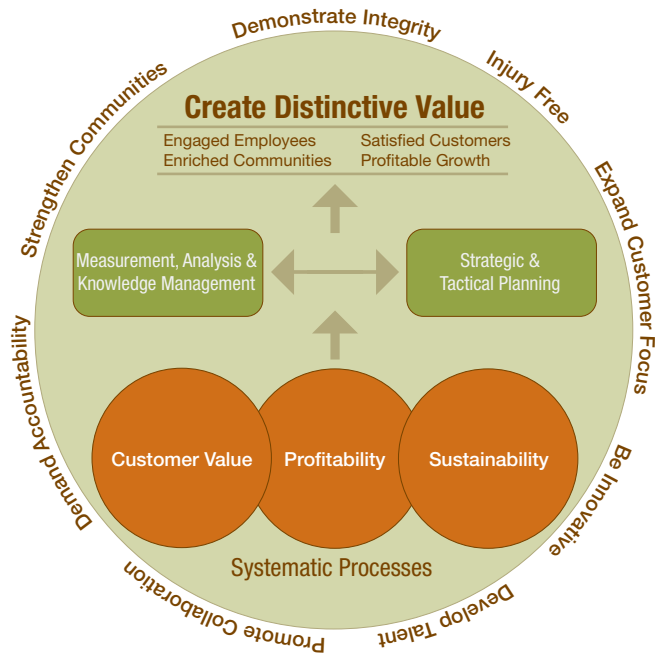
Business Performance Improvement Approaches: **1)** The SLT uses the CCM Leadership System (**Figure 1.1-1**) to establish the Vision and Values, communicate organizational performance and governance, define direction, and deploy strategy and plans. **2)** Systematic Strategic Review (SR) and Annual Business Planning (ABP) Processes are used to set the strategic direction and identify tactical actions. **3)** Monthly business performance review meetings analyze CCM Scorecard results and identify opportunities for improvement. **4)** Business Excellence (BE), Cargill's organizational framework for continuous improvement, is used to create and sustain competitive advantage based on the Malcolm Baldrige National Quality Award (MBNQA) model. In 2004, 2006, and 2008 CCM received Cargill's highest recognition, the Chairman's Award for Business Excellence. In 2006, CCM applied for the MBNQA and advanced to the consensus stage. Opportunities for improvement and strengths from the Business Excellence and Baldrige Feedback reports are systematically evaluated and prioritized by the SLT.

Process Performance Improvement Approaches: **1)** A Root Cause Analysis process is used to identify solutions to prevent recurrence of an issue initiated when predetermined threshold limits are met for safety, environmental, maintenance, production, or customer service (**6.2b**). **2)** The Management of Change process is used when a change is made to the manufacturing process that could have an impact on mechanical reliability, product quality, food safety, employee safety, or the environment [**5.2b(1)**]. **3)** The Ideas to Innovation (i2i) process is used to capture and track innovative ideas relating to new discoveries, cost efficiencies, process improvements, and creative ways to help meet our business goals and objectives (**6.2b**). **4)** Process Development Groups (PDG) are utilized to identify, pilot, share, and document best practices (**6.2b**).

1.0 Leadership

1.1a(1) Setting Organizational Vision and Values: CCM's culture and values are reflective of Cargill's vision to be the global leader in nourishing people, Cargill's mission to create distinctive value and Cargill's approach to be trustworthy, creative and enterprising. The CCM vision is defined in **Figure P.1-2** and contains our purpose, mission, and values along with our core competencies. Feedback from our 2006 MBNQA application identified defining a systematic approach for our overall leadership system as an opportunity. As a result the CCM Leadership System (**Figure 1.1-1**) was developed in 2007 using the MBNQA Criteria as the foundation for this system. In 2008, the values were reviewed and updated in order to support Cargill's new long-term vision of success. The CCM Leadership System ties all categories of the MBNQA criteria together in a visual model. Systematic processes [**6.0**] for customer value [**3.0**], sustainability [**5.0**] and profitability [**2.0**] along with measurement and analysis [**4.0**] and strategic planning [**2.0**] drive results [**7.0**] and creation of distinctive value. CCM segments results into four measurement categories: Engaged

FIGURE 1.1-1 CCM LEADERSHIP SYSTEM



Employees, Satisfied Customers, Enriched Communities, and Profitable Growth. The CCM Values surround the system and drive our behaviors and interactions with all stakeholders.

The Senior Leadership Team (SLT), a group of twelve senior leaders, sets CCM Vision and Values, which are reviewed and refined, if appropriate, by the SLT during the Strategy Review process. Major changes in the core sweetener market including overcapacity among producers and the consolidation of competitors and customers were the driving force for the 2000 refinement of our Values. At this meeting the SLT added the Values of *Profitability*, *Enterprise Thinking*, and *Competitiveness* to reflect the internal cultural changes required to respond to the external market challenges. Prior to these changes CCM production facilities operated as independent profit centers in a growing market with sufficient margins to support profitability and attract new capital. Without these changes in Values, CCM would not be as competitive and successful as we are today. In 2008, the Values were updated to align with Cargill’s long-term vision of the future and to guide CCM’s future performance. Values of *Expand Customer Focus*, *Be Innovative*, *Promote Collaboration*, *Demand Accountability*, and *Develop Talent* were added. Values were also restated to reflect action (i.e. *Demonstrate Integrity* instead of *Integrity*).

The Employee Engagement Survey is used to measure effectiveness of senior leaders and the CCM Leadership System (7.6a2-1).

Deploying Organizational Vision and Values: The Senior Management Team (SMT) includes the SLT, Product Line Leaders, Functional Area Leaders, Commercial Managers, and production Facility Managers (40 senior leaders). The SMT is responsible for the deployment of the CCM vision and values throughout the organization including all stakeholders. Senior leaders use a variety of mechanisms to deploy the Vision and Values and communicate key business information for each measurement category. Examples of these mechanisms are listed below:

SLT Tour: The SLT Tour is an annual process involving the CCM President and other SLT/SMT members who visit the nine production facilities and Minneapolis. These formal visits are designed to increase two-way communication, improve employee engagement, discuss performance, provide facility recognition, reinforce the Vision and Values, and review business direction. Facility Leadership Teams are responsible for planning and designing the day-long event in order to maximize employee involvement, provide an opportunity for exchange of ideas, and ensure time for one-on-one or small group discussion between employees and the SLT. Surveys of the SLT and plant participants are used to collect feedback and refine the process. For example, in 2004, team or department discussions replaced formal presentations enabling more candor and deeper investigation into customer focus, innovation, and high performance issues. In 2008, the SLT requested more field time to review new capital projects and facility bottlenecks.

Corn Milling Website: The goal of this website is to provide CCM with a centralized set of standard websites making data and information readily available for all employees. Every facility and functional area has a page utilizing common formats and navigational techniques. Links are provided to common corporate and external websites. Statistics on users accessing and number of hits for each page are kept for fact-based improvement. The CCM home page has received an average of over 46,500 hits per month for the past two years. Each month in 2008, to attract more usage, a SLT member writes a short description of their product line, function, or plant for the home page. The CCM IT Manager is the owner of this website.

SLT Meeting: The SLT meets monthly as a leadership team to review the overall health of the business unit, evaluate strategy, discuss and decide policy issues, project future profitability, and make final decisions on anything impacting CCM. In 2007, the SLT refined their meetings to include updates from business plan owners to review progress, align resources, and remove barriers.

SMT Meeting: The SMT holds monthly conference calls and meets face-to-face on a quarterly basis. This team reviews current performance, ensures alignment, sets priorities, and discusses projects and initiatives. The SMT cascades information from these meetings throughout the organization utilizing functional, facility, and product line meetings. In addition, regular reports and scheduled conference calls are used to ensure information is being passed to all employees.

SLT Forum: The SLT sponsors a biennial process called the SLT Forum. This process includes approximately 200 managers and individual contributors, providing the SLT another method to communicate strategy, reinforce Values, increase customer knowledge, promote team building, and recognize outstanding performance. As a refinement in 2007, the SLT Forum attendance was expanded to include over 300 CCM employees with a focus on front-line supervisors.

Annual Report: The SLT produces an annual report highlighting significant events from the previous fiscal year. This report is used to recognize employees and teams for customer focus, innovation, and high performance. The report is distributed to all employees. In 2007, the SLT

FIGURE 1.1-2 CARGILL GUIDING PRINCIPLES

1) Cargill will comply with the laws of all countries to which it is subject. 2) Cargill will not knowingly assist any third party to violate any law of any country, by creating false documents or any other means. 3) Cargill will not pay or receive bribes or participate in any other unethical, fraudulent or corrupt practice. 4) Cargill will always honor all business obligations that it undertakes with absolute integrity. 5) Cargill will keep its business records in a manner that accurately reflects the true nature of its business transactions. 6) Cargill managers and supervisors will be responsible that employees, consultants and contract workers under their supervision are familiar with applicable laws and company policies and comply with them. Further, they will be responsible for preventing, detecting and reporting any violations of laws or Cargill policies. 7) Cargill employees will not become involved in situations that create a conflict of interest between the company and the employee.

decided to deploy this report on DVD rather than the normal paper report. In October 2007, the Employee Engagement Mini-Survey Process was used to measure the effectiveness of this format and 74% of employees surveyed responded positively.

Customer Interaction: The CCM President, Product Line Leaders, Corporate Account Leaders, and direct Sales personnel communicate Vision and Values to customers during face-to-face meetings, during sales calls and relationship building events. See 3.2a(1) for more information on customer relationship building.

Supplier Interaction: SMT members and their direct reports meet annually with suppliers (such as transportation, energy, chemical and contractors) to communicate expectations, Values, and future direction.

Local Community Interaction: Facility Managers represent CCM to the local communities, communicating the Vision and Values through their involvement in local committees, professional groups or organizations.

Partner Interaction: Product Line Leaders represent CCM with partners, including marketing alliances and co-located customers, communicating the Vision and Values.

As a result of feedback from our 2004 Cargill Business Excellence process, the effectiveness of the senior leadership's communication mechanisms was identified as an opportunity for improvement. The SLT formed a team to determine the best method to improve this communication process. The team utilized a formal survey process across a random sampling of CCM employees. The survey results indicated our Exempt and Non-Exempt support employees perceived communication from leaders as being more effective than perceived by our Non-Exempt production employees. In 2005, the Engagement Strategy Team was formed and used results of this survey to make refinements to communication mechanisms and improve engagement.

Commitment to Values Through Personal Actions: The SLT/SMT develops, refines, and deploys the CCM Values and reflects their support of these Values through the way CCM: 1) Segments and interacts with customers, suppliers, and partners; 2) Conducts daily work and interactions; 3) Works to continuously improve business processes, services, and products; 4) Hires and engages all employees; and 5) Fulfills responsibilities to the public and communities in which we live and operate.

In addition CCM leaders support each Value as follows:

Demonstrate Integrity – Provide honest, timely information and feedback to all CCM stakeholders.

Injury Free – Involvement in recognition events for safety

milestone achievements, fund safety capital commitments, involvement in major safety incident investigations, and implementation and deployment of behavioral based safety program.

Expand Customer Focus – Meet with key customers, develop strategies to create customer value, and improve line of site to the customer for all employees. SLT members spend around 25% of their time meeting with customers.

Be Innovative – Promote creative thinking and problem solving, utilize the tools available, and reward innovative thinking and creation of customer value.

Develop Talent – Being supportive of training initiatives such as leadership development, Root Cause Analysis, maintenance and reliability, and valuing differences (diversity). Work with Human Capital Strategy plan to create succession plans and identify emerging leaders within the organization.

Promote Collaboration – Exhibit behaviors required to be a good team member by operating as a team at the leadership level. Look at what is in the best interest of Cargill or CCM rather than a specific product line, function, or facility.

Demand Accountability – Making timely decisions on acquisitions, customers, marketing partnerships, plant expansions, plant rationalization, and building new facilities. Hold themselves and employees accountable for results and behaviors. Develop and execute the CCM strategic plan for each product line.

Strengthen Communities – Providing funding and budget guidelines for facility charitable contributions. Through personal involvement in local organizations, outreach programs, and leading contribution campaigns (United Way, etc.). Requiring facilities to monitor and report potential environmental and regulatory incidents over and above requirements.

1.1a(2) Promotion of Legal and Ethical Behavior: The SLT requires legal and ethical business conduct at all levels of the organization. The Cargill Guiding Principles (Figure 1.1-2), are a set of seven fundamental guidelines that provide Cargill employees an ethical framework for all business. All employees receive Guiding Principles training by a CCM Manager during their orientation and all exempt employees undergo annual compliance certifications. Exempt employees that fail to renew their Guiding Principles training are contacted for further discussions. This training is reinforced with exempt employees during annual Performance Management Process behavioral evaluations. Violations of the Cargill Guiding Principles will result in disciplinary action up to and including termination.

The CCM Controller, a member of the SLT, is responsible

for ensuring that accounting practices follow Generally Accepted Accounting Principles. Annual internal audits are conducted to verify and validate accounting practices. A purchasing approval process is designed to prevent employees from intentionally or unintentionally making unethical decisions. CCM promotes fair practices in relationships with all stakeholders. The SMT and finance job family employees receive Committee of Sponsoring Organizations (COSO) training to understand the environment and monitoring of internal controls. This training occurs every three years to inform trainees of the controls that must be in place in an organization. It is each manager's responsibility to adhere to these controls, and to examine CCM's business controls and identify opportunities for improvement. Cargill audits financial processes and provides a problem log measure (7.6a3-1).

1.1a(3) Creation of a Sustainable Organization: Within the established limits and guidelines set forth by the Cargill Board of Directors, the SLT has the authority to make decisions regarding the day-to-day running of the business, including setting future goals and directions. As a Cargill business unit, CCM adheres to all corporate requirements including reporting lines with respect to governance requirements, Cargill Guiding Principles (Figure 1.1-2), financial reporting, and risk management processes. Internal and external audit teams periodically audit CCM for compliance to these Cargill standards. Regular communication with the Platform Leaders is maintained to advise them of CCM activities and successes. A formal budgeting, planning, and capital investment process is fully deployed and systematically utilized within Cargill.

The SLT's approach for creating a sustainable organization includes: **1)** Maintenance of business by reinvesting capital and utilizing outside expertise for support in areas outside our core competencies; **2)** Reinvigorating people through skills training, new opportunities, and bringing in new talent from the outside; and **3)** Creating a winning strategy which includes: **a)** Identifying long-term options (10 years out); **b)** Analyzing opportunities and various options (5-years out); **c)** Executing on short-term objectives; and **d)** Balancing risk with return. This approach is used during the Strategy Review (SR) process and the Annual Business Planning (ABP) process and during SLT meetings, as appropriate.

Priorities for performance are set in the strategic plan and are changed or confirmed as the result of weekly, monthly, quarterly, semiannual, and annual performance review processes. The SLT sets short-term goals and directions for CCM through the ABP process, interacting with customers and employees to discuss their goals, reviewing internal measures, and analyzing trends. See Figure 2.2-1 for the key performance measures (CCM Scorecard) regularly reviewed by the SMT. The SLT sets long-term directions for the business through the SR process.

Figure 1.1-3 illustrates the business cycle for CCM and the key processes the SLT uses to communicate Values, provide short- and long-term direction, and ensure two-way communication. Key Sustainability work processes used by CCM are outlined in Figure 6.1-3.

Creation of Performance Improvement Environment: The SLT

creates the environment for performance improvement by establishing the purpose, mission, and strategic objectives, and providing employees with the tools and training required to perform their functions. Well-trained CCM employees are empowered to make decisions based on CCM Values to achieve the mission and strategic objectives of the business unit. Employees, either individually or as members of teams, will establish goals and objectives, measure performance, make adjustments based on results, and communicate progress toward the achievement of goals and objectives. The SLT recognizes performance through the Performance Management Process (PMP), salary increases, incentives, promotions, and other awards.

Following our Business Excellence self-assessment in 2001, the SLT formed a cross-functional team to study the CCM innovation process. CCM has a history of innovative products and services; however, it was recognized that our approach was not systematic and we had pockets of innovation without full deployment. The result of this study was the formation of a cross-functional Innovation Team with representatives from each facility, product line, and functional area, guided by the SMT. To further promote our *Be Innovative* Value, the Innovation Team developed processes and methods including new innovation tools and training, rewards and recognition for innovative ideas, as well as innovation metrics and an idea capture system. In 2004, the Ideas to Innovation (i2i) process for capturing, recording, and evaluating innovative ideas was improved, making it easier for employees to enter their ideas and reducing cycle time for review of ideas. Benchmarking other business units and outside organizations has been a major source for helping design and improve the innovation process. In 2008, we created a formal process to solicit innovative ideas from external sources such as customers and suppliers. See 6.2b for more explanation of the innovation process.

Our Value of *Promote Collaboration* and our organizational structure allow us to pool resources for maximum flexibility. The SLT encourages employees to take on additional responsibility, which is a key factor in our ability to be an agile organization. For example, in 2005 the SLT decided to restart our Dayton, OH corn sweetener plant. Multiple resources from every facility were required for the startup. Temporarily transferring employees to Dayton left gaps that were assumed by increasing responsibilities of the existing workforce. Similarly, in 2007 and 2008, resources were needed for an expansion and start-up at our Blair, NE facility.

Cargill looks to CCM as a role model for collaboration, talent development, and profitability. CCM is a significant net contributor of people and talent to support major initiatives within the Cargill Food Ingredients and Systems Platform and Cargill-wide. For example, in 2004, the CCM President was 100% dedicated to leading the initial development phase of the "Go to Market" project for approximately six months. In 2005 and 2006, "Go to Market" and another initiative, "Order to Cash," were two Cargill Food Ingredient and Systems platform level initiatives being implemented to provide strategic alignment and consistency while serving our common customers, to improve the overall customer experience with Cargill, and to improve working capital.

FIGURE 1.1-3 CCM BUSINESS CYCLE FOR FY09

MONTH	SIGNIFICANT BUSINESS EVENTS AND PROCESSES
JUNE	Complete Performance Management Process (PMP) Year-end Reviews [5.1a(3)]; Development Plan Process (DPP) [5.1a(3)]; Develop employee Key Results Areas (KRA's) [5.1a(3)]; Engagement Mini-Survey Process (EMP) [5.1c(1)]
JULY	Complete employee KRA's [5.1a(3)]; Start Production Wage Review (PWR) [5.1a(3)]; Review EMP results [5.1c(1)]
AUGUST	Publish CCM Annual Report [1.1a(1)]
SEPTEMBER	Complete PWR [5.1a(3)]
OCTOBER	Review PWR findings with employees [5.1a(3)]
NOVEMBER	Benefits Open Enrollment (BOE) [5.2b(2)]
DECEMBER	Mid-Year PMP/KRA Review [5.1a(3)]; Start Salary Review Process (SRP) [5.1a(3)]; Start Budgeting Process [4.1a(3)]
JANUARY	SLT Tours [1.1a(1)]; Mid-year PMP/KRA Review [5.1a(3)]; Strategy Review (SR) process [2.1a(1)]; CPP [2.2a(2)]; Complete SRP [5.1a(3)]; Annual Financial Performance Forecast [4.1a(1)]
FEBRUARY	SLT Tours [1.1a(1)]; Employee Engagement Survey (EES) [5.1c(1)]; Review salary changes with employees
MARCH	Complete Budgeting Process [4.1a(3)]; Start Annual Business Planning (ABP) [2.1a(1)]
APRIL	Start Incentive Plan Process (IPP) [5.1a(3)]; Review EES results [5.1c(1)]; SLT Forum [biennial, 1.1a(1)]; Leadership Awards [biennial, 5.1a(3)]
MAY	Complete ABP [2.1a(1)]; Complete IPP [5.1a(3)]; Start PMP Year-end Reviews [5.1a(3)];

CCM contributed over twenty full-time resources to these strategic projects.

Creating Environment for Learning: The SLT allocates resources for organizational and workforce learning by promoting the implementation of common processes across the enterprise. The key deployment method includes the use of the Best Practice Model (Figure 6.1-4) to share knowledge gained and lessons learned. Process Development Groups (PDG) are used to identify current best practices, prioritize and reach consensus on initiatives, deploy solutions across the enterprise, establish a follow-up process to ensure compliance and effectiveness, and improve the best practices over time. In addition, other common processes used across the enterprise to encourage organizational and workforce learning include Root Cause Analysis and i2i (6.2b). CCM determines the effectiveness of the Root Cause Analysis process through system audits and performance measures. For i2i, CCM uses the idea ratio (7.5a2-1) and an Innovation Index (7.5a2-2) from the Employee Engagement Survey to measure effectiveness.

To promote individual and organizational learning, the SLT moves key people into short- or long-term assignments to take advantage of business opportunities and involve personnel in PDG and functional knowledge sharing groups. In addition, employees are encouraged to attend internal and external training classes to improve their skills and knowledge. The Development Plan Process [5.1a(3)] is used to identify career and skill development needs.

Succession Planning and Development of Future Leaders: The SMT emphasizes our *Develop Talent* Value by identifying emerging organizational leaders, discussing career and developmental plans, and mentoring these potential leaders. Succession plans with key replacements identified were created in 2003 and are reviewed and updated annually [5.1b(4)].

1.1b(1) Senior Leader Communication: The SMT utilizes formal and informal communication mechanisms to inform, empower, and engage employees. Some of the formal processes include SLT Tours [1.1a(1)], SLT Forum [1.1a(1)], Quarterly Town Hall meetings, Performance

Management Process [PMP, 5.1a(3)], Corn Milling Website [1.1a(1)], monthly Scorecard results, and the Annual Report [1.1a(1)]. The formal processes used to encourage two-way communication are the SLT Tour, Performance Management Process, and quarterly Town Hall meetings. As a refinement to the SLT Tour process, in 2004, SLT members held engagement discussions at the facilities with multiple groups of six to twelve employees. This approach provided the SLT an opportunity to candidly discuss issues important to employees at each location. This change was made to address the organizational need to clarify the underlying issues relative to employee engagement and to take steps to improve our employee engagement. Quarterly Town Hall (employee) meetings are held at each facility to discuss results, review initiatives and projects, and answer employee questions. The Plant Leadership Teams, which includes an SMT member, are the owners of this process. In addition to systematic and formal communication methods, the CCM senior leaders engage in significant informal communication, which includes open-door policies, ad-hoc departmental meetings, and cross-functional problem solving teams. CCM verifies the effectiveness of our communication mechanisms utilizing the Employee Engagement Survey results (7.4a1-5).

Role in Reward and Recognition: The SMT emphasizes our Values of *Expand Customer Focus*, *Promote Collaboration*, and *Be Innovative* using several formal recognition processes to reinforce high performance and customer focus. The CCM Leadership Award process recognizes both teams and individuals. Teams can nominate themselves for a customer focus, innovation, and high performance award. The winning team(s) will exhibit leadership in sharing learning, transferability of results, and the success of the project. Individuals can win the Leadership Award, however another employee must nominate them. The winning individual(s) are those that best exemplify the leadership capabilities of the Cargill Leadership Model (Figure 5.1-1). The SLT selects the award winners and recognizes teams and individuals during the biennial CCM awards ceremony held at the SLT Forum. The Corn Milling Innovation (CMI) Awards process recognizes innovative ideas and collaborative behaviors.

The Innovation Team along with SMT leadership selects individuals and teams from nominations submitted by their peers. In 2007, twelve separate CMI awards were presented to individuals and teams across the business unit.

Cargill sponsors corporate awards and recognition in business excellence, operations, customer focus, innovation, high performance, and leadership. The SMT encourages participation among individuals, teams, and locations in these award processes by providing time and resources for the assessment and application requirements. This recognition provides important milestones of progress on our journey to accomplish our purpose to be the partner of choice of the customers we serve. For example, in 2004, 2006 and 2008, CCM received Cargill's highest recognition, the Chairman's Award for Business Excellence, which is a biennial MBNQA-based recognition and performance evaluation process. In 2004, CCM received the Chairman's Customer Focus Award for delivering a unique trans fat customer solution and creating value for a key customer. In 2006, CCM won a Chairman's Customer Focus Award for a collaborative project with a major brewing customer and won a Chairman's High Performance Award for our work with the ethanol marketplace. In 2006, two CCM employees were honored with Cargill Leadership Awards. Three CCM plants have received Cargill Best Plant Awards, which is based on the IndustryWeek assessment criteria. Blair, NE won in 2005, Eddyville, IA in 2006, and Wahpeton, ND in 2003 and 2007.

1.1b(2) Focus on Action to Accomplish Objectives: The SMT focus on action begins with their direct involvement in the Annual Business Planning (ABP) process [2.1a(1)]. The result of this process creates accountability for performance among the product lines, facilities, functional areas and Process Development Groups. All business plans are aligned to a standard format utilizing the measurement categories of engaged employees, satisfied customers, enriched communities, and profitable growth, which are designed to balance value creation for all key stakeholders.

The CCM Scorecard (CS, **Figure 2.2-1**), a high level view of performance at the CCM business unit level, supports a focus on action to accomplish our objectives, improve performance, and achieve our vision. The CS compares actual performance with expectations, is reviewed in monthly SMT meetings, and results in corrective action plans to address performance that is below expectations. These measures represent a significant cycle of improvement and were developed as a result of our Business Excellence self-assessment in 2003 by the Business Metrics Team. The CS is evaluated as part of the ABP process and each review has improved the metrics being tracked. In 2007, the SLT began posting the CS on the Corn Milling Website for easy access for all CCM employees.

1.2a(1) Organizational Governance: CCM is governed by Cargill policies, reporting requirements, functional accountabilities, and leadership structure. Cargill is a private company governed by a Board of Directors composed of one-third Cargill senior management, one-third family-owners, and one-third outside directors. CCM's leadership structure includes Cargill Oversight, which is value-based in

that it ensures CCM's business practices and plans for value creation include the balancing of value and needs of key stakeholders, with the open assessment and communication of financial risks, to ensure protection of key stakeholder and shareholder interests. Oversight is accomplished directly through Platform leadership and reporting requirements (CCM's President reports directly to a Cargill Food Ingredients and Systems Platform Leader [CFIS]), and via functional accountabilities and reporting requirements (e.g., CCM's Controller is indirectly accountable to the Platform Lead Controller). There are three facets to Cargill Oversight.

(1) Formal Reviews – Strategy and leadership are formally reviewed annually and informally on an ongoing basis. The CFIS Platform Leader and senior functional managers within Cargill participate in reviews of CCM's strategy, and facilitate the balancing of value and risks, by attending CCM's monthly SLT meetings, as appropriate. The annual financial planning and budgeting process provides for additional strategy reviews, including review by the CFIS Platform Leader of capital plans, the annual operating budget that includes product line, facility, and function budgets, and Return on Gross Investment goals. After this Platform level review, CCM's President takes CCM's annual financial plan and commitment to the Cargill Corporate Leadership Team for final approval. Cargill and Platform leadership manage selection of CCM's President and his compensation. The CFIS Platform Leader supports and mentors CCM's President and ensures that CCM has a succession planning process.

(2) Monitoring of Processes – Monitoring of CCM business processes and their performance, including financial performance, risk position management, and associated leadership incentives. CCM uses a balanced scorecard approach for measuring and monitoring business performance. The CCM Scorecard (**Figure 2.2-1**) uses key performance measures aligned with key strategies and the Annual Business Planning process. The President's performance measures and incentives are aligned with CCM's key strategies and the fiscal commitment to Cargill through the linkage of the Annual Business Planning process with the Performance Management Process (PMP) process for individual performance reviews. The PMP process includes a "one up" step to ensure that leadership performance and incentives are reviewed at upper management levels of Cargill. The CCM President and Controller are required to attest to the accuracy and integrity of financial results and sign quarterly and annual financial reports. Functional area leaders report CCM performance results to their respective indirect Cargill functional leaders. Functional reports are submitted monthly, quarterly, annually, or periodically as required, and include performance measures for their area of oversight.

CCM purchases millions of bushels of corn each year, which represents our largest raw material cost. Risk position limits are governed by the Cargill Commodity Risk Committee (CRC), which sets specific limits for each of Cargill's business units. Position limits are monitored daily to ensure compliance to established position limits. Exceptions to preauthorized

limits must be granted by the CRC. Members of the CRC are Cargill Senior Executives. The system for managing position limits was reviewed and improved following the economic crisis in Southeast Asia and the Russian default in 2000.

(3) Audit Processes – Internal and external audit processes are used to monitor and ensure compliance with Cargill and external legal requirements. Audit frequencies vary by function and may occur semiannually, annually, or occasionally. These assess compliance to corporate and regulatory standards in financial and risk management; information integrity and protection; environmental, health and safety management; HR management; and Food Safety. Cargill uses these audits to verify management, operational, and accounting practices, and to validate the integrity and accuracy of information reported. Independence in audits is ensured because Cargill functional leaders do not report to or through CCM. Cargill uses an outside accounting firm for independent financial audits. Cargill’s Audit department conducts financial audits based on the level of risk associated with a business unit. Any CCM off-balance sheet items follow accounting guidelines and are appropriately disclosed. All transactions and balance sheet implications are fully understood and approved by the SLT, Cargill Food Ingredient and Systems Platform, and appropriate committees involving senior managers. CCM’s financial practices adhere to official professional norms, including valuations of positions, contracts, and inventories.

1.2a(2) Evaluation of Senior Leaders Performance: The SLT evaluates and improves performance using these key approaches:

- The CCM President and other SLT members meet quarterly with Platform Leaders to review performance, present strategy, and review new projects and large capital projects or investments. These meetings set boundaries, and provide direction and guidance on Cargill-wide initiatives and overall Cargill business performance. Platform Leaders will attend SLT bimonthly meetings, as appropriate, to introduce new Cargill initiatives, provide direction, discuss critical issues, and set boundaries.

- The Employee Engagement Survey generates specific feedback data from all employees on SLT leadership effectiveness. Every manager, including SLT, with over five direct reports receives a feedback report from the survey. This survey data is used to initiate work group discussions for improvement.

- The SLT Tour allows formal and informal feedback to the SLT on their management style including key attributes such as communication, listening, recognition, setting direction, and decision-making.

- Performance Management Process (PMP) is used by the entire SLT to evaluate behaviors and key objectives. The PMP process includes a “one up” step. Career development plans are a part of this process. In addition, the SMT utilizes 360 degree feedback ratings from peers, subordinates and supervisors to gather feedback on leadership styles and behaviors.

- Analysis of the CCM Scorecard (**Figure 2.2-1**), overall business results, and implementation of key strategies to improve business and create sustainability.

Input from the above methods and information from organization performance reviews is analyzed by the SLT for common themes. The SLT prioritizes the themes and develops action plans including timelines for completion to improve their individual or group leadership effectiveness.

1.2b(1) Address Adverse Impacts of Products, Services, and Operations: The SLT addresses the impact on society of our products, services, and operations during the Strategy Review process. During the environmental scan, a variety of methods are used, including expert panels, to understand mega-trends and identify concerns with products and operations. During the Annual Business Planning process tactical action plans are developed to address concerns and to ensure that the business is compliant with regulatory and legal standards. Internal and external environmental audits and food safety audits are conducted on a scheduled basis in order to ensure compliance. For example, an outside third-party company conducts annual facility audits for housekeeping, food safety, and documentation. The Environmental Department conducts monthly environmental audits, and the QA Department conducts monthly food safety audits. All facilities adhere to environmental permits for water, air, and waste disposal.

Each year environmental goals and standards for performance are reviewed and established through an iterative process between the vice president of CCM Operations and the Cargill vice president of Environmental, Health, and Safety. Each manufacturing facility and distribution terminal builds these goals and standards into their business plans and scorecards. SLT members analyze facility environmental performance at SLT Tours and as needed. At a local level, facility management teams are responsible for monitoring performance and ensuring compliance. Every variance automatically triggers the Root Cause Analysis (**6.2b**) process to identify effective solutions.

Our Food Safety Program addresses potential public health risks associated with CCM products. CCM also works with several organizations to keep up to date on the latest developments in food safety. The CCM QA Director

FIGURE 1.2-1 KEY COMPLIANCE & PRODUCT RISK PROCESSES

RISK AREAS	KEY WORK PROCESS	KEY MEASURES
Regulatory/Legal Compliance Owner–Environmental Manager	Manage Regulatory Relationships (Figure 6.1-3)	EHS 101’s ppm
		Water Usage
		Energy Usage
Product/Services Owner–QA Manager	Manage Quality (Figure 6.1-1)	AIB — Food Safety Scores
Ethical Behavior Owners–SLT	Guiding Principles (Figure 1.1-2)	Guiding Principles Training

manages the overall Food Safety Program including Hazard Analysis Critical Control Point (HACCP) and Good Manufacturing Practices (GMP) for all manufacturing and transfer terminals. The HACCP programs are available via Cargill's intranet to ensure that all appropriate employees have access to current procedures. HACCP and GMP are internally audited monthly and externally audited annually.

Anticipate Public Concerns: The SLT anticipates public concerns with our products and operations during Strategy Review process (Figure 2.1-1). During the environmental scan, information and new insights are reviewed. CCM utilizes expert panels [2.1a(2)] to gather information and develop insight into potential future concerns related to CCM products and operations. Product Line Leaders gather information about potential public concerns through their contacts with customers, trade associations, academia, and through Cargill's Washington, D.C. Public Affairs Office.

Preparation for Concerns: The CCM Environmental Manager develops strategic plans to address environmental issues. Environmental business plans are developed using input from the environmental managers at each location. These employees work with other companies as well as local, state, and national regulatory agencies to understand the direction of future policy changes.

All production facilities have representation, including facility managers, involved with relevant government and private organizations. For example, manufacturing facility environmental managers belong to a variety of non-governmental organizations that monitor environmental quality issues. All managers also participate in their respective local emergency planning commissions. Membership in such organizations allows facilities to discover community opinions and concerns before major issues develop.

The CCM QA Director monitors the latest food safety information through government and private sources and by sending employees to corporate food safety training. Membership in the Corn Refiners Association allows CCM

to monitor new food safety developments and trends specific to our industry. As a result of monitoring changes in the food safety area, a major initiative was undertaken in 2002 to reorganize the CCM HACCP program. In 2003, CCM focused on product security against potential bioterrorism threats resulting in a significant refinement to the HACCP reporting and scoring process. The improvement combined GMP audits with HACCP required control point validation process. In 2004, scoring of the monthly HACCP report was calibrated to improve consistency between facilities.

Key Compliance Processes and Measures: CCM key work processes, measures, and goals for the risks associated with regulatory/legal and product/services are listed in Figure 1.2-1.

1.2b(2) Promotion of Ethical Behavior: The SLT requires legal and ethical business practices at all levels of the organization. Cargill's Guiding Principles (Figure 1.1-2), seven guidelines providing Cargill employees a framework for any business dealing as described in 1.1a(2). All carriers are required to sign the Continuing Guarantee annually. This ensures their review of Cargill requirements concerning ethics. Violations of our ethical standards will result in disciplinary action up to and including termination for employees or loss of business for suppliers.

1.2c Support of Key Communities: CCM has a history of strong community involvement and support through financial contributions (both company and employee) and volunteer work (personal time and work time) supporting our Value of *Strengthen Communities*. CCM defines key communities as the communities where our employees work and live. The SLT requires all sites to be involved with their key communities and to establish a budget for this activity. The SLT sets the expectation that local facility management will highlight community efforts during SLT Tours. Involvement efforts focus on education, the environment, youth, and locally determined community organizations and causes. In addition, CCM supports Cargill's efforts in helping other organizations such as The United Way, Habitat for Humanity, and Water Matters. SLT members are personally involved in supporting key communities. For example, the CCM's President was the 2004 Cargill United Way Campaign Chairman. CCM further supports communities by investing in diverse suppliers and monitors this support.

Facility cross-functional contribution committees identify and prioritize their respective communities' needs. The committees use Cargill and CCM resources to reach their goals. In 2003, a steering team was formed with the objective of identifying best practices in the area of community support to share across CCM. This cycle of improvement created a more structured process, including a policy for distribution of funds to charitable organizations, standardizing the Dollars-for-Hours volunteer program, and establishing annual budget goals.

2.0 Strategic Planning

2.1a(1) Strategic Planning Process: As indicated in the CCM Leadership System (Figure 1.1-1), CCM's Key Profitability Work Process of Define Business Strategy (Figure 6.1-2) consists of two distinct processes, the longer-term Strategy

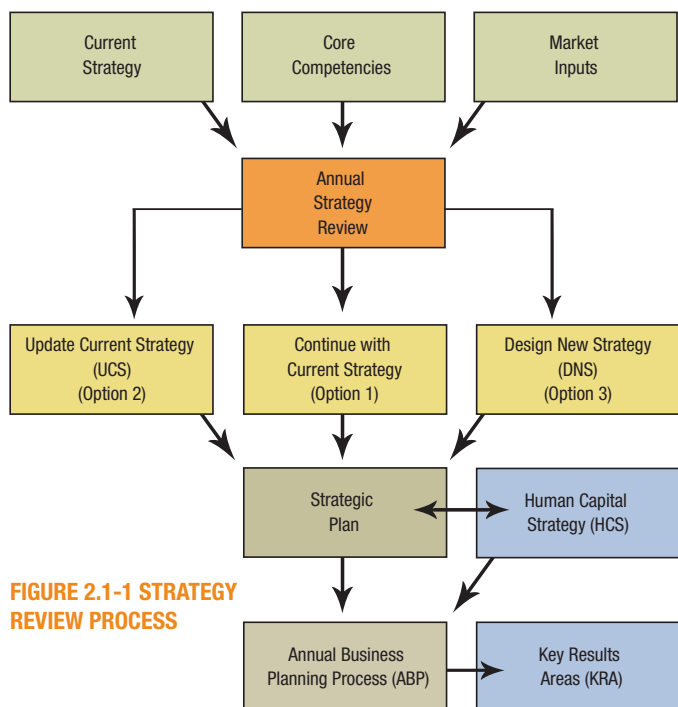


FIGURE 2.1-1 STRATEGY REVIEW PROCESS

Review (SR, **Figure 2.1-1**) process and the short-term Annual Business Planning (ABP) process. Both processes are key to the development of the overall business strategies and tactical plans.

Strategy Review (SR) Process: The SLT performs the SR annually to determine how CCM will approach strategic planning each year. Although the SR process is an annual process it can be executed at any point during the year based on key changes to the business environment. This process uses inputs such as the current CCM strategy, CCM core competencies, product line knowledge, and current and future market trends to determine how CCM will proceed with the strategy process. As part of the SR, the SLT will review our current core competencies and make adjustments if needed. There are three possible outcomes of this process. **Option 1** – Continue with the current strategy. **Option 2** – Update current strategy (UCS). **Option 3** – Design new strategy (DNS) to fundamentally change the direction of the business. The outcome of each option is the CCM Strategic Plan. This process gives CCM maximum flexibility and agility while creating the strategy. For example, the 2004 CCM strategy utilized the DNS process to create a new CCM Strategic plan because of significant predicted changes in the business environment. In 2007, CCM determined the business was fundamentally headed in the right direction and therefore utilized the UCS process to make slight course corrections. The final step of the SR process is integrated with the Key Sustainability work process (**Figure 6.1-3**), *Manage Human Capital Strategy* [5.1b(1)]. The Human Capital Strategy is based on the Strategic Plans and outlines the initiatives and actions required to support core competencies, strategic challenges, and the capability inventory assessment [6.1a (1)] plans.

Update Current Strategy (UCS) Process: The UCS, Option 2 from the SR process, allows CCM to modify the Strategic Plan for only the product lines that need changes because of challenging market conditions, consumer trends, customer preferences, new technology, regulatory changes, competitive growth, or new product introduction. These changes may not affect the strategies in place for other product lines. The SLT owns this process and utilizes the Enterprise Development Team (EDT) to lead the process. The EDT is a separate department of the Cargill Food Ingredient and Systems platform consisting of employees with diverse backgrounds and experiences. This team provides CCM with focused analytical capabilities in the areas of strategic planning, business intelligence, and deep-dive analysis of market opportunities for product lines, environmental scans, and business development. The process steps include:

1. The SLT decides to initiate the UCS during the annual SR process. This decision is supported using inputs such as the current strategy, product line knowledge, and current and future market trends. The scope of the UCS is defined by the SLT.
2. The SLT and EDT are used to form a steering committee to guide the process. For every product line in the scope of the UCS, steps 3 – 6 are executed.
3. The EDT does the pre-work by gathering information on industry drivers and formulates initiatives for the drivers.

This may involve the use of Expert Panels [2.1a(2)] to predict market and product line trends.

4. The EDT and specific CCM personnel perform financial analysis on each initiative identified.
5. The initiatives are prioritized using net present value analysis, internal rate of return, and available capital.
6. The EDT and Product Line Leaders review results and communicate which initiatives will appear in the modified Strategic Plan. The new initiatives are integrated with current Strategic Plans to ensure alignment across the business unit.
7. Modified CCM Strategic Plan is created.

Design New Strategy (DNS) Process: The DNS, Option 3 from the SR process, is used by CCM to fundamentally change the course of the business. The SLT owns this process and utilizes the EDT to lead the DNS. This process uses a layered approach to time horizons. The visionary strategy is for 10 years into the future, product innovation/consumer strategy is for 5-10 years, the customer strategy is for 3-5 years, the industry restructuring strategy is for 1-3 years, and operational excellence tactical plan is for 1 year. The DNS analysis is based the following key drivers: Customer expectations, market conditions (including customer loyalty behaviors), technological innovations, global challenges, pressure on our industry, political climate changes, health concerns, capacity utilization and capabilities, potential new products, energy costs, competitive environment, human resource needs, regulatory environment, industry and competitor consolidation, supplier, and partner needs. The SMT and EDT Team set and review the time horizons as required by the drivers. Process steps include:

1. The SLT makes the decision to initiate the DNS.
2. Cross-functional strategy teams are formed by the SLT, facilitated by EDT members, to analyze specific segments of the business. The five strategy teams created are the Steering, Food, Feed, Fermentation, and Operation Excellence. The Steering Team is focused on the visionary portion of the strategy. This team analyzes our strategic identification and whether we should reposition ourselves to grow within or outside our current product lines or market segments. This team involves SLT members and Platform Leaders. The Food, Feed, and Fermentation (3F) Teams work on product innovation, consumer, customer, and industry restructuring strategies by analyzing new products, capabilities, customer segmentation, customer targeting, divestitures, joint ventures, acquisitions or strategic alliances. These teams involve the SLT, Product Line Leaders, and other key personnel. The Operational Excellence (Op Ex) Team consists of Process Development Group (PDG) Leaders, finance, and other key CCM personnel. The team focuses on aggressively reducing costs and improving efficiencies while providing flawless execution to the customer. This is accomplished by evaluating operations, supply chain, business systems, and people requirements for short-term operation of the business unit. The Op Ex team will implement the tactical portions of the strategic directions provided by the 3F Teams.
3. **Phase 0** – The Steering Team establishes the strategic

boundaries for the next 10 years.

4. **Phase 1** – The 3F Teams work on the market strategy by identifying which strategic spaces within the Phase 0 boundaries, both new and existing, CCM should be able to successfully occupy.
5. **Phase 2** – The 3F Teams use key questions (**Figure 2.1-2**) to determine how CCM should play within each strategic space in terms of: **a)** Position along the value chain, **b)** Asset intensity, and **c)** Mode of growth and entry.
6. **Phase 3** – The 3F Teams develop high-level customer strategies that lead to sustainable competitive differentiation in the strategic spaces we elect to play in. Net present value and internal rate of return analysis are used to prioritize strategies.
7. **Phase 4** – The 3F Teams develop implementation and communication plans for their portion of the strategy. Initiatives from the Food, Feed, and Fermentation strategy affecting operations are integrated into the Op Ex strategy. Implementation of the 3F strategies is the responsibility of the Product Line Leaders.
8. For the Op Ex strategy, CCM uses a three-module approach. Module 1 identifies, evaluates and prioritizes current operational initiatives. Module 2 identifies external benchmarks and determines competitive gaps. New initiatives to address these gaps are developed and prioritized. Module 3 uses input from the 3F Teams to identify key operational initiatives based on capabilities, customers, and technology gaps. New initiatives are developed to address these gaps. PDG Leaders along with facility leadership teams are responsible for implementation of the Op Ex strategy.
9. The final strategic plan consists of a set of objectives that complement and complete the picture for CCM's longer-term goals and directions. The strategic plan is reviewed with Cargill Corporate Leadership Team and Platform Leaders at the end of each phase to ensure alignment with platform and corporate growth strategies and allow course corrections between phases.

CCM used the DNS process to develop overall strategic plans in 2000 and 2004. The major refinement to the DNS process in 2004 was using five strategy teams coordinated by the EDT to drive the creation of the overall strategy.

Identification of Potential Blind Spots: The EDT facilitates CCM teams through a systematic, structured approach during analysis phases of the UCS or DNS processes. The techniques used include brainstorming of opportunities (environmental scan), charting impact versus feasibility rankings for all opportunities, and performing strengths, weaknesses, opportunities, and threats (SWOT) analysis on the highest ranked opportunities. The most appealing

opportunities are then further analyzed by the EDT group using various models such as: **1)** discounted cash flow/net present value; **2)** linear optimization modeling; **3)** sensitivity analysis using probability distributions for independent variables such as labor, energy, product selling prices, and raw materials; **4)** calculating risk by analyzing best case, worst case, and most likely scenarios; and **5)** survey of customers to determine the relative importance of key attributes to define marketing segments. All of these analysis models are saved as contingencies for future use if basic assumptions or market conditions change.

Annual Business Planning (ABP) Process: ABP is a formal systematic process used to create the CCM short-term, one-year tactical business plans for CCM overall, product lines, functional areas, PDG, and facilities. The result of this annual process is 39 integrated one-year business plans. The process begins in March (**Figure 1.1-3**), after the completion of the annual budget process, with final business plans completed in May. The process owner is the SLT, and the process steps are described below.

1. The SLT prepares a CCM overall plan based on the current Strategic Plan, Annual Budget [4.1a(3)], Corporate initiatives, and SLT initiatives. The CCM overall plan includes next year's initiatives and target measures.
2. The SLT selects a Tiger Team to manage the remainder of the process. This team works with the product lines, functional areas, PDG, and facilities to ensure alignment of all business plans, communicates completion deadlines, and ensures consistent content and format.
3. The CCM business plan is used as a starting point for development of all product line, functional area, and PDG business plans. Leaders of these groups are responsible for the completion of their individual draft plans and work with their respective teams reviewing all proposed initiatives for likelihood of success, resources required, and fit with overall CCM direction.
4. The Tiger Team reviews the draft business plans of all product lines, functional areas and PDGs making recommendations to ensure consistency and alignment. Product line, functional area, and PDG plans are finalized from these recommendations.
5. The next step is the integration of CCM, product line, functional area and PDG business plans with facility business plans. Facility leadership teams are responsible for creating the facility business plans.
6. The Tiger Team reviews the draft facility business plans and makes recommendations to ensure consistency and alignment. From these recommendations, facility plans are finalized.
7. The SLT updates the CCM Scorecard [Figure 2.2-1] based on annual and strategic plans.

8. The ABP process is integrated with the Performance Management Process [5.1a(3)] because business plans are drivers for the employee individual key result areas completed in July (**Figure 1.1-3**).

FIGURE 2.1-2 KEY QUESTIONS IN THE STRATEGY DEVELOPMENT PROCESS

WHERE TO PLAY—Which customers? Which segments? Which geographies? Which products? Where on the value chain?

HOW TO PLAY—How much focus on each decision of where to play versus the other? What degree of strategic alliance at each step of the value chain (Solo, contractual, majority or minority position, joint venture)? What value proposition to each customer segment?

WHAT RESOURCES ARE NEEDED TO PLAY—What capabilities do we need? What processes do we need? What is the ideal organizational structure? What skills do we need?

WHEN TO PLAY—When is the right time to make our move?

Every year CCM evaluates and improves short-term planning processes in response to the shifting business environment including factors of supply and demand, customer consolidation, competitor alliances, and development of value-added products. In 2003, the SLT created the Tiger Team to drive the process. In 2006, a formal system to capture feedback from the business plan owners on how to improve the ABP process was implemented. In 2007, all business plans were converted to a web-based system and a scoring mechanism was added to measure progress and achieve our Value of *Demand Accountability*.

2.1a(2) During the Update Current Strategy (UCS) or Design New Strategy (DNS) processes, CCM utilizes a variety of people, both internal to CCM and external, to give feedback, opinions, and analyze data. By pulling in these individuals with their different professional backgrounds and knowledge bases, we capture a picture of our industry, customers, and competition. In addition a number of data sources are utilized to provide fact-based decision-making.

Strategic Plan SWOT Analysis/Environmental Scans: As part of the UCS and DNS processes, the Enterprise Development Team leads CCM teams in SWOT analysis and environmental scans. The key factors considered during the SWOT analysis/environmental scans include: customer expectations, market conditions, technological innovations, global challenges, pressure on our industry, political climate changes, health concerns, capacity utilization and capabilities, potential new products, energy costs, competitive environment, human resource capacity, regulatory environment, industry and competitor consolidation, supplier, and partner needs. Any changes in these key factors will be detected during the analysis.

Early Indicators of Major Shifts: CCM utilizes many sources, both internal and external to CCM, and processes within the Strategy Review (SR) process to collect relevant data and information in order to detect shifts in technology, markets, customer preferences, competition, and to address these key drivers when developing the strategic plan. To substantiate and enhance the data-based analysis for the SR, the Enterprise Development Team gathers additional information from sources including: *Technology* – CCM maintains memberships in professional organizations, has close ties with vendors, and utilizes the Process Development Groups to detect best practices in their area of expertise. *Markets* – To ensure direct customer input into our SR, CCM utilizes information from various listening and learning mechanisms (**Figure 3.1-1**). As illustrated, the primary methods of obtaining strategic customer information and preferences are from direct sales contact and expert panels. CCM uses direct sales contacts such as Corporate Account Leaders (CAL) and National Account Managers (NAM) as single points of contact to obtain relevant future plans and directions from key strategic customers. Other sources include information from organizations such as the Corn Refiners Association (CRA) and trade journals. *Customer Preferences* – Information is accessed based on relationships formed with customers through CAL and NAM along with Technical Service, Customer Service, and R&D personnel. Complaints recorded within the Customer Relationship Tracking system

[**3.2a(3)**] are used to gain insight into customer requirements and preferences. *Competition* – CRA data, public records (i.e. environmental permits), and annual reports are used to gather information. *Regulatory Environment* – Legal teams, lobby firms, CRA, and other organizational memberships provide information.

Expert Panel Process (EPP): The EPP is used to identify or validate industry drivers defined as established and emerging trends and potential shocks with regard to customers, consumers, technology, government regulations, suppliers, and industry players. This process is owned by the Enterprise Development Team and was added as a cycle of improvement (2004) to enhance the data driven analysis with subjective insights. An expert panel consists of industry experts, key customers, retired employees of key customers, and others knowledgeable in the industry being studied. The process used by the expert panel consists of seven steps: **1)** Brainstorm the possible drivers; **2)** Prioritize the possible drivers; **3)** Define possible outcomes for each of the drivers; **4)** Assign probabilities to outcomes; **5)** Build scenarios from driver outcomes; **6)** Assign probabilities to scenarios; and **7)** Determine how each scenario will potentially impact the market being analyzed.

Long-term Organizational Sustainability: CCM utilizes the Sustainability key work processes identified in the CCM Leadership System (**Figure 1-1.1**) and defined in **Figure 6.1-3** along with the Strategy Review process to assure long-term stability. Models from the analysis phases of the Strategy Review process, including multiple scenario analysis, are saved so they can be referenced, reanalyzed, and used to generate contingencies if assumptions about the environment change.

Ability to Execute Strategic Plan: As part of the Strategy Review, strategy teams perform several formal analytical evaluations of initiatives to determine whether an initiative should be included in the final strategy. Some of the comparative analyses for initiatives include: **1)** strategic fit within CCM versus attractiveness; **2)** risk profile versus net present value; and **3)** value for customer versus feasibility of deployment. All initiatives included in the final CCM Strategic Plan will be implemented within the 3-4 year time frame. A formal Cargill Capital Planning Process [**2.2a(2)**] supports the initiatives. Ongoing monitoring of performance, including execution of the capital plan, and environmental scans may trigger a UCS and changes in the CCM Strategic Plan. Product Line, Process Development Group and Facility Leaders are responsible for executing the initiatives within the strategic plan. Ultimately the SLT is accountable to the platform for the performance of the strategic and capital plan.

2.1b(1) Strategic Objectives: The Strategy Review establishes long-term strategies, goals, and objectives by market segments (Food, Feed, and Fermentation) and operational excellence to address diversification and rationalization based on strategic challenges. These plans are developed whenever a UCS or DNS process is executed. Long-term strategies, objectives, and goals are reviewed every year prior to the Annual Business Planning process to ensure continuing alignment of annual goals with strategic objectives. The current strategy in use for CCM was completed using the UCS process in 2007 and the

objectives are currently being executed. The strategy developed by the Operational Excellence Team is an enabling strategy driven by the Food, Feed, and Fermentation strategies, which focus on the market and customer opportunities and needs along with cost reduction and efficiency initiatives. Results from the Employee Engagement Survey [5.1c(1)] indicate a key human resource challenge, the opportunity to further improve employee engagement by taking a more strategic approach.

2.1b(2) Addressing Strategic Challenges and Advantages: Strategic challenges and advantages along with core competencies are used as drivers for the Strategy Review (SR) process to ensure we are gaining appropriate leverage from our strengths. The SR balances short- and longer-term challenges and opportunities through the use of multiple teams working on different strategic time horizons during the planning process. For example, the UCS or DNS will look at objectives anywhere from 1-10 years out depending on the scope of the strategic analysis. The varied background and perspectives of SR participants on these teams is by design and intended to help ensure that the strategic objectives provide a balance for all stakeholders by soliciting wide input during the analysis of key drivers. Innovative ideas are sourced from employees (i2i, 6.2b), customers, expert panels, suppliers and other stakeholders. Innovative product ideas, service ideas, operation ideas, or business model ideas must survive each step of SR analysis (net present value, internal rate of return, etc.) like any other objective in order to become part of the Strategic Plan.

2.2a(1) Development of Action Plans: The Strategy Review is used to create CCM Strategic Plan and define the scope, including resources required of each key strategic objective. The CCM Strategic Plan is used as a driver for the Annual Business Planning process. Therefore tactical plans for all

CCM functional areas, product lines, Process Development Groups, and facilities are directly linked and aligned with the CCM Strategic Plan. This linkage ensures the creation and deployment of action plans throughout the business unit to achieve the strategic objectives. For strategic objectives that are longer-term the objectives are assigned to a SMT member as the sponsor. The sponsor forms a team or utilizes a current team to address the objective. The team is empowered to define the action plans, resources required, and measurements used to complete the objective. Each step of the action plan includes the completion date and person responsible. The sponsor of the objective is responsible for communicating progress to the SMT and requesting additional resources, if needed. The team executes the plan, measures success, and follows-up on implementation. In order to sustain and ensure the success of a longer-term objective, measures are incorporated into scorecards or key reports reviewed by SMT members. For example, the Design New Strategy process completed in 2004 identified engagement of employees as a key strategic challenge leading to the formation of a steering committee and adding SLT members to the CCM Engagement Committee. During the 2007 Update Current Strategy process overall engagement had improved but still remains a key strategic objective specifically for our Non-Exempt Production workforce.

2.2a(2) Ensure Adequate Resources: CCM uses a formal, annual Cargill Capital Planning Process and the Human Capital Strategy [5.1b(1)] to ensure financial and people resources are available to support accomplishment of our action plans. The SMT is responsible for allocation of resources to support accomplishment of projects, objectives, and action plans. Needs are funneled to the SMT including specific capabilities, length of time required, and starting date. The SMT will then make requests to facilities, Process Development Groups, or functional areas for assistance. For example, the start up of our Blair, NE expansion project required specialized resources including chemists, operations technicians, and supervisors for a two-month period. CCM assesses financial risk using tools such as net present value and internal rate of return. All projects are subjected to this scrutiny and only the biggest payback projects are implemented. This analysis is completed during the Strategy Review (Figure 2.1-1) process in order to compare alternatives and prioritize projects. Balancing resources is accomplished by the SMT. The SMT consists of the leaders of all functional areas, Process Development Groups, product lines, and facilities and are in touch with all the strategies, objectives, plans, and resources available to CCM. It is incumbent upon the SMT to determine how much stress the organization can endure and decide when to advance or postpone implementation of actions in order to balance resources. Inputs available include the Annual Budget and Capital Plan.

Capital Planning Process (CPP): The CPP is a formal Cargill process with CCM's portion owned by the CCM Senior Engineer. The outcome of this process is the Capital Plan. Steps include: **1)** The Senior Engineer and the SMT use the Strategic Plan to drive non-base capital needs (i.e. strategic investments, expanded capacity, and new product lines); **2)** Plant Engineers develop base capital needs (i.e. money used

FIGURE 2.2-1 CCM SCORECARD

MEASUREMENT CATEGORY	MEASURE
ENGAGED EMPLOYEES	Engagement Action Plan
	Engagement Score
	Total injuries
	BBS Process Index
	Development / Growth Discussion
	Development & Growth Opportunities
SATISFIED CUSTOMERS	Customer Quality Index
	Product Rejections
	Operational Reliability Effectiveness Rate
	Plan vs. Actual
ENRICHED COMMUNITIES	Supplier Diversity Spend
	Contribution \$
	EHS 101's
PROFITABLE GROWTH	Earnings After Tax
	ROGI
	Ideas Implemented Savings
	Manufacturing Cost
	SG & A Expense

to improve a facility, such as major equipment replacement and energy recovery); 3) the Senior Engineer reviews all non-base and base capital needs for the entire business unit. All projects must have an internal rate of return calculated in order to prioritize; 4) CCM's funding request is forwarded to the platform and the eventually to the Corporate Level; 5) Cargill decides how much capital to allocate to each platform and business unit based on overall profitability, capital availability, and the overall direction of the company; and 6) capital allocated to CCM is controlled by the Senior Engineer and decisions on where to spend base and non-base capital are driven by strategies, facility improvements, high-priority projects and changing business needs throughout the year.

2.2a(3) Modifications of Action Plans: The Annual Business Planning process is used to develop annual tactical goals and plans. The CCM Scorecard is reviewed monthly at SMT meetings along with indicators reflecting progress on implementation of strategic objectives. If there are shifts in the environment or in performance of the business plan requiring a change or rapid execution of new plans, the SMT will lead the review and determine if modified action plans are necessary. As described in 2.1a(1), the Enterprise Development Team leads the analysis of strategic objectives. Models or information used to study any objective are kept for future reference allowing an objective to be re-evaluated if basic assumptions or circumstances change. If a rapid change is required, the Product Line, Process Development Group, or Facility Leaders responsible will lead meetings to define the circumstances, analyze the information, and deploy modified action plans including modified individual key result areas, if necessary. For example, in January 2008, a Corn Syrup summit was held to review every issue around production, customer feedback, initiatives, and projects for our corn syrup product line. A cross-functional group, including Operations, QA, Finance, HR, and Product Line Leaders, was used to ensure diversity of ideas in developing action plans. Plans developed at the summit are being implemented.

2.2a(4) Key Action Plans: CCM has responded to its competitive challenges through two strategic thrusts, diversification and rationalization. Strategically CCM has diversified its business with the addition of a new product line, brand extension, alliances/agreements, go-to-market strategies, and rationalizing production capabilities.

2.2a(5) Key Human Resource Plans: Below is an example of short- and longer-term action plan for a selected initiative supporting CCM's strategic objectives.

Strategic Challenge: Engagement of employees in 24x7x365 operating environment.

Objective: Build the systems and culture that sustain high employee engagement.

Key Action Plan Example (Short-term): Define a structure for performing employee focus groups, action plan development, and accountability.

Approach – SMT defines accountabilities for focus group sessions and develop a key result area for all managers and supervisors. HR trains focus group facilitators on how to conduct effective listening sessions including communication of results, discussion of results, and development of action plans. Managers and supervisors

hold focus group listening session for all natural teams and compile data from listening sessions. Each natural work team creates action plans. **Deployment** – All sites and personnel. **Learning** – Engagement survey score and employee comments from focus groups analyzed for trends and patterns. **Integration** – Link to Performance Management Process, CCM Scorecard analysis, career development, training, and compensation.

Key Action Plan Example (Longer-Term): Create a strategic approach to improve overall CCM employee engagement.

Approach – SLT defines members of strategy committee, including SMT members. Engagement Strategy Committee maps a strategic approach for CCM engagement including fact-finding, discussions, and decision making with managers. **Deployment** – Communicate and execute the strategy with 100% understanding of the personal implications of the plan. **Learning** – Engagement survey score and improved business results [Safety, customer satisfaction, community enrichment, and earnings. **Integration** – Link to Performance Management Process, CCM Scorecard analysis, career development, training, and compensation.

Impacts to People: As part of the Strategy Review, the Human Capital Strategy (HCS) is developed based on the future needs of the organization addressing workforce capability and capacity needs. During the Annual Business Planning process these strategic needs will be supported by tactical plans that may span more than one year. For example, in 2007 our HCS identified the need for training at our Memphis, TN facility to increase employee knowledge and capabilities. The annual business plans for the Memphis facility, operations functional area, and HR functional area all identify tactical plans for accomplishing this strategic need.

2.2a(6) Key Performance Measures and Indicators: See Figure 2.2-1 for the key CCM Scorecard performance measures. These high level metrics are used to provide indicators of progress on strategic objectives, initiatives, and business results and are developed during the Annual Business Planning (ABP) process. All business plans have specific metrics linked to the CCM Scorecard and are aligned to achieve balance for key deployment areas and stakeholders. Alignment of CCM employees with strategy occurs with the linkage of the Strategy Review process, the ABP process, and Performance Management Process, which leads to creation of employee Key Result Areas (KRA). KRAs are used to track individuals' progress on initiatives and action plans. KRAs are completed using the plans created during the ABP process and are formally reviewed twice per year to monitor progress [5.1a(3)]. Deployment of performance measure results is accomplished using the processes outlined in 1.1a(1), such as SLT Tours, Leadership Team meetings, SLT Forum, and CCM Website.

2.2b Performance Projections: Performance and stretch goals are used to challenge the business unit to achieve high performance through knowledge sharing and innovation.

3.0 Customer and Market Knowledge

3.1a(1) Customer Segmentation: The CCM Leadership System (Figure 1.1-1) Value of *Expand Customer Focus*

FIGURE 3.1-1 LISTENING AND LEARNING MECHANISMS

KEY LISTENING METHODS	Product Requirements	Service Requirements	Delivery Requirements	Competitive Factors	Strategic Direction	Future Requirements	Relative Importance of Purchasing Decisions	When?	How requirements are deployed?	Who uses the data?	How data are used?
Direct Sales Contact	P	P	S	P	P	P	P	Varies Based on Customer	Call Reports, MasterCard updates; Specific communication to plants, 95% Sure List, Contracts	Commercial Operations, Product Line Leaders, QA, Operations, Credit	Planning products and services, marketing, and new business opportunity
Customer Service Rep Contact	P	P	P	S	N	S	N	Daily/Weekly	Procedure changes, MasterCard Update	Operations, QA, Commercial Operations, Credit	Planning products and services, making process improvements, issue resolution
Technical Service and R&D Contact	S	S	S	P	S	P	P	Project Basis	Contact Report and Master Report	Sales Management, Product Line Leaders	Strategic planning, sales strategy, evaluate new products
Expert Panels	N	N	N	P	P	P	P	Product Basis	Strategic and Business Plans	Product Line Leaders, Sales	Strategic direction and future direction
Customer Audits	P	P	P	N	N	N	N	Based on Customer	Audit Feedback Report, Verbal Communication	Operations, QA, Commercial Operations	Planning products and services
P-Primary way to gather info S-Secondary way to gather info N-Not a source											

is demonstrated in the delivery of products, services, and unique customer solutions in the Food, Feed, and Fermentation market segments. These three market segments and ten product lines serve a diverse customer base of over 3,000 customers with a thousand product shipments each day. Because of this diversity each product line’s approach to customer segmentation is adapted to fit their specific industry.

By focusing on customers, the business has grown from a corn syrup business to a sophisticated corn and sugar processor. The Strategy Review accelerates this growth focusing on customers, markets, and core competencies. Key questions in the Strategy Review are listed in **Figure 2.1-2**. By investigating these questions, CCM identifies markets and customers where it can create distinctive value.

The Enterprise Development Team facilitates the Strategy Review process, which includes deep dives into market segments and product lines to enhance our knowledge of customers for fact-based segmentation. From this analysis, Product Line Leaders target customers and markets and develop action plans to deliver customer solutions in market segments that offer the greatest opportunity. The result of the Enterprise Development Team analysis and segmentation process refinements is increased knowledge of future market trends for a more effective fact-based customer and market segmentation.

The High Fructose Corn Syrup (HFCS) and Corn Syrup product lines are the most mature product lines with the most cycles of improvement with respect to approach to market and customer segmentation. The Customer Segmentation Matrix (CSM) is an example of how the Corn Sweeteners

product line adds objectivity to the customer segmentation process. This dynamic approach is used to segment and rank sweetener customers. The CSM includes all existing sweetener customers, customers of competitors and potential customers. Every customer and potential customer is evaluated based on four major categories – Sweetener Portfolio, Corporate Culture, Complexity, and Financial. Each major category is further subdivided into subcategories.

Each customer is ranked from one (low) to five (high) for each subcategory based on historical data, Enterprise Development Team analysis, and the sales group’s experience with the customer. These rankings allow us to sort, analyze, and report the matrix information for decision-making. This provides direction on where to focus our resources with regard to existing customers, competitors’ customers and potential customers.

3.1a(2) Listening and Learning to Determine Key Customer Requirements: The CCM Leadership System (**Figure 1.1-1**) addresses the delivery of Customer Value (**Figure 6.1-1**) through the key work process of Manage Customer Service. Through the use of this key work process, listening and learning methods are closely linked to our strategy process in order to effectively translate the voice of the customer into strategies and actions that will create distinctive value. As input to our Strategy Review process, CCM utilizes a variety of methods to listen and learn and determine the relative importance of key customer requirements and expectations. Sales and customer service personnel interact with our customers daily to determine the most appropriate approaches for listening and learning as well as ways to improve these methods. CCM uses primary and secondary

methods to obtain customer information pertaining to product, service, and delivery requirements, competitive factors, strategic direction, future requirements, and relative importance of purchasing decisions resulting in value-sharing opportunities (**Figure 3.1-1**). A primary method is the main source of gathering information from our customers. Secondary methods provide additional customer information supplementing primary sources of information. For example, sales and customer service groups extract all product and service requirements from the customer (primary source). Technical Service or R&D contacts can uncover additional requirements during customer visits (secondary source). **Figure 3.1-1** also defines the frequency of the contacts, how CCM deploys requirements, who uses the information, and how the data are used. Listening and learning processes are reviewed annually by sales and customer service prior to customer contracting.

CCM serves customers and markets in three markets segments, Food, Feed, and Fermentation. Listening and learning methods have common elements as well as distinct approaches that are appropriate for each of the segments. Common elements include dedicated sales resources led by Product Line Leaders. These resources are focused on customers and markets within their product line. In addition, all product lines use the same customer complaint management process, and use the CCM sales contracting process including win/loss data. The Feed product line utilizes these common approaches along with a distinct approach of employing Ph.D. Scientists to interact with the customers' technical counterparts in the animal nutrition industries.

Customer touch points occur at all levels of the organization and are key to listening and learning about customer requirements and expectations. This process is used by CCM to promote customer interaction at all levels of the organization. Processes used to collect and transfer data from these interactions are explained in **4.2b(2)**. For example, SLT members regularly visit key customers. Our Corporate Account Leaders are instrumental in gathering and interpreting data and information regarding the customer's industry. We invite customers to our facilities to share information regarding their business with our employees. Our technical department and R&D group interact with customers to develop new formulations and new products. Customer audits of our manufacturing facilities and terminals are important methods of learning about our customers' expectations and requirements. Product lines commonly host annual customer appreciation events for our key customers, focused on thanking customers for their business and exchanging ideas.

3.1a(3) Using Voice-of-the-Customer Information and feedback to be more Customer-Focused: As indicated in the CCM Leadership System (**Figure 1.1-1**) and illustrated in the Customer Value (**Figure 6.1-1**) key work process, customer needs and desires are addressed through our Plan and Manage New Product/Service/Solution Launch. CCM uses the core competencies of Technical Support and Supply Chain Management to drive the development of innovative solutions and create distinctive value through the use of voice of the customer ideas and suggestions. Being customer

focused by providing innovative solutions to our customers has resulted in a number of customer awards.

3.1a(4) Keeping Listening and Learning Methods Current with Business Direction: During the Annual Business Planning process, quarterly business reviews, and sales and product line meetings, the SLT and Product Line Leaders evaluate and improve listening and learning methods based on voice of the customer data and employee suggestions. These review processes have led to multiple improvements in our listening and learning methods and resources. Below are key examples of how listening and learning processes from **Figure 3.1-1** have been improved and kept current with business needs:

Direct Sales Contact: As our business strategy shifted and CCM recognized the opportunity to diversify into new markets such as branded feed and fermentation, our need for specialized knowledge increased. Based on these new business needs and directions, CCM hired Direct Sales Specialists including technical experts enabling effective communication, learning, and understanding of customers' needs in these highly technical markets. CCM collaborated with other Cargill Food Ingredient and Systems business units to develop a go-to-market strategy to enhance the overall customer experience. In addition, CCM has hired experts from the feed, sugar, fermentation, biofuels, and corn sweetener industries to augment our market knowledge and provide customer insight.

Customer Service Rep Contact: In 2001, the Customer Service Department was restructured to put more focus on the customer. The new Customer Service Team provided an enterprise-wide focus and systematic approach for listening to customer concerns, handling complaints, and utilizing processes such as Root Cause Analysis and Process Development Groups (**6.2b**) to increase learning and sharing across the enterprise. Previously, this process was more plant level and internally focused. In 2005, our supply chain department was reorganized to align Customer Service Representatives, logistics, and terminal operations with the direct sales group to improve efficiencies based on geographic regions of the country. In 2007, CCM centralized sweetener customer service to make it easier for customers to do business with CCM.

Technical Service and R&D Contact: Technical Service refinements are focused on improving the learning from customer contact and sharing the knowledge gained across the business unit and across the Cargill Food Ingredient and Systems platform in a more systematic process. A new process called Project Portfolio Management organizes and prioritizes customer driven opportunities for all business units within the Cargill Food Ingredient and Systems platform, including CCM. This approach enables greater collaboration and supports the development of more complex solutions to create distinctive value for the customer. In addition, a new training process is focused on equipping Technical Service personnel with a breadth of information about Cargill products, services, applications, and contact information to provide a more complete answer in addressing customer concerns.

Expert Panels: Refer to **2.1a(2)** for description of the Expert Panel Process.

Customer Audits: Many of CCM customer's use their own supplier audit procedures or a third party auditor to examine our facilities and processes. CCM views all audits as learning opportunities and as a way to listen and learn from discussions with auditors. Audit feedback reports are used to improve processes that apply to all of our customers with similar products and process requirements.

3.2a(1) Building Customer Relationships: The CCM purpose, *To be the partner of choice of the customers we serve*, is achieved through building relationships with the products, services and customized solutions offered to our customers. The CCM Leadership System (**Figure 1.1-1**) addresses customer relationship building through our Customer Value (**Figure 6.1-1**) key work process of Manage Customer Service. The SLT has structured the organization and designed processes to deliver distinctive value for customers in the Food, Feed and Fermentation market segments. Recent additions to the CCM product line structure, namely Dry Corn Ingredients, Sugar, and Acidulants, along with greater collaboration with other business units, such as the ethanol producer services alliance, have further strengthened relationships with existing customers through a broad portfolio of product offerings.

The CCM approach can be characterized as deploying customer-focused people with the right skill sets and technical knowledge to interact directly with the target customer's organization to build relationships and develop business insight. This approach is repeated at all levels. For example, The CCM President and Product Line Leaders make direct customer contact a priority by spending time with customers at sales meetings, industry conferences, and hosting customers. The SLT on average spends twenty-five percent of their time visiting customers. Product Line Leaders and the sales force are responsible for this ongoing relationship building process with customers. The SLT developed a structure to support (**Figure 3.2-1**) the ten unique product lines. This structure is modified to fit the growing diversity of businesses within CCM. Examples of building customer relationships within Food, Feed, and Fermentation:

Food – CCM actively collaborates across product lines (e.g., shared sales team for Sweeteners and Acidulants) and with other business units (e.g., Corporate Account Leaders, Enterprise Account Leaders – personnel leading customer relations efforts for key Cargill accounts) to further enhance relationships with common customers.

Feed – CCM's branded feed was built upon the promise of consistent product and consistent supply, translating

to customer peace of mind. Today, CCM has taken that promise a step further by managing customer on-site feed supply. Over 95% of our branded feed customers pay via Electronic Funds Transfer, indicating strong trust, increased loyalty and greater ease of doing business.

Fermentation – Working with petroleum users and blenders in new markets to set up supply and infrastructure, CCM has added many new ethanol customers in 2008, growing our ethanol customer base by 40%. CCM is marketing ethanol for five market alliances as part of Cargill's ethanol producer services alliance. In all, seven Cargill business units that have joined together to offer ethanol producers a customized package of services unique to that industry.

CCM invests resources in direct customer contact utilizing sales personnel, customer service staff, technical experts in the customers' processes (animal nutrition specialist, R&D staff), and other personnel. To gain further insight into competitive positioning, marketing strategy, current and future products/service/relationship needs, and key drivers of customer value and loyalty, CCM deployed a Customer Engagement Survey across our food businesses in 2008. This research will provide a critical baseline and enable us to measure on-going progress in the areas of product/service offering and delivery, sales and customer service management, ease of doing business, and business insight and technical superiority.

3.2a(2) Key Access Mechanisms: CCM customers have various access mechanisms (**Figure 3.2-2**) to select from based on need and expectations in order to seek information and conduct business. Customer Service Reps (CSR) use a customer set-up process with new customers to identify preferred key access mechanisms. The steps of this process include: **1)** sales submits a new customer to the CSR, **2)** CSR contacts customer to verify requirement, expectations, and preferred access mechanism, and **3)** customer requirements are entered into the MasterCard system. The MasterCard system is used to communicate expectations to all personnel involved in customer contact. Employees are trained on how to locate customer information, resolve customer issues, and who to contact in the customer's organization based on particular customer issues. To ensure customer information is current, the MasterCard system automatically prompts the CSR to verify requirements annually. Key access mechanism requirements are reviewed when customer requirements change or when a new access mechanism is added or enhanced. For example, Electronic Data Interchange (EDI) enhancements were added in 2007 to allow for a broader deployment of the EDI mechanism to CCM customers,

resulting in less manual intervention in the ordering process. The CCM access mechanisms are reviewed annually during the Annual Business Planning process.

3.2a(3) Customer Complaint Process: CCM uses a Customer Relationship Tracking (CRT) system for managing customer complaints. The process involves a number of steps, as shown in **Figure 3.2-3**. The CCM Commercial Operations Manager is responsible for this process.

The basic steps are to record the

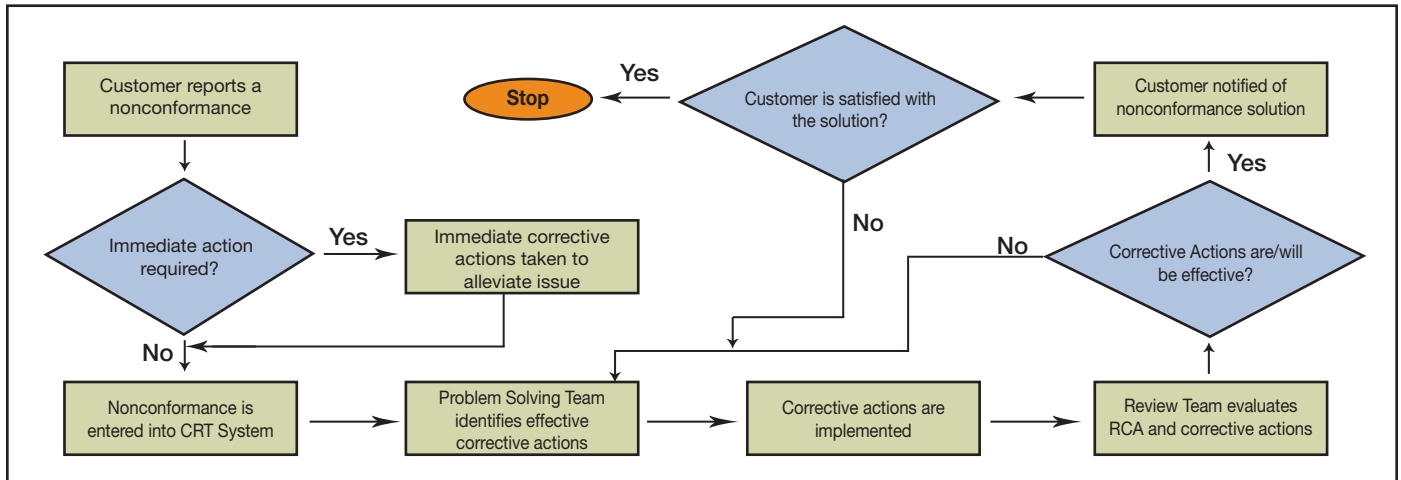
FIGURE 3.2-1 CUSTOMER RELATIONSHIP CONTACTS

CUSTOMER CONTACT	KEY ROLES
National Sales Team	• Develop customer relationships on a regional basis
International Sales Team	• Develop customer relationships with export accounts
National Account Managers	• Develop relationships with large CCM customers
Technical Service	• Provide technical expertise • Solve customer issues • Generate customer solutions
PhD Scientists	• Assist cattle feeders to improve feed formulations
Customer Service	• Manage day-to-day customer activities (shipping, invoicing) • Address customer issues

FIGURE 3.2-2 ACCESS MECHANISMS

ACCESS MECHANISM	MECHANISM AVAILABILITY	PRIMARY RESPONSIBILITY	KEY CUSTOMER ENABLING ACTIVITY
Phones/Cell Phones/ Answering Service	24 x 7 x 365	Customer Service Representatives (CSR), QA, Sales, Product Line Leaders (PLL) and other employees as appropriate	Order product, ask questions, report problems, and communicate with other functional areas. Corn Milling uses an answering service to route calls or capture emergency issues after hours. This ensures that customer issues are directed to the appropriate Cargill contact for resolution.
E-mail	Business Hours	CSR, Sales, PLL and other employees as appropriate	Order product (auto routed to appropriate facility), ask questions, report problems, and communicate with other functional areas.
Websites	24 x 7 x 365	CSR, Sales, Risk Management	Provide product and contract information, risk management, and track shipments.
Text Messaging	Business Hours	Ethanol Traders	Allows for instantaneous interaction in fast paced industry.
EDI	24 x 7 x 365	CSR, Supply Chain, Finance	Order product, send invoices, ship notices, and allow order changes.
Fax	Business Hours	CSR, PLL, Supply Chain, Sales	Order product, ask questions, report problems.

FIGURE 3.2-3 COMPLAINT MANAGEMENT SYSTEM



incident, investigate, identify, review and implement correction actions. Throughout the complaint process CCM contacts the customer to seek information and verify that the corrective action was effective. Complaint information, corrective action investigations, and customer information are tracked in the CRT system. All incidents must be entered into the CRT system within 24 hours of notification to raise awareness of potential failures within CCM. If the incident is a rejection or repeat failure requiring a Root Cause Analysis, the process must be initiated within 24 hours of notification. The CRT database enables us to perform various deep-dive analyses to identify trends and set priorities for further actions to minimize customer dissatisfaction and promote customer loyalty. The system allows us to review data by time periods, types of non-conformances, product, customer, location, department, or functional area. Any nonconformance is classified into one of three categories: customer incidents, complaints, and rejections. Customer incidents occur when we proactively alert the customer of a potential nonconformance (i.e. potential late delivery).

The data in the CRT system is used to aggregate and analyze customer nonconformances through a key metric called the Customer Quality Index. This is a weighted index based on customer incidents, complaints, rejections, and total shipments, and is a useful metric for trend analysis and comparison of product line and plant performance. The

Customer Quality Index and total rejections are aggregated daily by facility, product line, and business unit, and compiled as monthly measures on the CCM Scorecard (Figure 2.2-1). The CCM Commercial Operations Manager analyzes business unit, product line, and facility CRT data for trends and shares the results of this analysis with product lines, functional areas, and third-party terminal partners, who are part of the CCM supply chain. Prioritizing issues, using Root Cause Analysis to identify causes, and implementing effective solutions enables CCM to minimize customer dissatisfaction.

Since the CRT system was introduced in 1999, numerous improvements have been made. For example, in 2004 the CRT system was modified to include the Carrier Rating Index to measure and track shipment performance. In 2007, a new web-based reporting system was implemented.

3.2a(4) Keeping Relationship Building Approaches Current: Keeping our approaches to building relationships and providing customer access current with changing business needs and directions is critical. The Food, Feed, and Fermentation market segments represent dynamic industries with growing customer needs. Product Line Leaders are responsible to ensure that their approaches are effective in building successful customer relationships.

In 1999, the SLT transformed CCM from an individual facility design to an enterprise design to improve service and

relationships with customers. Subsequently customer service and supply chain were re-engineered to address the enterprise approach. In 2004, CCM and other Cargill Food Ingredient and Systems business units embarked on a major strategic initiative called “Go To Market.” This initiative addressed consolidation in the Food market segment and the need to take costs out of the system while maintaining quality and service. We could create synergy among other business units in the development of customer relationships that enable us to more effectively collaborate and create complex customer solutions. In 2007, this initiative further led to the centralization of CCM’s sweetener customer service in Eddyville, IA.

3.2b(1) Determining Customer Satisfaction, Dissatisfaction, and Loyalty: The CCM Value of *Demonstrate Integrity* (Figure 1.1-1) is the foundation of our customer relationship management. Integrity results in mutual trust, enabling intimate relationships and the development of customer solutions that create distinctive value for our customers. CCM considers customer retention and loyalty with key customers as the most important customer satisfaction measures.

CCM invests resources in direct customer contact; as a result, our primary method to evaluate customer satisfaction is through direct daily dialogue with our customers. Our sales personnel communicate regularly and directly with key customer personnel. In addition, our Customer Service Reps facilitate direct communication among the appropriate QA, technical service, operations, and purchasing personnel. The result is communication at multiple levels and functions with our key customer organizations. This communication and resulting information is used throughout the organization to identify and remove barriers to customer satisfaction and loyalty and improve both service and product quality. For example, technical service representatives compile a monthly report on their customer activities. These reports are consolidated into a master report of customer activities and issues. The resulting master report identifies common themes for improving the customer experience with our products. Likewise, our branded feed team conducts daily conference calls involving multiple functions to discuss any outstanding customer incidents, operational challenges, and any business change that may impact our ability to deliver to the customer. To gain further insight into customer satisfaction, dissatisfaction and loyalty, CCM deployed a Customer Engagement Survey across our food businesses in 2008.

Customer satisfaction is tracked using the Customer Relationship Tracking system and measured by the Customer Quality Index. This system is deployed across all product lines and all customers. Through ad-hoc problem-solving teams and CRT review teams, using processes such as Root Cause Analysis (6.2b), we identify and implement effective solutions to address the causes of customer dissatisfaction.

Some large customers provide us with performance information from their viewpoint. These measures provide customer satisfaction information. In 2007, CCM received several major customer recognition awards supporting our relationship building, satisfaction, and loyalty processes.

Product Line Leaders use customer satisfaction and dissatisfaction data and information in the Annual Business

Planning process and include goals and improvement initiatives in their annual business plans.

3.2b(2) Follow Up with Customers on Product, Services, and Transactions: The CCM key work process of Manage Quality (Figure 6.1-1) requires feedback from customers to assure requirements and expectations are being met. Customer feedback is obtained during customer visits and discussions regarding order or delivery opportunities. Sales and Customer Service Reps communicate customer feedback to the appropriate personnel to drive discussions and foster continuous process improvement. Our customers receive feedback within 24 hours regarding corrective action to a concern or complaint. A customer delivery assessment process is utilized to seek opportunities and solutions with our existing truck customers. This process is owned by the Commercial Operations Manager and utilizes cross-functional teams consisting of Operations, QA, and Commercial Operations personnel, to address multiple contact points with the customer. Delivery assessments are performed at customer locations upon first deliveries or where we have had delivery problems, as appropriate. Customer Service Reps work with the targeted customer to arrange a date and time for the assessment. The process steps include:

- 1) *Pre-work* – prior to customer visit, assessment team performs pre-work to gain general knowledge about the customer’s business and delivery requirements
- 2) *Observation* – team observes a delivery, recording observations and ideas for improvement on the customer delivery assessment form
- 3) *Discussion* – team shares findings related to the customer’s receiving process with the customer
- 4) *Review* – carrier-related observations are reviewed with the truck driver during the assessment and are reported to the carrier’s management
- 5) *Plan* – observations related to a CCM facility are used to create action plans and are entered into a shared file available to all Customer Service Reps to drive improvement within the business unit.
- 6) *Report* – final customer delivery assessment report is stored electronically and sent to the customer, Sales, CCM Commercial Operations Manager, and the commercial operations contacts at each facility.

CCM uses the systematic MasterCard process to ensure all customer requirements are known and documented in the system. For customers that have not received a shipment within the past year or customers that have not had their MasterCard updated within the last year, the MasterCard system automatically prompts the Customer Service Rep to contact the customer and review and/or update their requirements. Customer Service Reps are responsible for managing this process, which is owned by the CCM Commercial Operations Manager.

3.2b(3) Customer Satisfaction Relative to Competitors: CCM obtains comparative satisfaction information for our business and our competitors through our close working relationships with customers at multiple levels, supported by frequent face-to-face meetings. Comparative data and information on customer satisfaction are evaluated with opportunities identified for improvement. If it is determined

short-term action is needed, a cross-functional ad-hoc team is formed to address the issue. If a long-term approach is required, the opportunity is included in the annual product line business plan. Our Cargill Food Ingredient and Systems collaboration initiative, “Order to Cash,” provided CCM with service comparisons from our customers on their relative satisfaction with our competitors. Analysis of results from CCM’s Customer Engagement Survey will provide additional insight for competitive benchmarking, identifying key drivers of value and how we compare to competition.

3.2b(4) Keeping Satisfaction Approaches Current: The CCM Value of *Demonstrate Integrity* (Figure 1.1-1), is the foundation of our customer relationship and satisfaction approach. CCM engages with customers at an intimate working level daily. Our approaches change as the needs of our customers change. Product Line Leaders are responsible to ensure that CCM is listening to the voice of the customers in their markets and making necessary changes as part of their annual business plans. In addition, CCM collaborates with other Cargill Food Ingredient and Systems business units on the “Go to Market” strategy. This initiative is designed to improve our customers’ overall experience with CCM and Cargill.

4.0 Measurement, Analysis, and Knowledge Management

4.1a(1) Select, Collect, Align, and Integrate Data and Information: As indicated in the CCM Leadership system (Figure 1.1-1) data and information are essential to all key work processes. Data and information requirements are driven by strategy and cascade from the Scorecard Level at the top of the data and information pyramid to the Process Level at the base of the pyramid (Figure 4.1-1). Data and information are critical to managing CCM’s business in order to create distinctive value for customers, measure performance, support fact-based decision making, and drive innovation and improvement. Data are integrated into all aspects of the CCM organization and used for implementation of strategies and improvement of results. At each level of the pyramid, CCM selects data based on customer requirements, organizational performance, key processes, key strategies and initiatives, and action plans. Data collected at each level are captured from process instrumentation, input by CCM personnel, or aggregated from one level to another. Our approach is to collect data one time directly from the source and to provide accurate and timely information to anyone in the organization requiring data to make decisions. Data and information are integrated and consolidated through multiple applications and systems to support overall organizational decision making, goal setting and performance monitoring. Refinements of our measurement system occur regularly as a result of process changes and improvements designed by the Process Development Groups and the Annual Business Planning process.

Scorecard Level: The upper level of the pyramid consists of the overall performance metrics used by CCM, product lines, functional areas, Process Development Groups and facilities based on the Annual Business Planning process. The SLT is the primary owner of these performance metrics

including the CCM Scorecard. Data at this level are aligned with initiatives on the annual business plans, which are tied to strategic objectives. The scorecard level drives the metrics used at all other levels of the pyramid and is integrated into the Performance Management Process through individual key result areas. The business plan owners refine performance metrics during the business planning process to focus the organization on new or more challenging metrics. The Scorecard Level contains data and information collected from the financial reporting, business system, and process control levels.

Financial Reporting Level: Business plans and scorecard metrics drive our financial management process. Data and information collected from both the process control and business system levels support the financial reporting process. This process provides reports to drive fact-based decision-making, analyze business performance in financial terms and make longer-term strategic decisions. The SMT, facility leadership teams, and other managers, as appropriate, use information from this level.

Business System Level: The business system level includes multiple tools to manage data and information utilizing business applications and reports, decision support tools, enterprise databases, personal databases, web communities and electronic commerce. Data collected from the process control level are consolidated into information used to support fact-based decision-making and to capture ideas for innovation. Enterprise tools used to capture innovative ideas reside at this level, such as Ideas to Innovation (i2i) and Root Cause Analysis. Additionally, this level includes data and information from outside sources, such as customer, suppliers, and other stakeholders. This level is used daily by the majority of CCM employees to perform process analysis, conduct short-term planning, and make course corrections when necessary.

Process Control Level: The process control level is the foundation and is critical to meeting customer requirements including consistent quality and optimized plant efficiencies. Data used to monitor and control plant operations are collected in real-time or once per day depending on the criticality of the data and stability of the process. The majority of these data are generated and captured electronically through the distributed control system. These data are trended and stored in data historians for analysis, problem solving and fact-based decision-making. Data at this level

FIGURE 4.1-1 DATA AND INFORMATION PYRAMID

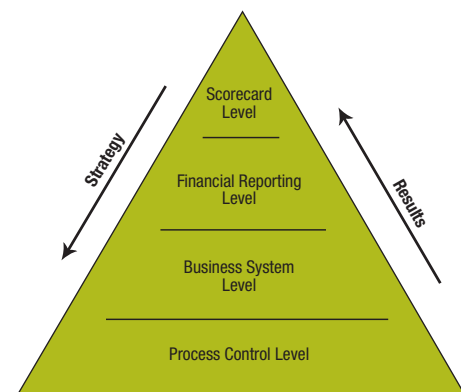


FIGURE 4.1-2 EXAMPLES OF ANALYSIS USED TO SUPPORT ORGANIZATIONAL PERFORMANCE REVIEW

AREA OF ANALYSIS	ANALYTICAL METHODS	PERFORMED BY
Financial Performance	Comparison to budget and previous year; Return on gross investment (ROGI); trend analysis; benchmark analysis	Business Unit (BU) Controller and Financial Team
Market Segmentation	Customer Segmentation Matrix; Customer P&L; Customer Profitability Repositioning	Product Line Leaders (PLL), Sales Team and Financial Team
Market Share	Graphical representations, Win/Loss analysis	Marketing and PLL
Strategic Initiatives	Scenario planning, market deep dives, benchmarking and financial analysis such as net present value and internal rate of return	SLT, Product Line and Functional Leadership, Enterprise Development Team
New Product	NOVA-Need, competitive opening, value and competitive analysis	Technical Director and PLL
Employee Engagement	Segmenting, trend, and benchmarking analysis	Engagement Team and HR
Expert Panel	Prioritization and probability analysis	Enterprise Development Team
Customer Nonconformance	Trend and Pareto analysis; RCA review	Commercial Operations Manager
Safety Performance	Performance index; trend and comparative analysis; RCA review	BU Environmental Health & Safety (EHS) Managers

FIGURE 4.1-3 COMMUNICATION OF RESULTS OF BU LEVEL ANALYSIS

METHOD	COMMUNICATION MESSAGE	RESPONSIBILITY	FREQUENCY	AUDIENCE
SLT Tour	Communicate business results, plans, and strategies while locations provide a progress report on key initiatives.	SLT	Annual	Facility management & plant personnel
E-mail	Communicate strategies, organizational changes, and performance results	BU President	Varies	Depends on info
Corn Milling Web Site	Communicate performance of CS measures	SLT	Monthly	All CCM employees
Conference Calls	Cascade information and performance results at the functional level as it relates to overall business performance.	Functional area leader, PLL, PDG Leaders	Monthly or as needed	Department employees or team members
Town Hall or Quarterly Meetings	Cascades information and performance results at the functional level as it relates to overall business performance.	Facility manager and local management	Quarterly or as needed	All employees

are used to make operational and product quality decisions by operators, engineers and chemists.

4.1a(2) Selection of Comparative Data: The SLT identifies critical metrics to support operational and strategic decision-making during the Annual Business Planning process. Comparative data are used at every level of the data and information pyramid. These comparative data are obtained through both internal and external sources. Depending on the level of the data different teams are responsible for obtaining comparative data. For example, at the Process Control Level, Process Development Group teams are responsible for identifying best practices and measures associated with these practices. Process steps used to select comparative data include: **1) identify metric, 2) identify world-class comparison, and 3) start using metric and world-class comparison to support improvement and innovation.** Approaches used by CCM in steps 1 and 2 to identify world class comparisons include working with the Cargill Information Center to obtain information from public domain, other Cargill business units, use of trade journals, surveys, independent market analysis, industry and professional organizations, Enterprise Development Team, Process Development Groups (PDG)

and other Cross-Functional Improvement Teams.

The Enterprise Development Team is used for project analysis (e.g. deep-dive study of ethanol market), growth opportunities (e.g. grow existing business, mergers, and acquisitions), and strategic direction analysis. Projects in these areas require comparative information to support financial models for decision-making. The data obtained comes from external sources, which include; IndustryWeek Best Plant database, customers, annual reports, Corn Refiners Association, membership in professional organizations, governmental sources, and MBNQA recipients.

PDG identify improvement targets and performance comparisons by identifying internal and/or external comparative metrics. The best performance level becomes the benchmark for the process being improved. To ensure effectiveness of comparative information each PDG develops scorecards to measure performance.

4.1a(3) Keeping Performance Measurement System Current: The Data and Information Pyramid (**Figure 4.1-1**) provides a framework for all levels of the organization to engage in the process of keeping the performance measurement system current with business needs. The Annual Business Planning

(ABP) process drives initial changes to the performance measurement system. Modifications of CCM Scorecard metrics are cascaded throughout the business unit using the ABP. In FY08, the SLT introduced the Performance Measure Alignment Matrix to identify measures that must appear on business plans produced during the ABP process. For example, to promote our *Be Innovative* Value, the SLT decided that every business plan must include the metric implemented idea savings. The SMT monthly Business Performance Review (BPR) process drives course corrections in metrics and goals based on performance to budget.

To ensure our performance measurement system is sensitive to unexpected organizational or external changes, the SLT conducts monthly financial performance forecasts to predict annual profitability. These forecasts allow the SLT to monitor achievement of sales and margin plans, expense control, and performance to budget. The SLT also monitors customer demand forecasts and market data to track overall market demand for Corn Milling products. From this information and analysis the SLT can rapidly modify action plans and performance measures, if needed.

Budgeting Process: The formal budgeting process produces a financial prediction of the future based on commercial rates, plant capital expenditures, and headcounts. The final budget is used throughout the next fiscal year for comparison to actual and to identify unexpected organizational changes. The CCM Controller owns the process. The steps include: **1)** Starting in December, plants provide the next year's volume based on predicted sales demand, operating days, capital improvements, and shutdowns. Departments provide the headcounts based on strategies being implemented and projected department needs; **2)** Finance collects all the volume and headcount data and works with plants on allocations for distributing overall costs to proper areas; **3)** Finance develops final Sales, General, and Administration costs and prepares budget; **4)** Locations review budgets, capital (from Capital Planning Process), allocations, and headcounts with Finance; **5)** Budget is reviewed and approved by SLT. Many of the steps in this process are iterative and take several meetings to resolve all issues. Budget versus actual are reviewed monthly by the SMT during the BPR process.

4.1b(1) Review of Organizational Performance and Capabilities: All review processes are used to assess organizational success, competitive performance, progress relative to strategic objectives, and project future performance. Potential opportunities or challenges to our operating environment identified during reviews are prioritized by the SLT based on the level of impact to the business including overall value, fit with strategic objectives, and a benefit/risk analysis. The SLT sets the overall expectations, allocates resources, determines measures for success, and monitors progress. These approaches identified below support our *Demand Accountability* Value.

Business Performance Review (BPR) Process: The BPR process starts at the monthly SMT meeting with a review of the CCM Scorecard. This examination of key performance measures utilizes methods such as deviation from goals, trend analysis and comparisons to strategic measures to identify opportunities for improvement or innovation. **Figure 4.1-2**

contains examples of the analyses performed to support senior leaders performance review and ensure conclusions are valid. If a deeper understanding of an issue or strategy is required, cross-functional Product Line teams, or the Enterprise Development Team will be utilized to do the analysis.

The Annual Business Planning process includes a year-end review of progress made on initiatives and metrics. The SLT schedules reviews throughout the year of all locations, functions and Process Development Groups (PDG) to be given during monthly SLT meetings or quarterly SMT meetings. During these meetings the team reviews progress on their annual business plan initiatives, key performance measures, strategic direction and key personnel. This increases accountability and performance relative to plans. In addition, annual SLT Tours are used to assess performance at each production facility. Product Line performance is tracked using the monthly profit and loss reports. PDG Scorecards are used to evaluate performance at facilities and the overall PDG. These approaches support our *Demand Accountability* Value.

The CCM President and key SMT personnel participate in quarterly performance reviews at the Cargill Food Ingredient and Systems platform level. These reviews are used to update the platform on progress CCM is making on strategic initiatives, align all platform business units, and collaborate on platform issues. In addition, the CCM President and key personnel, as required, participate in the Business Unit Strategy Working Group (BUSWG) process. This corporate review process is held on as needed basis with a subset of the Cargill Corporate Leadership Team of Cargill. During BUSWG meetings CCM reviews strategy, key business initiatives, and large capital projects and discusses performance gaps and course corrections. The CCM President will also give updates as requested to the Cargill Board of Directors.

4.1b(2) Translation of Organizational Performance into Priorities for Improvement: The SMT uses the following process steps to translate organizational performance review findings into priorities for improvement: **1)** Identify high-level opportunity; **2)** perform and validate analysis; **3)** identify specific opportunities; **4)** charter a cross-functional improvement team or ad-hoc team, and **5)** address barriers and monitor progress. This process is used as appropriate depending on changes in the market, technology, industry, governmental policies, suppliers, and production capacity. In order to focus resources on strategic priorities with greatest opportunity for creation of distinctive value, the SMT uses a two-dimensional decision matrix. The matrix includes attractiveness versus strategic fit and net present value versus risk

4.1b(3) Incorporating Performance Review into Systematic Improvement: The SMT utilizes various methods to deploy priorities and opportunities for improvement from organizational performance reviews throughout the business unit. **Figure 4.1-3** illustrates the various methods the SMT deploys to communicate priorities and opportunities for improvement throughout the organization. Each approach allows two-way communication. Understanding why initiatives are being started or business plans are being changed is the key to gaining support and ownership at all levels. The SLT utilizes the SLT Tours to communicate and

review organizational performance. During the tours the SLT refocuses and redirects the organization based on challenges in the operating environment and the need to respond to these challenges.

4.2a: Three departments within Cargill are responsible to ensure needed data and information are available to employees, customers, and suppliers as appropriate: Cargill Information Technology (IT) Services (CITS), Cargill Food Ingredient and Systems (CFIS) IT and CCM IT. The IT Steering Committee and IT Functional Committee set overall IT strategies and priorities for Cargill. CFIS IT sets strategy and priorities for the platform. CCM IT sets the strategy and priorities for the business unit. CCM purchases all of its IT services through CITS (network, phones, servers, and support projects) and through CFIS IT (applications, client support, disaster recovery, and projects).

As indicated in the CCM Leadership System (**Figure 1.1-1**) the Sustainability key work process is Manage IT Services. This process is used to ensure hardware and software needs match the needs of our employees and business. In addition, all software must be user friendly and provide data security, and both hardware and software must be cost effective. The owner of this process is the CCM IT Manager who leads the IT Governance Board. The IT Governance Board includes representatives from all major CCM functional areas. Changes to meet business needs result from strategic direction, cost-benefit analysis, and stakeholder needs analysis including user surveys and focus groups that are gathered at least annually.

4.2a(1) Data and Information Availability: CCM's goal is to provide accurate, timely and actionable information to employees and other stakeholders for decision making. Data and information required to operate the business effectively are selected to support key processes, business plans, and strategies. Every CCM job function requires access to different levels of the data and information pyramid (**Figure 4.1-1**). Access to data and information is given to employees based on their job function. For employees working on specific projects, such as involvement on Process Development Groups, cross-functional improvement teams, and ad-hoc teams, the User Administration Access Request Process (UAAR) is used to request access to additional data. For suppliers, partners, and customers, the Third Party IT Access Request Process (TPAR) is used to request access to CCM information. For example, CCM offer customers electronic solutions to communicate data and information including: Electronic Data Interchange, Electronic Funds Transfer and Vendor Managed Inventory.

The majority of CCM data and information exists electronically requiring employees to interface daily with computer hardware and software systems to control production processes or access data and information required to perform their work. Employees receive computer training to acquire and expand skills required to access the Cargill network and specific applications required for their function. Power users, application experts, and IT staff perform training. Depending on job function, employees are provided with workstations, desktops, or laptops. Employees requiring remote access and not having laptops have access to Cargill

Desktop Anywhere to enable secure access to information from any Internet connection. In 2005, the Cargill Total Cost of Ownership (TCO) project was started to rationalize and standardize hardware and software and improve remote support. By 2007, all CCM locations had completed the TCO conversion project.

User Administration Access Request (UAAR) Process: The UAAR process is a formal approval process CCM employees use to access applications, directories, and databases not normally used in their job function. The process steps include: **1)** Users contact IT Service Desk with request; **2)** IT Service Desk contacts business data owners with request; **3)** business data owner grants access to secure information; **4)** the User Administration Team (UAT) updates security to enable proper access; and **5)** email notification of access is sent to requestor. This process is owned by CITS. In 2004, this process was refined to provide immediate approval to non-secure directories with notification to the business data owner. In 2007, a new role, User Administrator, was created to enhance the UAAR process.

Third Party IT Access Request (TPAR) Process: Customers, suppliers, and partners must use the following process to access any CCM application, directory, or database by working with their CCM direct contact. The formal process used is owned by CCM IT Manager and has the following steps: **1)** read and complete a TPAR form; **2)** sign a Network Access Agreement; **3)** sign an Acknowledgement of User Confidentiality form; **4)** Product line and functional area leaders approve access; **5)** the UAT updates security accordingly; and **6)** third party and CCM direct contact are notified of approval. In 2005, this process was refined to align with Corporate Information Protection Guidelines. Contractors are required to read the Information Protection Users' Guide and sign an Acknowledgement of Information Protection document. Applications and services are provided to co-located customers according to the legal terms of the agreement following Cargill Information Protection guidelines. Contractors are audited annually as required by Information Protection policies.

4.2a(2) Hardware and Software: CCM uses extensive computer hardware and software to operate in a 24 x 7 x 365 environment in order to meet customer requirements and achieve business objectives and goals. The IT Department and Plant Automation use systematic processes to ensure hardware and software reliability, security, and user-friendliness as follows.

Reliability: Hardware and software reliability are ensured using formal, systematic processes including redundant system design, system testing, and TCO process.

Redundant System Design: CCM utilizes redundant systems and architecture design to allow continued transmission of network data even if one connection fails. For example, CCM has built network redundancy consisting of private line-triangles (two lines back to Minneapolis) for all plants. As a result of this architecture, we have minimized network downtime. At the plant level, redundant controllers exist to ensure always having at least one copy of the system available. The Management of Change process is used for modifying plant hardware.

Systems Testing: Prior to implementation of any system or program change, hardware and software testing is performed. All issues are electronically logged and tracked to ensure successful resolution and documentation for trend analysis. In addition, all systems are backed up on tape, and the tapes are rotated off-site to a secured location. These tapes can be used to restore systems or data in case of a disaster, virus intrusion, or testing failures.

Total Cost of Ownership (TCO) process: TCO is an ongoing process to ensure hardware is newer and more reliable reducing hardware costs. This process also standardizes both software and hardware, and improves remote services. The process consists of identifying hardware requirements based on job function, identifying hardware needs for shared computers in labs and control rooms, installing new hardware and standard applications, and reviewing hardware needs every three to five years. Standard software applications and versions are used to ensure presentation is similar no matter what hardware or location a CCM employee is using to access information.

Security: Hardware and software security are ensured using formal, systematic processes including user ID/password protection, virus protection, information protection, and compliance audits.

User ID/Password Protection: In order to access electronic data, all CCM employees are given access to the Cargill network through individual or shared access user IDs. All systems have ID and password validation with forced password changes every 180 days. Most systems are designed to lock out users after three to five unsuccessful login attempts. When an employee leaves the company, HR contacts the IT service desk within 24 hours to disable the employee's access to the Cargill network. Likewise, if the employee used a shared user ID the password is changed once the employee leaves.

Virus Protection: CCM uses the Cargill virus protection process including weekly signature file updates, weekly system scans and immediate response to any new virus intrusion. All administrative servers are managed by the Cargill Microsoft Windows Technical Services team to ensure that all patches, operating system upgrades and information protection requirements are met. In 2005, all laptops had personal firewalls installed and log onto the network through the Tunnel Guard system check, preventing outside intrusion to laptops.

Information Protection: CCM complies with all Cargill Information Protection (CIP) policies and standards as measured by the semiannual Information Protection Assessment Kit audit. The CCM Controller and IT Manager along with the Cargill Food Ingredient and Systems CIP Coordinator are responsible for information protection and attend quarterly CIP meetings to report CCM results.

Compliance Audits: Finance personnel and business managers ensure compliance with CIP standards by conducting quarterly Intellectual Property (IP) compliance walkthroughs at all locations. Reports of the IP walkthroughs are published and shared at each location. CCM utilizes Cargill Audit to verify compliance with IT standards and guidelines. Findings from audits are prioritized, corrective actions are defined, and solutions implemented.

User Friendliness: Hardware and software user friendliness

are ensured using formal, systematic processes including user involvement in systems, systems testing, and user support.

User Involvement in System Design and Enhancement: Users are involved in the requirements, design, and testing of new software and changes to existing applications. Each IT project has a business sponsor who works with the IT project manager to collaborate in making successful application changes needed for the business. Feedback mechanisms include surveys, IT Service Desk feedback, Core User Groups, application suggestion boxes, one-on-one feedback to business unit Managers, and Ideas to Innovation (i2i) suggestions. Within an application, user interface guidelines are followed to ensure the application functionality is consistent.

Systems Testing: CCM has a redundant test environment for critical applications. Before software is deployed, business users test application releases following a defined testing methodology. This methodology includes regression testing and defined test plans. Regression testing exercises critical components of an application beyond the functionality being altered.

User Support: Once systems are operational, CCM utilizes a 24/7 service desk for support, proactive monitoring and automatic alerts using Information Technology Infrastructure Library best practices. The service desk can be contacted by phone, e-mail, or web. Documented service level agreements ensure common understanding of response times for escalation and resolution of hardware/software problems based on business criticality.

4.2a(3) Emergency Continuation for Hardware and Software: CCM utilizes a formal disaster recovery review process to identify critical applications. This annual process is owned by the CCM IT Manager and defines critical applications as those having at least a three million dollar impact over a two-week period. Utilizing this process, CCM has identified three critical applications. CCM maintains disaster recovery contracts with IBM and has a documented formal disaster recovery process. The disaster recovery contract allows CCM to use an IBM hot site with all the required hardware and network connectivity needed to restore and run CCM applications. CCM business application users and Cargill IT Services conduct an annual disaster recovery test for the three critical applications along with a rotation of other business and plant applications. Disaster recovery hot site hardware is upgraded to maintain alignment with CCM hardware improvements. CCM has a formal process describing the authority to initiate an actual disaster recovery, which includes the CCM IT Manager. For other applications we have a disaster recovery plan using an outside contractor providing mobile trailers and equipment. The CFIS IT Information Protection/Disaster Recovery coordinator manages the disaster recovery contracts and tests and conducts annual audits of tape backups and tape backup vendors at plant sites. For many of the critical applications there are redundant servers in place for load balancing, along with hot swappable servers and or workstations. In 2008, as a cycle of improvement, CCM performed a disaster recovery process review.

4.2a(4) Keeping Data and Information Mechanisms Current: CCM primarily uses the Annual Business Planning (ABP)

process to keep data and information availability mechanisms current with business needs, directions, and technological changes. During the ABP process, an IT business plan is created with input from the Strategy Review process, CCM business plan, product line plans, functional area plans, operational plans, the Cargill IT Alignment Principles, the Cargill hardware and software frameworks, and the CFIS Platform IT Strategy. The CCM IT Manager is responsible for ensuring the CCM IT business plan is integrated with the business plans of all other areas and that the CCM IT direction supports the business. Additional approaches to keep information availability mechanisms current include IT Governance Board requests, stakeholder (employee and customer) input, and software/hardware upgrade processes.

The CCM IT Governance Board discusses and acts upon any changes in business needs or directions affecting hardware and software. The board works within the framework of Cargill IT and CFIS IT guidelines and requirements, sets CCM IT direction and policies for the business unit, and reviews projects and budgets for CCM IT.

Changes in customer or supplier requirements drive enhancements to applications. CCM uses a formal project initiation process for both new applications and enhancements to existing applications. CFIS IT projects are prioritized by the value established by the requestor, priority points (for example, a governmental or safety mandate), and the CFIS IT cost estimate.

CCM keeps purchased software current through vendors' licensing agreements and keeps hardware current through agreements in the TCO process. CCM is committed to investing in information availability mechanisms to support technological advancements in our business.

4.2b(1) Accuracy/Integrity: Accuracy and integrity begins with systematic preventive maintenance at the base of the Information Pyramid (Figure 4.1-1). The Process Control Level impacts all other levels of information and data. Therefore planned preventive maintenance systems are deployed to ensure data quality. All process control instrumentation have specific PM schedules during which the instruments are tested to verify accuracy within designed tolerances and process requirements. Corrective and preventive actions are taken when deviations from tolerances are identified. Cycles of improvement in this process include simplification and standardization to reduce cost and cycle time while ensuring accuracy of the data.

At the Business Systems Level, the Change Control Management Process is used to ensure quality and data integrity of application modifications. In addition, all applications perform reasonability checks. For example, Process Quality Database (PQDB) will check pH entries to ensure they are in the 0-14 range. Databases are rules-based to ensure appropriate and complete information is stored in the database fields. For example, alpha data is not allowed in numeric fields.

At the Financial Reporting Level information collected and transferred to the general ledger is monitored daily for 100% integrity through automated interfaces and is reconciled monthly by Accounting. Applications creating financial transactions are interfaced into the general ledger

and provide exception reporting that is reviewed daily by the accounting function. Cargill Auditors periodically audit critical applications, produce audit-finding reports, require timely follow-up on issues, and review issue resolution

At the Scorecard Level the CCM Controller is responsible for the data on the CCM Scorecard. Information that appears on the CCM Scorecard is sourced from the other three levels of the pyramid. Prior to deploying the scorecard to CCM employees the scorecard is reviewed by the SLT for accuracy and integrity of the data. If information is questionable, the CCM Controller will investigate the source data to further ensure accuracy or make corrections.

Reliability: Process Control Level data are captured and stored in data historians, which are backed up daily. All on-line server data are backed up daily at the enterprise and facility levels. This is an automated process using backup tapes, which are secured off-site and rotated. CCM staff members are responsible for the backups. This process is audited twice per year to ensure backups are complete and data is recoverable. Critical application transactions are stored in journals until the nightly backups occur. This prevents loss of data up to the point an application's database is corrupted. All servers run system scans quarterly, checking for adherence to the Cargill Information Protection security requirements. Gaps identified from the server scan process are reviewed and resolutions are implemented to maintain compliance.

Timeliness: Information is provided in the time frames defined by business and customer needs and documented in service level agreements. For example, transactional applications are real-time for immediate update of data. Some reporting applications are batched and updated on a regular schedule. Because we run distributed applications network timeliness and response time are extremely important. We rely on Cargill IT to monitor and report on network performance. The IT Service Desk provides updates to users on outstanding issues and on resolution status through their internal website. Collaboration between plants and IT allow coordination of plant and IT downtime work.

Security and Confidentiality: Security starts by controlling access to data centers to prevent unauthorized entry. The next level of physical security involves information protection requirements including locking devices containing Cargill confidential and proprietary data, compliance with confidential information policies, screen saver usage, and locking laptops. Virtual security includes network, hardware, application and database passwords preventing unauthorized access to data and information. Cargill uses outside consultants to test security by running intrusion tests to assess the security of our applications and report findings. For paper copies of highly confidential data and information, the word "confidential" is stamped or printed on all critical reports, documents or presentations or a control number system tracks the number of copies created and distributed.

CCM utilizes an Intellectual Capital Management Plan (ICMP), outlining processes for patents, trade secrets, copyrights and trademarked information, nondisclosure agreements, and visitor agreements. This plan defines the processes for adding and creating intellectual property and includes working with Cargill Law on information protection.

The Intellectual Capital Review Team and a committee of SLT and other CCM managers govern the ICMP and intellectual capital. CCM follows Cargill's processes and guidelines for classifying confidential information. As part of Cargill Guiding Principles (**Figure 1.1-2**), CCM employees are trained on how to handle confidential information including intellectual property from other companies. At the end of use, confidential documents are shredded

4.2b(2) Organizational Knowledge Management: CCM is structured to promote enterprise thinking by sharing knowledge across functional and Process Development Groups (PDG). Knowledge obtained from employees, customers, suppliers and partners is shared across the organization enabling CCM to operate as a single enterprise, emphasizing continual performance improvement. CCM utilizes many processes and tools to manage organizational knowledge.

Collection and Transfer of Workforce Knowledge: PDGs are the primary approach used to collect and transfer employee knowledge. Corn Milling Operations (CMO) document PDG best practices. In addition to CMOs, standard operating procedures (SOPs) are used to collect and transfer knowledge on how to operate specific unit operations. For example, a centrifuge SOP explains the steps required to start, stop and run this piece of equipment. CMOs and SOPs are available through the Cargill network or hardcopy based on employee job requirements.

In addition, other CCM employee knowledge and knowledge collection and transfer approaches include employee training processes, employee suggestion systems, and team participation. Training processes include orientation, on-the-job, mentoring, specialized vendor, and train-the-trainer training sessions. Employee suggestion processes include Ideas to Innovation and Error Cause Removal. Besides PDGs, employees participate on cross-functional improvement teams, Ad-Hoc Teams, Core User Groups, functional area, and department teams.

Transfer of Relevant Knowledge from and to Customers, Suppliers and Partners: CCM transfers relevant knowledge to and from our key customers using cross-functional Customer Focus Teams. These teams build relationships over time with peers and networks of employees in our major strategic accounts. These relationships lead to insights that enable the discovery, creation, and delivery of customer solutions.

In addition to customer focus teams, CCM deploys several applications to collect and transfer customer knowledge. Knowledge gleaned at customer touch points is collected and shared using the MasterCard system. Sales personnel and Customer Service Reps are responsible for collecting and adding relevant customer knowledge into a customer database. Corporate Account Leaders and Strategic Account Leaders are responsible to support the transfer of knowledge to and from key customers across multiple business units and product lines.

CCM exchanges information with key suppliers on multiple levels. On a basic level we exchange performance information. In addition, key suppliers are asked to provide insights into potential solutions being addressed by PDG teams and are sometimes involved with improvement teams. Suppliers are also involved in providing training and knowledge during

the implementation of new processes and systems or the introduction of new supplier products.

Rapid Identification, Sharing, and Implementation of Best Practices: As described above, CCM uses PDGs and cross-functional improvement teams to identify and share the best-known practices within and outside of CCM. For example, the Mill-Feed PDG team works with Cargill Sweeteners Europe to collect, transfer, and share best practices for mill and feed operations for 31 worldwide mills. Another source for identification, sharing and implementation best practices is the Centers of Expertise (COEs). Examples of COEs include Cargill IT, CFIS IT, Energy Risk Management, Maintenance and Reliability, and Corporate Procurement. These are formal internal groups focused on specific process areas and charged with the responsibility of transferring knowledge for use within CCM. The MBNQA and the Cargill BE are used to identify best business processes.

Assembly and Transfer of Knowledge to Strategic Planning Process: CCM utilizes a systematic strategic planning process requiring inputs from many sources including customers, suppliers, partners, expert panels, and workforce. The Enterprise Development Team leads our strategic reviews and are responsible for assembling all information.

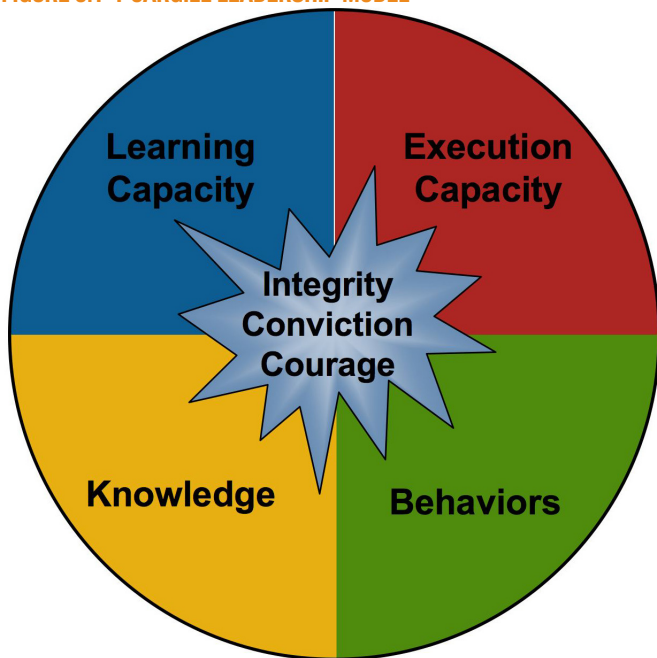
5.0 Workforce Focus

5.1a(1) Key Factors Affecting Workforce Engagement: In 2000, Cargill worked with Hewitt Associates, an HR consulting firm, to develop an Employee Engagement Survey (EES) to meet Cargill's changing strategy of focusing on external customers and becoming a solutions provider. CCM has utilized the EES process since 2001 to understand employee perspectives around satisfaction and their willingness to "stay" (retention), "say" (ownership), and "support" (behaviors). The key factors identified by this survey were determined through research and best employer data compiled by Hewitt. External comparative data used in CCM results is from Hewitt Associates Employee Research Database of approximately 3,800 companies from 2002 through 2007. Internally, we benchmark with Cargill overall and other Cargill business units.

As a refinement to this process, in 2007, the CCM HR Manager invited the Corporate Leadership Council (CLC), a nationally known research organization, to spend a day with the SMT. The goal was to benchmark CCM against the companies in the CLC's *Drivers of Engagement & Retention Survey*. The SMT correlated the CLC database information with our EES data to better understand the key engagement drivers and to create action plans to improve workforce discretionary effort and retention. As a result, the SMT identified key engagement drivers to our business strategy and workforce engagement. These factors were all around the questions "How do I fit?," "Why do I matter?," and "How do I connect to the customer?"

The key drivers identified by the SMT and key engagement factors apply to all CCM employee segments. Further research by the SLT has determined that each employee segment has the following requirements: *Non-exempt Production* – Work Activities including safe working environment; *Non-exempt Support* – Quality of Work/Life; *Exempt* –

FIGURE 5.1-1 CARGILL LEADERSHIP MODEL



Advancement Opportunities. All segments identify benefits and compensation as important.

CCM's biggest opportunity for engagement improvement is in our non-exempt production workforce.

5.1a(2) Effective Communication and Skill Sharing: CCM's team-based structure and matrix management system and Values of *Develop Talent* and *Promote Collaboration* foster a culture of high performance and motivation. Organizational opportunities for cooperation, communication, and skill sharing are identified and addressed in monthly SMT meetings based on a review of market changes, projects, and the CCM Scorecard. As opportunities are identified, the SMT utilizes short- and longer-term personnel assignments to share and build skills and knowledge. In addition, SMT sponsors cross-functional improvement teams and ad-hoc teams to bring together diverse employee groups from across the business unit to analyze and act on opportunities impacting the business unit, product lines, functions, locations, and processes. These personnel moves and teams provide systematic ways to facilitate knowledge sharing and achieve consistent operational excellence through cooperating, communicating, and skill sharing. For example, Process Development Groups (PDG), utilize the Best Practice Model (Figure 6.1-4) to systematically improve cooperation, communication, and skill sharing across locations. The SMT is responsible for cross-training, and/or skill block systems to promote skill sharing, collaboration, and cooperation within their areas.

Two-way Communication Flow: Effective information flow and two-way communication are achieved using several systematic processes including SLT Tours, Conference Calls, Town Hall/Quarterly Meetings, and Department/Functional Area Meetings. Annual *SLT Tours* are conducted at each plant and in Minneapolis. These meetings allow the plants to share their successes and opportunities and learn how CCM is performing. During the tour, the SLT members spend time with various groups allowing time for two-way

communication. *Conference Calls* are held regularly (monthly, bimonthly, or weekly) based on the subject matter and utilize agendas to ensure effective communication. For example a weekly production planning call is utilized to optimize production and a monthly Employee Engagement call is used to share practices and focus this group on improving overall engagement. *Town Hall/Quarterly Meetings* are held at every plant and in Minneapolis to review results, initiatives, and provide formal opportunities to generate two-way discussion of pertinent business unit topics. *Department and Functional Area Meetings* are used to review progress, generate action plans, and provide two-way discussion of concerns. In addition to these formal approaches, many non-formal approaches such as open door philosophy, email, and one-on-one meetings provide effective two-way communication.

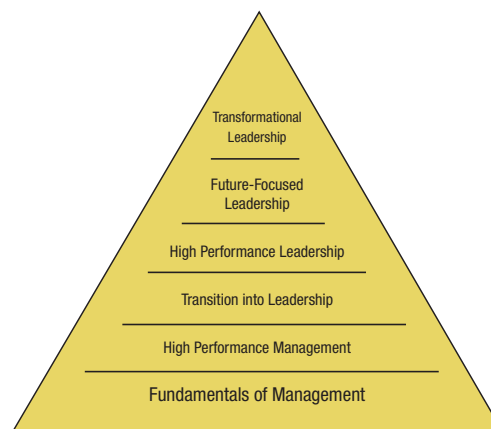
Individual Goal Setting: Individual goal setting starts with the Annual Business Planning process. The alignment of this process ensures that every employee has line of site with CCM, Product Line, Functional Area, PDG, and Facility Business plans. From these plans department and team plans are developed and drive the individual Key Result Areas (KRA) or goals for employees. Employees are empowered to create their own KRAs/goals and Development Plan with guidance from their supervisor.

Innovation in Work Environment: *Be Innovative* is a CCM Value. We utilize a formal approach, Ideas to Innovation (i2i) to systematically capture and track innovative ideas relating to new discoveries, cost efficiencies, process improvements, and creative ways to meet our business goals and objectives. In addition, CCM supports a culture of innovation through quarterly and annual recognition, monthly scorecard communications, innovation website, sponsoring location innovation champions, and a business unit innovation team.

Diverse Ideas, Cultures and Thinking of Workforce: As indicated in the CCM Leadership System and to help realize our Values of *Be Innovative*, *Promote Collaboration*, and *Strengthen Communities*, the SMT deploys processes to systematically capitalize on the diverse ideas and thinking of our employees and their communities. Formal processes such as Performance Management Process (PMP), Error Cause Removal, i2i, and Root Cause Analysis are examples of processes we use to capture, track, and communicate diverse ideas, allowing employees to utilize their skills and experiences.

CCM encourages employees to participate as members or

FIGURE 5.1-2 HIGH PERFORMANCE LEADERSHIP ACADEMY



be involved in various Cargill affinity groups such as Women's Council, Ebony Council, and GROW (Group Responsible for Orienting and Welcoming new employees). For example, in 2007 CCM had a cross-functional group of employees attend a session on Women's Efficacy. This group then started the CCM Women's Council and location Women's Councils to create awareness of issues, sponsor programs, and influence processes and policies that enhance female retention and development.

5.1a(3) Employee Performance Management System: Our workforce performance management system supports a culture of high performance and engagement through the use of the Cargill Leadership Model (CLM, **Figure 5.1-1**). This model provides a foundation for and is integrated into the key Sustainability work process *Manage Human Capital Strategy*. CCM formally introduced the CLM in 2006 through business unit wide training and communications with our exempt and non-exempt support employees. The CLM was created by the Cargill Corporate Leadership Team to identify the capabilities needed by leaders at all levels in the organization to achieve Cargill's Strategic Intent. Integrity, Conviction, and Courage, the heart of the model, are essential for all leaders as they build trust, enhance employee engagement, and contribute to sustainable results. These key behaviors are essential to achieving the capabilities in the four quadrants of the model: Learning Capacity, Execution Capacity, Knowledge, and Behaviors. The way the capabilities are executed and the degree of competency needed for each capability may be different for each person, depending on an individual's role and business challenges.

Performance Management Process (PMP) and Development Plan Process (DPP): The annual PMP and DPP are separate processes administered concurrently. PMP and DPP are used to align performance to business plans, evaluate individual performance and assess employee's abilities with respect to the CLM, develop career goals, and define skills needed for high performance. The PMP and DPP processes are owned by the CCM HR Manager and used by all Exempt and Non-Exempt Support employees. Implementation and deployment are the responsibility of supervisors, who work closely with their direct reports through all steps of the process including: **1)** After Annual Business Planning, Key Result Areas (KRAs) and individual Development Plans are created; **2)** Mid-year PMP progress review and discussion; **3)** Year-end PMP performance assessment; and **4)** Annual Development Plan discussion which includes both career and skill development. In addition to these four steps, ongoing coaching and informal feedback discussions are encouraged throughout the year. KRAs are specific action oriented objectives developed to ensure that individual employees focus on their personal contribution to business plans. At mid-year and year-end reviews, employees receive feedback on KRAs, their alignment with the four CLM quadrants, and their behaviors including Guiding Principles (**Figure 1.1-2**). Recent process enhancements include the development of consistent training tools, the implementation of functional calibration sessions to ensure business unit rating consistency, creation of a reference tool kit, incorporation of the CLM competencies, the addition of a formal 4-step development

planning process, and the introduction of web based materials and references to support the process.

Compensation, Reward, Recognition & Incentive Practices: CCM uses multiple compensation, recognition, reward, and incentive processes to reinforce high performance. In 2003, CCM HR led an extensive review of our overall compensation process resulting in the implementation of a broad-band, market-based pay process that allowed the flexibility we needed to ensure our continued ability to recruit talent and remain competitive in the market. This change led to the development of the job analysis questionnaire for all positions, the slotting of jobs into standardized bands, compensation education for managers and employees, and an extensive review of our incentive programs. In 2005, the Cargill Food Ingredient and Systems (CFIS) HR Core Process team assumed primary responsibility for administering our annual compensation process, which has resulted in higher efficiencies, consistency across the platform, and the ability for CCM HR to focus on quality of execution.

Compensation: Salary Review Process (SRP): The annual SRP ensures that our highest performing employees are rewarded at the highest levels through a merit based compensation program. This SRP is managed by the SLT and CCM HR Manager and includes Exempt and Non-Exempt Support employees. The steps include: **1)** CCM pay guidelines are established and communicated by the SLT; **2)** managers review performance and initiate recommendations for their direct reports; **3)** CCM HR facilitates formal review and calibration of reward recommendations at the location, functional, SLT, and platform levels to ensure overall consistency in approach; **4)** the CCM President and CCM HR Manager give final approval of salary increases; and **5)** managers inform direct reports of salary decisions. The primary consideration for salary increases is the employee's performance as reflected in the annual Performance Management Process review. Other factors that influence pay for performance decisions include achievement of business plans, business life cycle, internal factors (e.g., affordability), and external factors (e.g., economics). Annual reviews of job analysis questionnaires and market data ensure we maintain our competitiveness in the market place.

Skill-Based/Cross-Training Pay: This compensation process is designed to reward Non-Exempt Production employees who demonstrate they have obtained additional skills increasing CCM's flexibility, customer focus, and achievement of business goals. Specific skill sets have been identified within our operating areas. Employees learn and upgrade skills at various levels via classroom, on-line, and/or on-the-job training and are rewarded with extra pay upon completion.

Production Wage Review (PWR) Process: To support the Skill-Based/Cross-Training pay structure, HR owns and leads the annual PWR process. The steps include: **1)** performing a wage comparison survey with local industrial companies; **2)** making a recommendation on a percentage increase to remain competitive in the local area; **3)** consolidation & review of location data to ensure business unit consistency in approach; and **4)** SLT approval for final recommendations. In 2007, the creation of a cross-functional team to share best practices from each of the locations with the goal of

identifying a business unit wide skill set and process that will meet the needs of all production employees. Facilities with bargaining units utilize skills sets and cross training mechanisms within the parameters of their contracts.

Reward: Career Advancement: Career advancement and promotions are rewards for an individual's high performance. In 2003, HR introduced a web-based tool called Career Marketplace (CM) to provide employees with the ability to have immediate access to opportunities throughout the company. CM houses our posting process for internal and external candidates and helps to manage the administrative aspects of hiring. The system has been upgraded over the years to improve user capabilities. In 2006, CCM in conjunction with the CFIS platform, initiated the CFIS Job Posting Guidelines and introduced a weekly e-mail "Hot Jobs" communication to ensure employees had a quick link to view all new opportunities across the platform.

Participation in Cross-Functional Teams: The SLT rewards high performing employees by offering them opportunities to participate on high visibility teams and projects as a method to encourage high performance, customer focus, and innovation. This not only rewards employees with growth opportunities but also offers them exposure to different parts of the business leading to further career growth. Examples include membership on Process Development Groups, cross-functional improvement teams (i.e. CCM Engagement Committee), and ad-hoc teams (i.e. Root Cause Analysis problem solving teams).

Recognition: Cargill and CCM Leadership Awards: The Cargill Corporate Leadership Team and SLT presents three biennial recognition awards to individuals or teams exhibiting leadership in customer focus, innovation, and high performance.

Corn Milling Innovation Awards: The Innovation Team along with SMT leadership selects individuals and teams from nominations submitted by their peers for annual awards based on innovative ideas and collaborative behaviors.

Incentives: Incentive Plan Process (IPP): The annual IPP provides variable compensation for high performing Exempt employees and is based on CCM results and individual performance. This process is owned by the HR manager and includes the steps: **1)** SLT determines total incentive pool based on CCM results; **2)** Supervisors recommend incentive based on employee performance; **3)** SMT calibrates incentives to assure consistency; and **4)** Employees are told of incentives awards.

5.1b(1) Development and Learning System: The SMT recognizes the needs of our diverse learning audiences and differentiates those needs by skill development or growth experiences.

Needs for Learning and Development: CCM utilizes systematic processes to support learning and development needs identified by our workforce, including supervisors and managers, reinforcing our *Develop Talent Value*. The CLM (**Figure 5.1-1**) is the foundation for people processes including learning and development. The CLM illustrates the skill capacity needed by leaders at any level. Every function within CCM has basic training requirements that must be completed. For Non-Exempt Production employees skill development

training is defined through Corn Milling Operations and Standard Operating Procedures. For Non-Exempt Support and Exempt employees learning and developmental needs and desires are captured in personal Development Plans during the annual Development Plan Process.

Learning needs identified in the Development Plan include internal Cargill training, external training, special project or work assignments. In 2007, CCM initiated a career-mapping tool for the operations job family starting with the Engineer in Training program. This tool visually displays the potential career progression through various levels of the organization and required skills and competencies. Through career discussions and the Development Plan employees determine skills, behaviors, and growth experiences required for career growth. The CCM HR Manager owns this process and it is deployed through managers and supervisors.

Core Competencies, Strategic Challenges & Action Plans: Core competencies are reviewed during the Strategy Review process and are used in the formulation of strategic plans that cascade to business plans and tactical action plans addressing the CCM strategic challenges. During the last update to the CCM strategic plan in 2007, a Human Capital Strategy (HCS) was developed to support the stated objectives based on the organization's capacity and capability. The HCS outlines the initiatives and actions required to support core competencies, strategic challenges, and accomplishment of action plans including workforce learning and development. For example, our workforce development and learning systems support the *Technical Support* core competency through the CFIS Sales and Marketing Academy.

Organizational Performance Improvement: For organizational improvement CCM utilizes NourishingU, Cargill's Learning Management System, a formalized training system owned by the CCM HR Manager. NourishingU houses training programs and tracks completion of training courses. Courses are segmented into specific categories such as professional skills enhancement, safety, customer focus, leadership, high performance, finance, food safety, and quality assurance. Employees can identify NourishingU training in their Development Plan and complete instructor led or web-based courses at their convenience. Managers have follow-up discussions with employees in order to sustain the learning.

Technological and Innovative Improvement: Technological change is accomplished using the Management of Change (MOC) process. MOC addresses training associated with changes in technology and processes in our production and distribution facilities. The MOC process, managed by the CCM Health & Safety manager, mandates that all employees be trained prior to implementation of any new technology, measurement system, or process. Training for technological or process change is accomplished utilizing internal resources or outsourced through Cargill Learning and Development (L&D) or external vendors.

Breadth of Development Opportunities: CCM employees identify desired training needs through the Development Plan Process. Education opportunities can include external or internal classes (NourishingU or Cargill) or growth opportunities. Examples of growth opportunities include training, coaching, mentoring, and work-related experiences

such as working on projects, assisting another facility with troubleshooting or startups of new processes, or being a member of business unit-wide cross-functional team.

Transfer of Knowledge: Process Development Groups (PDG) were designed to capture and transfer Corn Milling's best practices and knowledge and support knowledge transfer from departing and retiring workers. The PDG process includes the creation of Corn Milling Operations or the best known proprietary practices for operating a process and controlling variability. PDG train and test employees and audit facilities and employees on Corn Milling Operations in order to ensure knowledge transfer. Standard Operating Procedures are written documents used to indicate the operating instruction for specific unit operations within an operational or functional area.

Reinforcement of Knowledge and Skills: Skills training is systematically reinforced through the Performance Management Process and PDG model. The PDG Leaders use the Best Practice Model (**Figure 6.1-4**) to apply the PEAR (Plan, Evaluate, Analyze, Refine) approach to make and communicate improvements to Corn Milling Operations (CMO). PDG audits are conducted annually to ensure all employees are consistently following the work instructions as outlined in the CMO. Any deviation from the CMO results in the development of corrective action and a follow-up visit to ensure the corrective actions are in place.

5.1b(2) Development of Leadership Attributes: The Cargill High Performance Leadership Academy (HPLA) is used to support the development of the four quadrants described in the CLM. CCM takes advantage of all programs (**Figure 5.1-2**) offered with the majority of our participation in the first two levels. Candidates for these courses are selected by the SMT and HR based on a set of specific criteria including experience, performance, job level, and development plan. The Fundamentals of Management training instills a basic, well-rounded foundation of supervisory skills including valuing differences, communication skills, recognition skills, employment policies, providing feedback, and setting expectations. Development of personal leadership attributes is expanded as leaders ascend the HPLA and prepares these leaders for more responsible roles within the organization. In 2007, HPM training content was refined to include sessions on self-awareness, coaching, and developing and engaging others. In addition, the course learning process was enhanced to include one-on-one coaching with professional coaches to increase comprehension, reinforce retention of key knowledge and skills, and improve sustainability of learning.

Organizational Knowledge: The HPLA process is used to develop organizational knowledge through several methods. **1)** Organizing participants in a cohort-learning group. This is a cross-platform, cross-functional group that remains consistent through all training session. **2)** Focusing on real life examples, case studies, and/or platform business challenges. **3)** Business Unit or Platform Leaders involvement through sharing key organizational messages with the participants.

Ethical Business Practices: Cargill's Guiding Principles (**Figure 1.1-2**) training is required for all new employees and annual reinforcement is required for all CCM Leaders. This training is either instructor led or web-based. Annual Committee

of Sponsoring Organizations training, our framework for internal financial control, is required for the Financial job family. Ethical topics are reviewed at SLT meetings including ethical breaches and perceptions of others with regard to leadership actions.

Core Competencies, Strategic Challenges & Action Plans: The development and learning system used for our workforce and leaders is the same for how they relate to core competencies, strategic challenges, and action plans. Depth and breadth of information shared will vary depending on the job function.

Organizational Performance Improvement: The development and learning system used for our workforce and leaders is the same for how they relate to organizational performance improvement. Depth and breadth of information shared will vary depending on the job function.

Change and Innovative Improvement: Managers in strategic roles within CCM receive formal training (HPLA) or specific assignments to gain experience in leading organizational change and innovative improvement. Both the Development Plan Process and Succession Planning processes are used to identify potential managers for training or assignments. For example, in 2007, several SMT members worked with Cargill-wide teams on an innovative initiative to standardize all business processes across Cargill.

Breadth of Leadership Development Opportunities: CCM leaders identify desired training needs through the Development Plan Process. Education opportunities can include external or internal classes (HPLA, NourishingU or Cargill) or growth opportunities. Growth opportunities include training, coaching, mentoring, and work-related experiences such as working on projects, assisting another facility with troubleshooting or startups of new processes, or being a member of business unit-wide cross-functional team. For higher-level leaders strategic assignments are provided to increase exposure, breadth of knowledge, and develop diverse experiences. For example, our former CCM President was assigned to participate on CFIS platform "Go to Market" project team.

5.1b(3) Evaluation of Training Effectiveness: Formal instructor-led training within CCM is evaluated by student feedback (Level 1 evaluation). The Level 1 evaluation is a reaction survey that measures quality of the facilitator and the learning process, relevance and value of the course content, and motivation of the learner to use the knowledge and skills in the workplace. Participants provide written feedback at the end of the session to the CCM trainer, L&D, or the vendor. This feedback is then utilized to improve future education and training offered to employees.

Business unit technical and safety training courses are evaluated based on exams given at the end of the session. A passing score by a participant is a measure of training effectiveness. For Non-Exempt Production employees, the supervisor evaluates operations training through demonstrated application of the material (Level 3 evaluation). In addition, the Employee Engagement Survey, administered to all CCM employees, provides useful feedback of employee perceptions of development and growth opportunities.

5.1b(4) The Cargill Leadership Model (**Figure 5.1-1**) is the foundation of all Human Capital processes including

the Succession Planning Process and career progression (Development Plan Process).

Succession Planning Process: Prior to 2007 CCM utilized the Cargill Leadership and Talent Management (LTM) process for succession planning. This process applied only to leaders at the SLT level. In 2007, a refinement to the LTM processes was implemented. Succession planning now includes managers at the product line and functional area level. The key steps in this process include: **1)** Identification of key strategic roles for each group based on business objectives; **2)** Identification of critical competencies for each role; **3)** Development of a list of potential candidates for each role; **4)** Discussion and agreement on readiness or developmental requirements for each potential candidate; and **5)** Work with candidate's supervisor on potential skills and growth opportunities to prepare candidate for future role. Through this systematic process, succession planning is linked to Performance Management Process and Development Plan Process and is owned by the SLT. The Succession Planning Process drives the career progression discussion between a succession candidate and their manager.

Career Progression: The SLT expects our Product Line Leaders and Functional Area Managers to focus on development of all their employees including the identification and support of high performers and key talent supporting our Value of *Develop Talent*. The Development Planning Process is used to create Development Plans for Exempt and Non-Exempt Support employees. In 2006, we trained this target group of employees in the Cargill Leadership Model, Performance Management Process, and Development Plan Process. After this training employees were requested to have a career planning conversation with their supervisor. These conversations allow CCM to plan appropriate skill and development opportunities for employee career progression. Career Marketplace, a web-based tool, allows employees to proactively explore and manage their own careers.

5.1c(1) Employee Engagement Survey (EES) Process: CCM utilizes an EES process to identify key factors affecting workforce engagement and satisfaction. Cargill's Organization Effectiveness shared service ultimately owns the formal process. For CCM, the SLT and HR Manager are responsible for the deployment of this process. The process steps include: **1)** administration of the survey; **2)** review of results with all employees; **3)** utilization of focus groups to identify work team issues; **4)** creation of action plans to address work team issues; **5)** implementation of action plans; and **6)** review of progress on action plans. All employees are encouraged to complete the survey, and participation rates have been over 95% the last three years. In 2001, a cross-functional CCM Engagement Committee was formed to handle administration of the survey, analysis of results, and sharing of best practices. In 2003, additional SLT Leadership was added to the Engagement Committee to provide direction and increase accountability, and the SLT Tour was changed to add engagement focus groups. In 2005, to address the engagement challenge, several refinements to the EES process were made: **a)** CCM's approach was aligned with the CFIS platform for resource and best practice sharing; **b)** data was segmented to the manager level to increase

individual accountability for improvement; and **c)** the SLT created the Engagement Strategy Team (EST) to formulate a strategic approach to improving engagement. In 2006, the EST, utilizing EES results, provided focused engagement training and best practice sharing to all front line supervisors because of their key role in workforce engagement. In 2007, the EST and SLT utilized engagement data compiled by the Corporate Leadership Council to identify the top factors driving engagement.

The key measure of the EES process is the employee engagement score. However, any question from the EES can be evaluated and segmented (by job type, location, etc.) to identify areas of opportunity. Implementation of action plans is measured between surveys.

Employee Engagement Mini-survey Process (EMP): In 2007, the SLT decided to measure employee engagement once every eighteen months instead of annually to align with CFIS platform timing. Because of this extended time between surveys the CCM Engagement Committee implemented a mini-survey process as a refinement to the EES process. The EMP is administered three times between the major EES surveys. One major advantage of the EMP is that CCM controls when the survey occurs. This allows us to pick strategic times throughout the year to administer the EMP enabling us to receive timely feedback on CCM process and events. Questions are tailored to gather information on specific events, satisfaction, communication mechanisms, and other processes. For example in October 2007, the mini-survey asked questions around the Annual Report DVD (distributed in September 2007), the Performance Management Process, and Business Planning Process. The mini-survey process consists of the following steps: **1)** CCM Engagement Committee defines questions to appear on survey; **2)** Questions approved by SMT; **3)** One-third of population is identified to receive survey (by location, job type, and length of service); **4)** Survey is sent to selected employees; **5)** Surveys data is compiled; **6)** Data is reviewed by SMT and CCM Engagement Committee; **7)** Results are shared with all employees; and **8)** Action plans created from the last EES are adjusted if needed based on the EMP results.

Formal/Informal Methods to Measure Engagement: Besides the formal EES, CCM assesses employee engagement and satisfaction using several other formal methods including Performance Management Process (PMP), safety performance and exit interviews. Informal methods include Town Hall/Quarterly Meetings, departmental meetings, and day-to-day interactions with employees. PMP discussions are held on a semiannual basis between managers and employees to share feedback on behavior, key result areas, and skill and career development. Employee well-being is addressed through well established and defined safety processes aimed at living our Value of *Injury Free*. Performance metrics used to measure key workplace factors are identified in **Figure 5.2-1**. HR leads the process of collecting exit interview feedback and communicating results to local and functional managers to determine any appropriate action that may be warranted.

5.1c(2) Assessment Findings for Improvement: CCM utilizes the Employee Engagement Survey to measure employee

FIGURE 5.2-1 KEY WORKPLACE FACTOR MEASUREMENTS

KEY WORKPLACE FACTOR	MEASUREMENT
Safety and Health	Injury Frequency Rate
	# of Injuries
	BBS Process Index
Security	EHS Audit Score

perceptions for the key factors of engagement [5.1a(1)]. The SLT uses these findings to correlate engagement with key business results such as safety index, customer quality index, innovative ideas, and productivity measures.

5.2a(1) Workforce Capability and Capacity Needs: The Job Analysis Questionnaire (JAQ) process is the primary tool used to capture workforce capability for Exempt and Non-Exempt Support roles. This tool is utilized to capture position responsibilities & purpose, general education, knowledge & skill requirements, scope & magnitude, supervisory responsibility and reporting relationships. It is coupled with the CLM and other people processes to individually link capabilities to each role within the organization. The JAQ process is owned by HR and is deployed by managers and supervisors. Key aspects of the tool include: **1)** All positions require a JAQ; **2)** JAQs are modified as job skills or requirements change; **3)** The JAQ identifies position capability requirements and is the basis for all job postings; and **4)** The JAQ supports our compensation process to link individual capability with appropriate market data. Process refinements have included the incorporation of the CLM to ensure behavioral characteristics align with CCM Values and desired behaviors and the introduction of a formal annual review process to ensure continued assessment and updating of job skills and competencies to support changing business needs.

Workforce capability for Non-Exempt Production employees is assessed and updated through both internal job experts and outside consultants. As a result, tools such as skills and competencies testing have been incorporated into our location hiring processes where appropriate. The development and use of skill blocks and cross training support employee’s continued need for development to meet business requirements.

Workforce capacity is reviewed annually through the Budgeting Process. In this process, staffing requirements across CCM are evaluated and approved formally for both current and projected needs. In 2006, a Job Requisition Approval Process (JRAP) was developed and implemented to support the monitoring of staffing activity on a continual basis. The CCM HR Manager in conjunction with SLT, use the JRAP to formally review all new and replacement positions. The process provides a more individualized look at the specific needs of each position and ensures appropriate staffing in an ongoing manner.

5.2a(2) Hiring Process: The CCM hiring process, which is owned by Human Resources, includes the following steps: **1)** review of Affirmative Action Plan goals; **2)** advertising for positions; **3)** initial screening and/or testing; **4)** behavioral-based interviewing; **5)** final candidate selection; and **6)** post-offer background, physical, and drug-alcohol testing.

Recruitment data, turnover, engagement survey data, promotions, and Performance Management Process ratings are all monitored in an effort to gauge effectiveness of our hiring processes and retention practices. All CCM interviewers complete formal training on the use of interviewing and selection tools to ensure process understanding and a higher success rating. CCM utilizes both a corporate shared service function specializing in professional level recruitment, as well as local human resource and management teams to accomplish our selection objectives. In 2005, Cargill hired a Diversity Recruiting Manager who focuses on developing strategies to enhance our overall diversity initiatives.

Recruiting Process: CCM uses the Talent Recruiting Shared Service for sourcing all professional level needs as described above. The “Experienced Hire” resource team provides support to hiring managers in filling Exempt level positions both internally and externally. CCM works with our College Programs resource, to ensure successful recruitment for entry-level opportunities in engineering, biosciences, and accounting. Core colleges and universities across the U.S., including universities with predominately minority student populations have been identified and targeted based on educational quality and curriculum, student diversity, and other factors important to CCM’s and the candidate’s success. CCM employees lead and participate in ongoing corporate recruiting efforts at these colleges allowing us to keep in touch with available talent.

CCM also partners with College Programs through extensive participation in intern and co-op programs to build a pool for sourcing full-time candidates. This practice enables managers to evaluate the competencies and skills of potential full-time employees and provides students with the ability to experience our culture, values, work environment, and gain understanding of the company, thus leading to longer-term retention for those who are offered and accept opportunities with our business. Within this realm, we also participate in providing focused opportunities for minority students through both corporate and local affiliations such as **InRoads**, a national organization focused on development of high-talent minority students.

Location hire processes focus primarily on Non-Exempt Production operators and Non-Exempt Support positions. Recruitment efforts include targeting area agencies, in addition to state Job Service, which can enhance our sourcing of diverse candidates. Some of the targeted agencies include Urban League, Chicano Awareness Center, YMCA Women in Transition, Vocational Rehab, Jewish Community Center, Senior Resource Connection, military placement organizations, and various community colleges.

Retaining Process: Turnover rates in the business unit are relatively low compared to industry standards; however, we continue to look for ways to improve. HR owns this process. Formal processes such as Performance Management Process, Employee Engagement Survey, focus groups, exit interviews, and other one-on-one discussions are used to listen and gather employee retention feedback. This feedback is analyzed for trends and action plans for improvement are generated when necessary. For example, in 2003, we identified an opportunity with respect to retention of new engineers. Inclusion of 1-3

years of shift work in an engineer's early career was identified as a significant driver for their leaving. To improve engineer retention, HR and Operations evaluated methods for ensuring sound skill development while eliminating the shift rotation. This resulted in the creation of a formal one-year Engineer in Training program at our Memphis, TN facility for all new engineering graduates. Following successful completion of this process, engineers are placed in various roles at each of our production facilities. In addition to providing a consistent level of early skill development for our engineering job family, participation in this program has also enabled the development of a peer network that supports the CCM Value of *Promote Collaboration*. This process has undergone several refinements since its inception based on participant feedback and skill identification from our Process Development Group and engineering teams. In 2005, the Blair, NE site was selected to host half of the new hires to make the training process more manageable. At the same time, a thorough review and update of training needs was implemented to ensure program consistency and refinement. In 2007, we incorporated a manager within the business unit to provide consistent leadership to the program across all sites and implemented the program at our Eddyville, IA facility, resulting in three sites using the program.

Ensure Workforce Diversity: Location and business unit Affirmative Action Plans are developed annually by HR and approved by the SMT. This process ensures that diversity of the local community and broader recruiting areas is well understood. Results and goals are shared annually with local leadership teams to increase awareness and understanding and to support consideration for future recruitment. CCM has undergone successful external audits of our affirmative action efforts in past years.

5.2a(3) Organization and Management of Work: The SMT has organized CCM work and jobs into product lines, functional areas and facility teams. These natural work teams (departments) have common goals aligned through the Annual Business Planning process and are driven by the Strategy Review process (**Figure 2.1-1**). Employees achieve goals utilizing job specific processes, technology, and innovation. Additionally, CCM utilizes a shared services work design at the CFIS platform or Cargill enterprise level to complement CCM processes and provide consistency and efficiency for company-wide processes. Examples of shared services include CFIS Human Resources, CFIS Information Technology, and Corporate HR Shared Services (including Training and Development, Talent Recruiting, Payroll, Benefits, and Organizational Effectiveness). The SMT reviews organizational work design to ensure organization agility, optimize cost to serve customers, and effectively meet customer requirements. Reviews are performed during the Strategy Review or as needed when adding new product lines, entering new markets, changing market conditions, and other outside influences on the business. CCM determines the effectiveness of work design changes through assessments of the strategic initiative implementation, business plan performance, and results achieved in the affected segment of the organization. The metric used to assess overall performance of work system design is return on gross investment. For example, in

1999, the SLT reorganized CCM from a plant-based profit center approach into an enterprise approach by changing to a product line structure and creating enterprise functions such as sales, procurement, and supply chain. In 2004, the SLT reorganized CCM product lines into the Food, Feed, and Fermentation market segments in order to align product lines around common markets and customers for the creation of distinctive value. In 2005, the CCM Supply Chain was reorganized to provide additional customer focus by aligning sales and the commercial support functions and reducing general and administrative costs.

The SMT has organized collaborative work systems reinforcing our core Values of *Promote Collaboration* and *Be Innovative*, encouraging decision-making where the work is performed, and promoting innovation across the business unit. Every CCM employee is a member of at least one team. CCM systematically engages employees through the use of Process Development Groups (PDG), Cross-Functional Improvement teams, and Ad-hoc teams to address opportunities, improve or develop new processes, and deploy processes. High performing employees are selected by the SMT to participate on these teams. As our strategy or business dictates, the SMT forms teams requiring major time commitments, up to 25% of a person's time away from their location or functional work, to support new initiatives or opportunities. The capability to quickly shift employees from their current responsibilities to new initiatives or projects, allows the SMT flexibility and agility to meet changing market conditions. For example in 2006, the SMT was able to quickly reopen the Dayton sweetener plant by utilizing personnel from all locations and multiple functions in the startup and initial operation of the Dayton plant.

5.2a(4) Preparing Workforce for Changing Needs: To prepare our workforce for changing capability and capacity needs CCM utilizes the Strategy Review process (**Figure 2.1-1**) to identify long-term trends and short-term needs required to ensure continuity. The CCM strategy is used to create the Human Capital Strategy, which focuses on required training and skill sets needed for preparing our workforce for the future. These strategies drive the Annual Business Planning process (**Figure 2.1-1**) and lead to the formation of department, team, and individual goals. New capacity or capability needs are included in these plans.

During the annual Budgeting Process, managers assess current and future staffing needs. The SLT and CCM HR Manager utilize this information and monthly CCM Scorecard measures to monitor cost and total employees. By carefully watching market trends for each product line, new product introductions, and monitoring governmental regulations CCM maintains the appropriate levels of employees in order to create distinctive value for our customers. The SLT will conduct a more detailed staffing review whenever business needs warrant.

5.2b(1) Workplace Health, Safety, and Security: Guided by the CCM Leadership system (**Figure 1.1-1**), CCM's proactive, prevention-based approach to workplace health, safety, and security begins with our Values established by the SMT including *Injury Free* and *Strengthen Communities*. These values are supported by our organizational structure, which

includes a Health and Safety (H&S) department responsible for all aspects of workplace health, safety, and security. The H&S department utilizes the PDG process to implement, standardize, improve, train, and audit employee well-being and environmental processes. The CCM H&S Manager reports directly to the SMT. The structure continues at each facility, where H&S professionals lead the deployment of formal processes to improve health, safety, and security as defined below. Prior to 2006, Environmental and H&S were combined into a single departmental function. As a refinement, the SLT decided to separate these functions into two distinct departments in order to increase focus on each area.

Safety: Our safety culture is one of commitment to excellence rather than compliance to standards. Processes used to ensure and improve safety include:

Safety Programs: All safety programs are systematically documented and stored on the Corn Milling Website allowing access by all CCM employees. All programs are document controlled ensuring the latest version is always available for use and review. These programs are kept up-to-date by the H&S PDG and are owned by the CCM H&S Manager. Each program defines the purpose, responsibilities, requirements, and procedures for this aspect of safety. Examples of programs include: Personal Protective Equipment, Hazardous Communications, Plant Safety Inspections, Railcar Safety, Confined Space Entry, and Electrical Safety.

Behavioral-Based Safety (BBS) Process: BBS is a proactive employee-driven approach used to elevate safety performance by examining at-risk behaviors. The process is owned by the local H&S professionals and deployed by facility BBS teams. Process steps include: **1)** Training employees to become qualified observers; **2)** Observing employees performing their normal tasks, recording both safe and at-risk behaviors on the BBS observation form; **3)** Providing immediate feedback to the employee being observed, reviewing both safe and at-risk behaviors; **4)** Entering observation data into the BBS database; **5)** Analyzing BBS data for overall trends and indicators; and **6)** Creation of action plans for improvement based on the analysis of data. The BBS Process Index is used to measure this process. The ultimate measure of success is reduced injuries. The BBS process has been used since 2001. Refinements include the addition of a full-time CCM BBS leader, increased emphasis on observation coaching to improve observation quality, improved action planning and follow through, and full utilization of the tools provided by our consultant for this process. In 2007, the monthly BBS Process Index Report was introduced combining eight BBS measures into a single index to gauge the overall health of the process.

Management of Change (MOC) Process: MOC is a formal, document-controlled process used when a change, including the addition of new technology, is made to the manufacturing process that could have an impact on mechanical reliability, product quality, food safety, employee safety, or the environment. The Environmental, Health and Safety department owns the MOC process. The process steps include: **1)** utilize MOC form to document change being made; **2)** route form to designated approvers for their review and input; **3)** all approvers must agree to and sign off on change; **4)** perform required communications and training

regarding the change; **5)** implement change; **6)** file MOC form; and **7)** audit for compliance.

Error Cause Removal (ECR) Process: ECR is a systematic approach used to capture and track employee suggestions for improvement of workplace safety factors and audit results. The H&S professionals at each site are responsible for the ECR system. The process steps include: **1)** input of individual or audit result information into the ECR system; **2)** assignment of the responsible person for the improvement suggestion; **3)** responsible person determines proper way to address the improvement suggestion (work order, capital project, etc.); **4)** suggestion is prioritized with other items based on risk and cost and downtime required for implementation; and **5)** suggestion is implemented, as appropriate. Measurements are kept at the facility level and include the number of outstanding ECRs and monthly progress on implementation. In 2005, priority coding was added to ECRs. In 2006, the top priority coded ECRs were added to the monthly H&S report to keep facilities focused on key potential hazards.

Monthly Safety Inspections: Trained teams conduct monthly inspections at plants and terminals. Findings are entered into the ECR system on a hazard rated priority basis for corrective action and tracking.

Safety Committee Meetings: Cross-functional teams, including both managers and employees, review safety statistics, address plant safety issues, plan safety events, review behavioral-based safety data and incidents (property damage, near misses, and injuries). These meetings are held monthly and are led by facility H&S personnel.

Peer Site Audits: As part of the H&S PDG, H&S personnel conduct annual audits based on the workplace factors at all sites. Findings are entered into the ECR system for corrective action and tracking.

Annual Safety Refresher Training: Quarterly Meetings are used for refresher H&S training on OSHA required topics, and to review results. These meetings are led by a combination of the H&S team and other site managers. Employees can ask questions or make recommendations for improvements during these sessions. As a refinement, some safety training is available on-line or through the use of web-based training materials (NourishingU). This improvement has resulted in increased opportunity for participation in a 24/7 environment and consistency in training across the business unit.

Emergencies Drills: Employees participate in mock emergencies to practice response procedures and prepare for real emergencies. After a drill is completed, assessments are performed to identify opportunities for improvement.

Health: As mentioned above, CCM has numerous documented Safety Programs used to protect the health of employees and communities surrounding our facilities. Community related health programs include: Water Supply Usage and Protection; Waste Management; Oil Spill Prevention, Control, and Containment; Hazardous Material Transportation; and Air Emission. Employee related health programs include: Hearing Conservation; Personal Protective Equipment; Respiratory Protection; Blood Borne Pathogen Exposure; Emergency Action Plans; and Ergonomic. The CCM H&S Manager owns all of these programs.

Employee Wellness: CCM offers various programs to promote

employee wellness and healthy lifestyles. Employees are involved in wellness committees and offer suggestions on ways to achieve or improve wellness.

Security: A formal Site Security Plan Program is owned and implemented by the CCM H&S professionals. This program reduces the risk of incidents such as vandalism, sabotage, workplace violence, terrorism, theft, hazardous materials handling or other activities that could result in harm or loss to our employees, community, property or product. As part of this program an annual site security assessment must be completed at each location.

Workplace Environments: CCM has over 2,300 employees in numerous job functions performing a wide variety of tasks. All employees have been segmented into one of three primary work environments based on their normal job location and function. These environments are facility operation, facility administration, and corporate office. Our team structure requires employees to interface among all three environments. Performance measures and targets are the same for all three environments. There are some differences in workplace factors based on the three work environments. Performance expectations with respect to safety and security are the same for all employees working in any environment. Safety training differences occur because of the depth of knowledge required by different employee in each environment. The CCM Health & Safety Manager has identified safety training requirements that vary based on work environment and a systematic evaluation of the safety risk exposure. Health concerns and regulations are different for employees working at production facilities versus the corporate office environment. Wellness programs are offered to all employees. Because of the nature of the work, production employees face ergonomic concerns that differ from facility administration or corporate office employees. For example, most office ergonomic issues are related to computer use, repetitive motion, lighting and posture of employees. In production areas, additional ergonomic challenges exist include lifting objects, working outside, and performing tasks requiring overextended or cramped positioning.

5.2b(2) Policies, Services, and Benefits: CCM supports our workforce through a variety of policies, services, and benefits. The Cargill Salaried Employee Handbook (CSEH) is the tool used for communicating policies and procedures for all Exempt, Non-Exempt Support, and Non-Exempt (non-union) Production employees. Production employees covered by a bargaining unit follow policies outlined in their negotiated contracts, however many of these are similar in nature to the CSEH. The CSEH is owned and reviewed annually by Corporate HR. In 2006 CCM HR enhanced the CSEH to ensure consistency in approach at all our facilities, offer additional flexibility, and incorporate language for employees who work shift schedules. This resulted in the creation and rollout of a CCM HR Policy & Procedure web page developed by CCM HR and location Facility Managers. The CSEH is organized to include policy information on Cargill Values, Work and Personal Life, Your Financial Future, Managing Your Career, Time Away from Work, Cargill's Work External Relations and Communications, and Leaving Cargill. The CCM HR website includes more specific

information on Attendance & Leave, Time Recording, Vacation & Holidays, Inclement Weather, and Job Postings.

CCM provides a variety of services to our employees including an employee assistance program, subsidized wellness services/health club membership, annual flu shots and other health checks, time off to support community volunteerism, access to local discounts, event tickets, and employee recognition programs.

Benefits Open Enrollment Process: CCM offers an extensive corporate benefits package for salaried employees including multiple options for Health & Welfare, Retirement, Salary Continuation, Disability, Vacation/Holidays and Tuition Reimbursement. Bargaining unit employees have similar benefit packages outlined in their negotiated contracts. This annual process allows all employees to tailor benefit packages to their specific needs. Employees also receive a biannual benefits summary highlighting their personalized coverage to help in understanding the full value of their benefits in a "hidden paycheck" format. In addition to corporate offerings, CCM offers additional benefits including company purchased safety equipment and employee uniforms for production personnel. Benefit programs are reviewed annually with recent improvements including the addition of a vision program and a defined contribution employee retirement account offering additional flexibility.

6.0 Process Management

6.1a(1) Determining Core Competencies: Core competencies are reviewed during the annual Strategy Review process. The Enterprise Development Team and SLT perform a capability inventory assessment in the three market segments (Food, Feed, and Fermentation) to identify critical knowledge, assets, people, and technology factors that influence our ability to fulfill the mission of creating distinctive value. The SLT further analyzes these factors and utilizes a three-dimension core competency scoring matrix to determine the core competencies of the business unit. The scoring matrix criteria include relevance to the market and creation of customer value, difficulty of imitation, and breadth of application. The CCM core competencies are *Risk Management & Origination, Technical Support, Supply Chain Management, and Corporate Social Responsibility*. CCM core competencies relate to action plans, which are tied to the strategic objectives that support the overall mission to create distinctive value.

As indicated in the CCM Leadership System (**Figure 1.1-1**) our key work processes fall into three categories – Customer Value (**Figure 6.1-1**), Profitability (**Figure 6.1-2**), and Sustainability (**Figure 6.1-3**). Each key process has a SMT owner, who reviews the process annually and determines whether we have the internal capability to meet the process requirements. CCM's strategy drives the creation of new processes, which may require specific expertise not available within CCM. The SLT will decide whether this expertise should reside internally or if external resources are required to supplement or develop our internal knowledge. The criteria utilized to determine internal versus external expertise is based on the impact the new process will have on customer focus, profitability, and sustainability. For example,

FIGURE 6.1-1 CUSTOMER VALUE

6.1B(1) KEY WORK PROCESSES	CORE COMPETENCIES FOR KEY WORK PROCESSES	6.1B(2) KEY REQUIREMENTS
Customer Relationship Building	Technical Support	Growth with targeted customers
Develop and Test New Product/Service/Solution	Technical Support	Collaborate, create and test possible solutions
Plan and Manage New Product/Service/Solution Launch	Technical Support and Supply Chain Management	Collaborate, create and deliver solutions
Manage Customer Service	Supply Chain Management	Identify/provide customer access mechanisms
Manage Quality	Supply Chain Management	Product and service quality

FIGURE 6.1-2 PROFITABILITY

6.1B(1) KEY WORK PROCESSES	CORE COMPETENCIES FOR KEY WORK PROCESSES	6.1B(2) KEY REQUIREMENTS
Define Business Strategy	All competencies	Customer input; Market Knowledge; Consumer trends; Government Regulations
Manage and Implement Procurement Strategy	Supply Chain Management	Availability and cost of raw materials
Manage Manufacturing Strategy	Supply Chain Management	Safety; Operational Excellence
Manage Transportation and Storage Strategy	Supply Chain Management	Optimize delivery resources
Manage Idea and Concept Generation	Technical Service	Capture, track, and implement innovative ideas
Plan and Schedule Production	Supply Chain Management	Sales demand, plant capability, costs

in the key work process *Manage Idea & Concept Generation* (Figure 6.1-2), CCM utilized an external resource to help create our innovation process and to provide us with a database for tracking innovative ideas. After implementation CCM internalized all aspects of this Profitability key work process for creation of distinctive value.

6.1b(1) Key Work Processes: As indicated in the CCM Leadership System (Figure 1.1-1) and illustrated in Figures 6.1-1, 6.1-2, and 6.1-3, the key work processes are segmented by customer value, profitability, and sustainability. CCM designs and deploys key work processes in order to achieve organizational success. Every key work process is directly related to at least one CCM core competency, as indicated in Figure 6.1-1, 6.1-2 and 6.1-3.

Customer Value: During the Strategy Review process Customer Value is analyzed by market segment and product line using tools such as internal rate of return and net present value. This analysis produces our product line strategies. The key work processes contribute to customer value by systematically enabling CCM to build deeper relationships with targeted customers, discover unmet needs, and collaborate, create, and deliver new products and solutions leading to customer value.

Profitability: During the Strategy Review process Profitability is the focus of our market and product line strategies. The key work processes within profitability analyze markets for growth, identify strategic customers and suppliers, plan asset utilization, optimize delivery resources, implement innovative ideas, and define overall strategies for maximizing earnings using tools such as trend analysis and linear optimization.

Sustainability: The Sustainability key work processes

are required to support the CCM organization. These key work processes focus on workforce capability and capacity, technology and equipment, risk management, and environmental stewardship.

6.1b(2) Determination of Key Work Process Requirements: See Figures 6.1-1, 6.1-2, and 6.1-3 for the key requirements of the key work processes segmented by customer value, profitability, and sustainability. As key work processes are improved process owners are responsible for the review of key requirements to ensure alignment with expectations of key work process customers, suppliers and partners (See Figure 6.1-4). Many of the listening and learning mechanisms described in Figure 3.1-1 are

used to identify requirements. For example, the Commercial Operations Manager, leader of the *Plan & Schedule Production* key work process, manages the development of formal operating plans for production facilities and terminals during the weekly enterprise-planning meeting. Sales uses customer input to provide sales demand forecast, terminals provide replenishment requirements, operations provides their capabilities, and finance provides manufacturing and shipping costs. These requirements are utilized in the Sales and Operations Planning Model to schedule production.

6.1b(3) Process Design Approach: Figure 6.1-4 illustrates the Best Practice Model (BPM) used to design and innovate work processes to meet key requirements. The BPM includes the key steps and the requirements for each step. This process is owned by the SLT and deployed by the Process Development Group Leaders and is used to design processes and modify processes for efficiency, effectiveness, agility, and cost control improvements. As illustrated in the final step of the BPM, the Management of Change (MOC) process is used to ensure product quality, implementation of new technology, service, safety, food safety, consistency, reliability and environmental protection are built into each process design or refinement. In the same step of the model, new and innovative ideas and approaches initiate a refinement cycle for the process. The use of new technology and organizational knowledge is incorporated into several steps of the BPM either directly or through the MOC process. For example, in 2006 CCM innovated the key Sustainability work process *Manage Corn & Energy Risk* by creating the Customer Relationship Management system for improving interactions with farmers followed the best practice process and was developed as a

FIGURE 6.1-3 SUSTAINABILITY

6.1B(1) KEY WORK PROCESSES	CORE COMPETENCIES FOR KEY WORK PROCESSES	6.1B(2) KEY REQUIREMENTS
Manage Human Capital Strategy	Corporate Social Responsibility	Select, develop, and retain strategic capabilities
Manage IT Services	All competencies	System availability
Manage Plant, Property, and Equipment	Supply Chain Management	Reliable and safe
Manage Regulatory Relationships	Corporate Social Responsibility	Proactive and prevention based
Manage Corn and Energy Risk	Risk Management and Origination	Corn source, energy usage
Knowledge Sharing and Management	Technical Support	PDG Process

result of changing requirements from employee and farmer stakeholders.

6.1c Disaster & Emergency Preparedness: CCM ensures preparedness of the organization for disasters and emergencies in several ways. The Emergency Action Plan (EAP), owned by the VP of Operations, details chains of command, actions, and notifications required for emergencies including: severe weather, tornado, chemical spills, personal injury, power failure, bomb threat, and work-place violence. The EAP includes requirements for resumption of operations after an event. Regular drills are conducted with local emergency professionals as needed, to ensure effective training and to identify areas to improve preparedness and prevention. After any emergency preparedness drill, a review by the process owners and other key employees is conducted to analyze strengths and weaknesses of the processes. Based on the findings improvements are implemented and employees are trained on new processes.

Since 9/11, the focus on preventing terrorism has been greatly expanded. As a food ingredient manufacturer, strict attention to food safety requirements, product security procedures, and raw material receiving procedures is a requirement. Our facility Hazard Analysis Critical Control Point (HACCP) plans address all internal required control points, which are monitored, verified and validated on regular frequencies (daily, weekly, or monthly) as required. The HACCP process is the responsibility of the CCM QA Manager, a member of the SMT. Bioterrorism is addressed using two protocols, the “Suspected Product Tampering Protocol” and the “Potential Biological or Chemical Agent Exposure Protocol.” Both of these protocols include procedures to follow and contact points within CCM, Cargill and local authorities. If a contamination problem is detected, CCM has formal recall procedures tracing production by lot number, production facility, terminals, and customers. The recall procedure identifies the key personnel to be contacted. The recall process is the responsibility of the CCM QA Manager. Mock recalls are conducted annually to test the system, identify gaps, and generate corrective actions. In addition to CCM approaches described above, Cargill has developed procedures to respond to a global pandemic or any other global disaster. These plans include global, regional, country, and business unit responses.

To ensure continuity of operations for CCM customers our

Sales, Commercial, and Operations teams work closely to track sales demand, production, and supply chain needs. These data are used to analyze and plan production needs (Plan & Schedule Production key Profitability work process) for the business unit. The cyclical nature of the corn sweetener business requires inventories be increased prior to the heavy customer demand periods. In addition, most of our product lines are produced at multiple plants locations allowing flexibility in providing contingency options

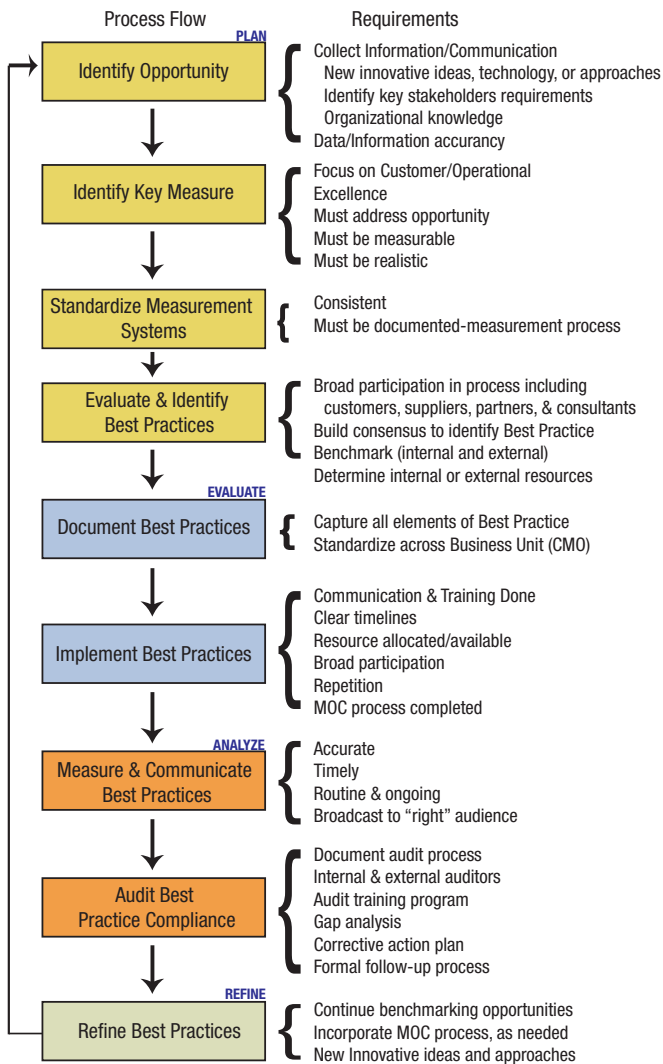
in the event of an emergency or disaster at any location.

The CCM IT Manager manages the continuity of hardware and software systems in the case of an emergency.

6.2a(1) Work Process Design Requirements: For new work processes Standard Operating Procedures (SOP) are created and used for training employees. Modifications to work processes require updating SOPs and training employees affected in the new procedures and requirements. Process owners are responsible for maintaining SOPs. Key process measures are identified to control and monitor processes. Methods used for the implementation of new or modified work processes include pilot testing or parallel processing. For example, in 2003 CCM started a Total Cost of Ownership (TCO) implementation process as part of our Manage IT Services key work process. TCO is an initiative to lower cost by standardizing computer hardware and software. Our approach was to pilot the process at our Wahpeton facility, gather input on how to improve implementation, make improvements from the feedback, and implement at all other locations.

Measures are defined for all key work processes and are used for control and improvement. Process owners monitor key work process performance measures on a routine basis (daily, weekly or monthly). In addition, product line, functional area and operations personnel routinely monitor in-process measures hourly, daily, weekly or monthly based on the cycle time of data. For example, quality testing in the Manage Quality key work process occurs in-line, in the production areas, and in the laboratory depending on the cycle time needed to control quality and process parameters. The Process Quality Database system is used to track and monitor quality attributes the distributed control system does not monitor. The distributed control system monitors real-time processing data such as flow rates, temperatures and pressures. Operators use these in-process measures to monitor and control the process to ensure product quality and quantities meet requirements. Deviations from expected results in all processes are addressed through standard operation procedures and through the development of action plans. Root Cause Analysis is used to create action plans addressing rejections, lost-time accidents, environmental incidents, significant property damage, major maintenance repairs or repeat issues. For example, an in-process measure

FIGURE 6.1-4 BEST PRACTICES MODEL



for our key Profitability work process Manage Manufacturing Strategy is behavioral based safety process index. This metric is a leading indicator of safety performance measured by safety index.

Customer, supplier, and partner input is gathered using the listening and learning mechanisms outlined in **Figure 3.1-1**. Process owners are responsible for monitoring and evaluating this information and for keeping the process current with the needs of the business. Process owners communicate changes in requirements with stakeholders, as appropriate. These requirement changes can result in utilization of the BPM (**Figure 6.1-4**) to develop new or improved processes. Pilot processes utilize customer feedback in the design stages to ensure customer requirements are achieved.

6.2a(2) Minimization of Costs for Inspections, Tests, and Audits: Process Development Groups (PDG), in conjunction with the QA Department, review testing and inspection frequencies to determine where they can be reduced or eliminated. These reviews are completed at least once per year in all operational areas and will occur more frequently when opportunities are identified by the PDG. Additional in-line instrumentation, capability studies, and improved process control logic in the distributed control system are examples of refinements that have reduced inspection cost efforts. In addition, our

preferred supplier process has allowed us to reduce inbound testing of chemicals and processing aids.

We prevent defects, service errors, minimize warranty costs, and customer productivity losses primarily through our process design and process refinements made using the BPM (**Figure 6.1-4**), through standard operating procedures as well as prevention-based processes including:

- Use of predictive maintenance technologies to identify potential equipment problems and to plan and schedule maintenance activities.
- Monthly or quarterly (as appropriate) performance reviews are performed for our major road and rail carriers.
- Annual utility outages at facilities to inspect boilers, motors, circuits and install new equipment.
- Daily calibration and preventive maintenance for lab instrumentation.
- Daily, weekly and monthly required control points monitoring, verification and validation for food safety.
- Behavioral-based safety observations are used to prevent potential accidents caused by unsafe employee behaviors.
- Use of railcar pre-load checklists by operators to prevent accidental filling of contaminated vessels or use of non-food safe cars.
- Annual audits of truck wash stations and terminals (Cargill owned and third party) for compliance to food safety regulations.
- Annual third party inspections for housekeeping, sanitation and food safety.
- Annual PDG and Corn Milling Operation audits for compliance to best practices.
- Order confirmations with customers to ensure order accuracy.

6.2b Improvement of Work Processes: CCM improves work processes to achieve better performance and reduce variability using the BPM (**Figure 6.1-4**). This model addresses how CCM plans, evaluates, analyzes, and refines work processes. This process is owned by the SLT and deployed by the Process Development Group (PDG) Leaders. The key work process owners are responsible for monitoring and evaluating their processes and keeping them current with the needs of the business. Input for improvement can come from the Strategy Review process or from customer, supplier, and partner feedback. In 2007, PDG Leaders met to review the BPM and make improvements to the model by including additional tools to help support this model. For example, Root Cause Analysis was incorporated into the planning stage of the model.

Organizational Learning and Innovation Processes: CCM utilizes the PDG, Ideas to Innovation (i2i), and Root Cause Analysis, three distinct but integrated processes, to improve organizational performance and learning, reduce variability, and improve products and services. Ideas entered into i2i related to PDG efforts are automatically sent to the PDG Leader. The Root Cause Analysis process is used to solve any PDG performance gaps requiring formal corrective action.

Process Development Groups (PDG): The SMT first introduced the PDG process during our transition from individual plant-

focused work design to an enterprise-focused work design in 1999. The original intent of the PDG process was to encourage the behaviors of cooperation and collaboration, promote innovation, and expand organizational learning and expertise. PDGs were structured to work across facilities, functional areas, and product lines to standardize procedures and seek out best practices in order to improve products and services. Every PDG consists of at least one employee from each facility plus the PDG Leader. This structure facilitates best practice sharing at each location and between locations. In addition, sharing occurs during monthly conference calls, annual face-to-face meetings, and annual audits. PDGs are now used to provide sources of sustainable competitive advantage through continuous development of our technology base. PDG Teams utilize the steps illustrated in the BPM (Figure 6.1-4). The SMT is responsible for the PDG process and PDG Leaders are responsible for deployment and implementation of best practices across the CCM for their PDG. This deployment model creates a culture of continuous process improvement and standardization. The benefits CCM has realized from the PDG model include cost savings, reduced variability, documentation and standardization of procedures (Corn Milling Operations), promoting collaboration through implementation of best practices, increased employee training and organizational learning, innovation, and employee skill development. In 2000, initial PDGs were established for our Mill-Feed, Refinery (Corn Syrup and HFCS), and Maintenance and Reliability processes. In 2003, the SLT sponsored the formation of two additional PDGs to improve natural resource processes (energy, power and steam; wastewater). In 2004, PDGs were added for Environmental, Procurement, Quality Assurance, Safety, and Automation, Electrical and Instrumentation. In 2006, PDGs were formed for Warehousing, Ethanol, and Corn Oil. In 2006, a PDG Steering Team was created including all PDG Leaders to review the BPM, identify top initiatives for each location, and prioritize initiatives based on savings potential.

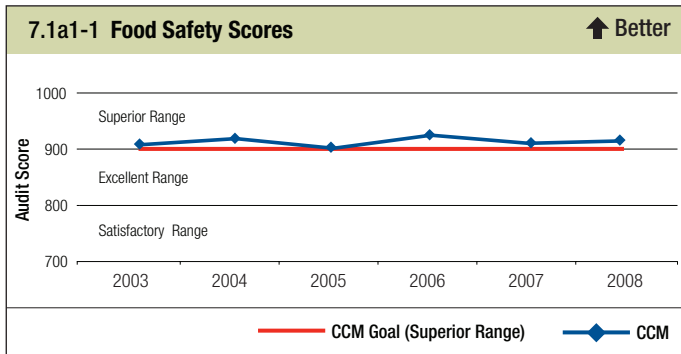
Idea to Innovation (i2i) Process: i2i is a formal approach used in our key Profitability work process Manage Idea & Concept Generation and is owned by the Innovation Manager. The i2i process supports CCM's Values of *Be Innovative* and *Promote Collaboration*. i2i captures and tracks innovative ideas relating to new discoveries, cost efficiencies, process improvements, and ways to help meet our business goals and objectives through a computer-based system. The steps for this process include: **1)** Employees enter ideas into the i2i system; **2)** Ideas are reviewed by cross-functional Innovation Review Teams (IRT); **3)** IRTs classify ideas using an Idea Prioritization Matrix or through the team's knowledge of the feasibility and effectiveness of the idea; and **4)** Idea mentors are assigned to either nurture the ideas through the system or inform the ideator why the idea is not being advanced at this time. The idea mentor along with automatic system updates (through email) keep the ideator informed as their idea advances through the process. The i2i process has benefited from multiple evaluation and improvement cycles. In 2004, CCM started utilizing formal business unit idea campaigns to generate focused ideas on a specific opportunity. In 2005,

a common website tool was implemented in order to share knowledge and ideas throughout Cargill. In 2006, CCM initiated annual recognition awards for innovation. In 2007, formalized standard operating procedures were created to define the process and the responsibilities of the ideator, mentor, and IRT members.

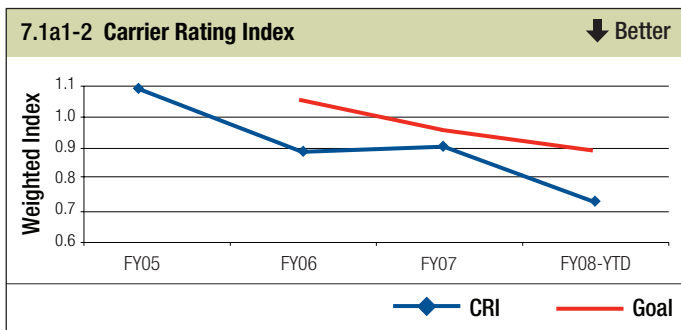
Root Cause Analysis (RCA) Process: CCM has utilized RCA as a formal approach to analyze problems and implement solutions for improvement since 2000. The key steps are: **1)** Problem owner forms an ad-hoc RCA team once a threshold limit has been reached (such as a rejection, injury, environmental incident, etc.), **2)** This team meets and develops a cause and effect chart, **3)** Team gathers evidence to determine the root causes of the problem, **4)** Team brainstorms effective solutions to eliminate the root causes, **5)** Team implements the solutions, and **6)** Team follows up to ensure resolution. The cross-functional RCA Steering Team meets annually to review threshold triggers for the business unit. The RCA Coordinator is the owner of this process. This process has been improved through many refinements. In 2004, a RCA database was created to track RCA completion and solution implementation. In 2007, the RCA Steering Team modified the RCA database to provide automatic monthly reports for Facility Managers and Department Managers in order to monitor and track the implementation of RCA solutions supporting our *Demand Accountability Value*.

7.0 Results

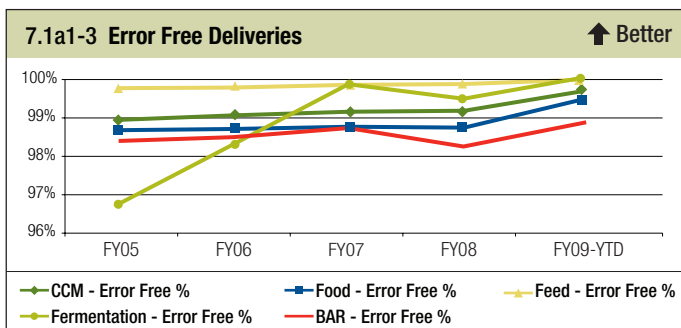
7.1 Product and Service Outcomes



7.1a1-1 Food safety is a key market requirement for our HFCS, Corn Syrup, Dry Corn Ingredient, and Acidulant customers. We utilize an independent third-party auditor to perform annual inspections of all facilities producing these products. The audit results and reports validate our HACCP (food safety), GMP (sanitation), and quality processes. To achieve a score of 900 or more requires a superior rating for all five categories evaluated during the audit. Many customers use the results of this audit in lieu of performing their own quality audits.

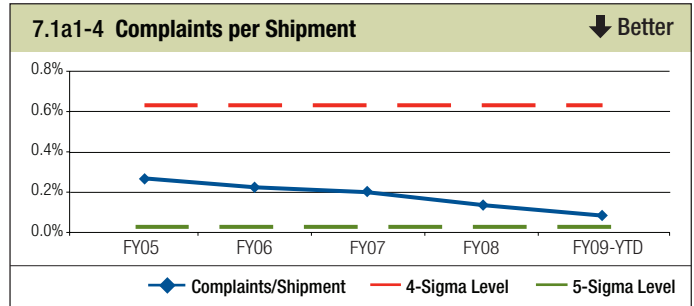


7.1a1-2 The Carrier Rating Index (CRI) is a unique metric for CCM used to measure the service quality of our external carriers. The CRI is calculated based on total points assigned to a truck carrier based on the severity of a service quality non-conformance and then divided by the total shipments for this carrier. The goal is based on previous performance of multiple carriers and is used to improve individual carrier performance.

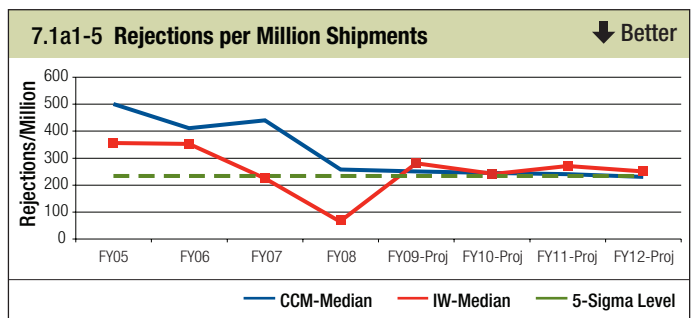


7.1a1-3 Error Free Deliveries are a key market requirement and expectation of customers in each market segment – Food, Feed, and Fermentation. This metric consists of meeting our customer’s requirements around product specifications,

uninterrupted supply, product consistency, correct paperwork, and on-time deliveries. Included in Error Free Deliveries are “customer incidents” defined as errors we discover, correct, and proactively alert the customer prior to them receiving the product. Customer incidents make up 70% to 80% of the gap between 99% and 100%. We benchmark a 2005 Baldrige Award Recipient (BAR) in the Food Manufacturing area. See 7.1a1-4 for more information.



7.1a1-4 As indicated in 7.1a1-3, Customer Incidents make up most of the 1% gap in Error Free Deliveries. The other two broad categories are Customer Rejections and Complaints, which are indicators of product and service performance problems with our customers. This chart indicates a decline in complaints even as the number of shipments is rising. Our continuous improvement goal is to reach zero complaints. The next chart, 7.1a1-5, looks at rejections in more detail.

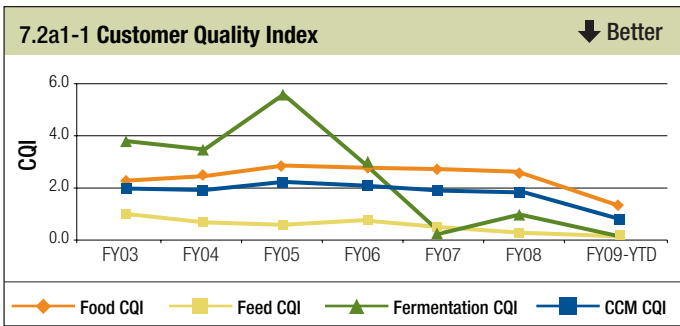


7.1a1-5 Rejections are tracked as a CCM Scorecard (Figure 2.2-1) measure. The benchmark on this chart is from the IndustryWeek Best Plants Benchmarking Data. CCM rejections are converted to parts per million to compare. We are comparing ourselves to the median of the IndustryWeek’s Top 10 plants. Our Wahpeton, ND plant was selected as an IndustryWeek Best Plant in 2007 based on comprehensive excellence in all metrics. Therefore in FY07 the Wahpeton data appears in both the benchmark and actual CCM data. This chart contains projection for the next five fiscal years.

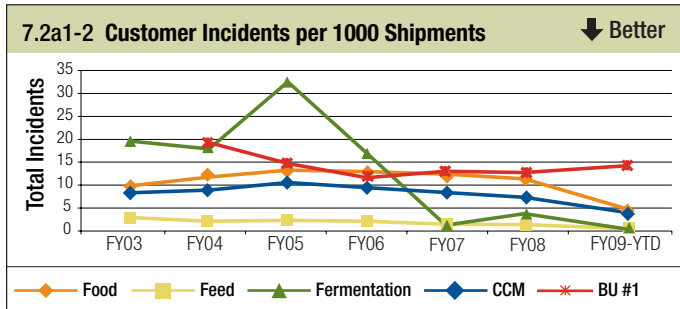
7.2 - Customer-Focused Outcomes

7.2 Customer Focused Outcomes

7.2a1-1 The Customer Quality Index (CQI) reflects CCM’s value to *Expand Customer Focus*. CQI is a unique customer dissatisfaction metric used in conjunction with our Customer Relationship Tracking system (Figure 3.2-3). This index is a weighted ratio of rejections, complaints, and customer incidents to total shipments. Total CCM shipments have increased by 18.0% since FY03. This increase plus operating plants at near capacity (see 7.5a1-2) during



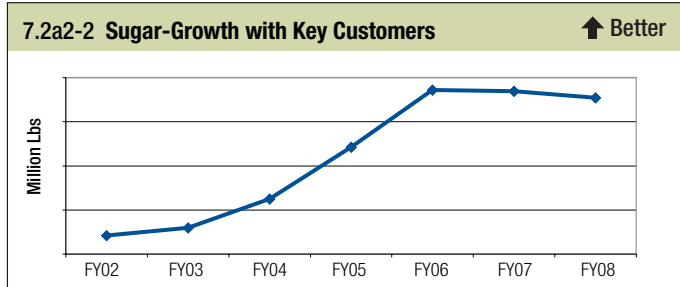
seasonal production periods leaves little room for operational or service issues. CQI is a CCM Scorecard measure (Figure 2.2-1).



7.2a1-2 All customer incidents around both product and service are used to calculate this incident rate. Incidents include rejections, complaints, and times when we proactively alert a customer of a potential issue we have discovered prior to the customer receiving the shipment. We utilize the divisor of 1000 shipments in order to compare our results to a Cargill BU of similar size operating in a similar geography (BU #1).

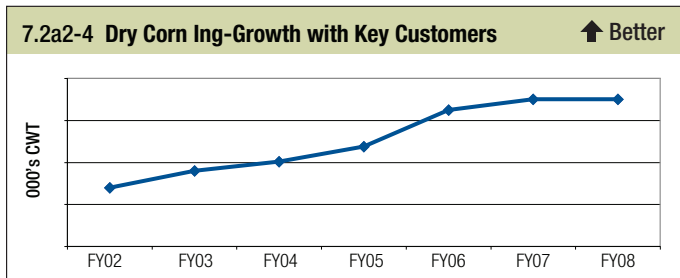
7.2a1-3 Customer Awards (Proprietary information – chart not shown)

7.2a2-1 HFCS Volume Index (Proprietary information – chart not shown)



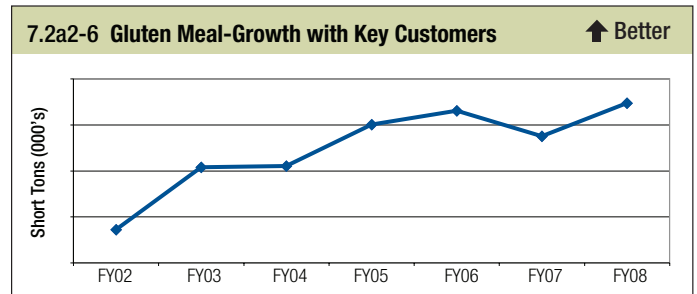
7.2a2-2 This chart demonstrates growth with our largest key sugar customers.

7.2a2-3 Corn Oil – Growth with Key Customer (Proprietary information – chart not shown)

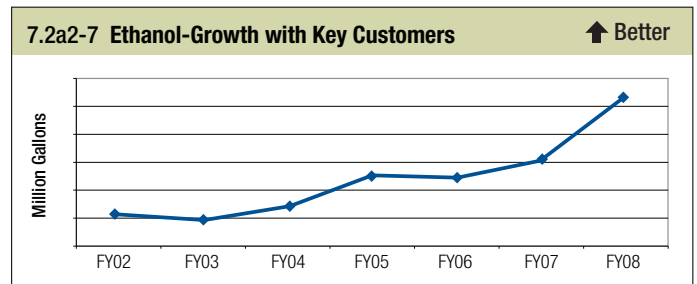


7.2a2-4 This chart demonstrates growth with our largest key dry corn ingredient customers.

7.2a2-5 Branded Feed – Growth with Key Customers (Proprietary information – chart not shown)



7.2a2-6 This chart demonstrates growth with our largest Corn Gluten Meal (CGM) customers. CGM is the protein component separated from the corn at all corn wet milling plants.

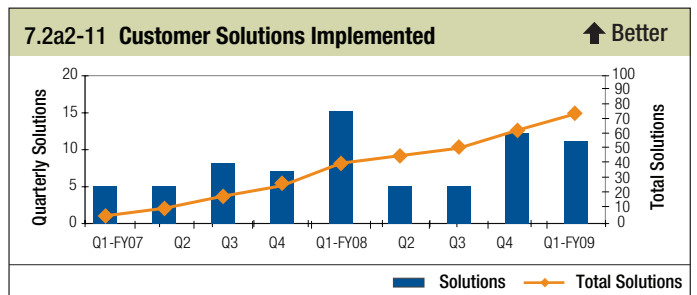


7.2a2-7 This chart demonstrates growth over time with key ethanol customers. Ethanol is a price-driven commodity with many supply alternatives for customers and these customers have purchased from us every year.

7.2a2-8 Ethanol – Growth with Marketing Alliances (Proprietary information – chart not shown)

7.2a2-9 Industrial Starch – Growth with Key Customers (Proprietary information – chart not shown)

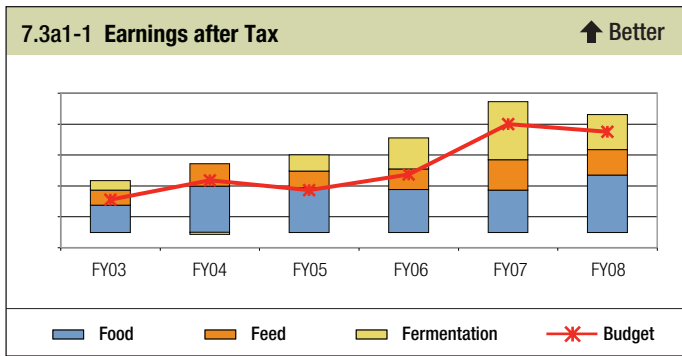
7.2a2-10 Acidulants – Growth with Key Customers (Proprietary information – chart not shown)



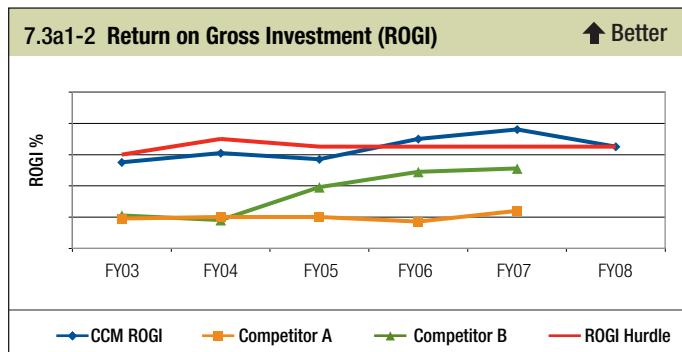
7.2a2-11 CCM's mission is to create distinctive value for our customers. This chart displays the number of implemented innovative solutions by quarter with a cumulative total. Technical Support is a core competency and we have provided this service to our customers for many years. We have just started to measure this important aspect of building relationships.

7.3 Financial and Market Outcomes

7.3a1-1 CCM segments its financial reports into food, feed, and fermentation market segments. For each of the last six



years actual earnings after tax have exceeded the annual budget, which is described in 4.1a(3). These results reflect CCM’s ability to anticipate changes in a dynamic market while meeting customer needs in our three market segments. For example, FY07 reflects strong performance in the fermentation segment, specifically the ethanol product line. Ethanol profits were driven by higher pricing and increased fee income from ethanol marketing partners. In FY08 ethanol margins decreased as corn prices increased and market prices were not able to hold marginal revenue. At the same time, we were able to increase selling prices for food based corn products to keep pace with rising corn and manufacturing costs. Higher corn prices also increased revenue in our Feed segment where margins held steady in FY08. Earnings after tax is a CCM Scorecard measure (Figure 2.2-1).

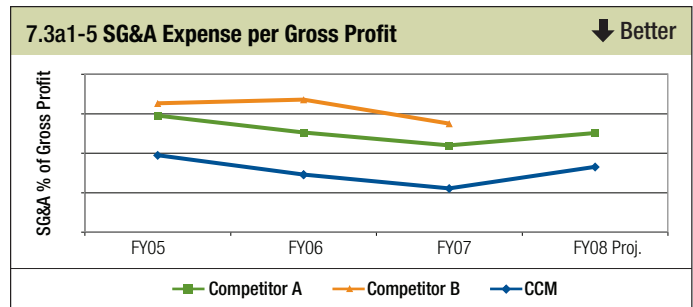


7.3a1-2 CCM analyzes financial information from publicly traded competitors to determine financial returns based on return on gross investment (ROGI), an internal Cargill Measure. CCM outperforms both competitors in creating financial value. The ROGI hurdle is established by Cargill as the goal for the level of return that makes investing in CCM attractive. ROGI is a CCM Scorecard measure found in Figure 2.2-1.

7.3a1-3 Operating Cash Flow per Total Assets (Proprietary information – chart not shown)

7.3a1-4 Co-Located Customer Revenue (Proprietary information – chart not shown)

7.3a1-5 SG&A as a percentage of gross profit represents the cost to CCM for selling product and general support of the corn milling business. Over the past four years, the actual dollar amount of SG&A has remained relatively flat as the level of gross profit has consistently risen. SG&A efficiency increases are represented across a broad spectrum of activities including sales, transaction processing, HR, and accounting/finance. The increase for FY08 represents a decline in gross profit. The decline in gross profit for FY08 was impacted



more by increasing cost of goods sold rather than a decline in net sales. SG&A is a CCM Scorecard measure and can be found in Figure 2.2-1. We divide SG&A by gross profit to allow a comparison to competitors.

7.3a2-1 HFCS Market Share (Proprietary information – chart not shown)

7.3a2-2 Corn Syrup Market Share (Proprietary information – chart not shown)

7.3a2-3 Sugar Market Share (Proprietary information – chart not shown)

7.3a2-4 Corn Oil Market Share (Proprietary information – chart not shown)

7.3a2-5 DCI Market Share (Proprietary information – chart not shown)

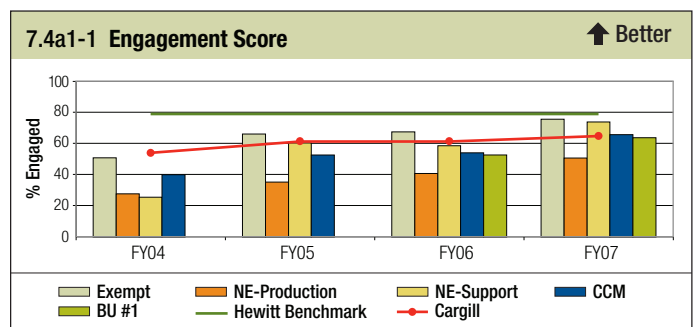
7.3a2-6 Branded Feed Market (Proprietary information – chart not shown)

7.3a2-7 Ethanol Market Share (Proprietary information – chart not shown)

7.3a2-8 Acidulants Market Share (Proprietary information – chart not shown)

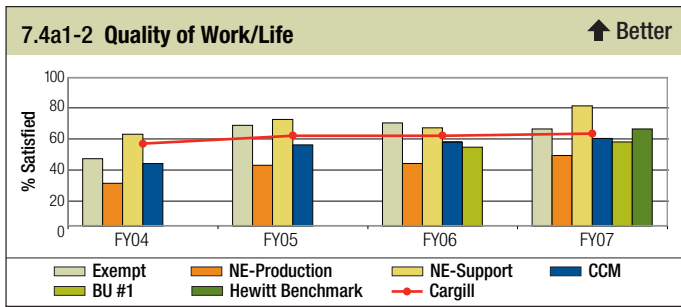
7.3a2-9 Industrial Starch Market Share (Proprietary information – chart not shown)

7.4 Workforce-focused Outcomes

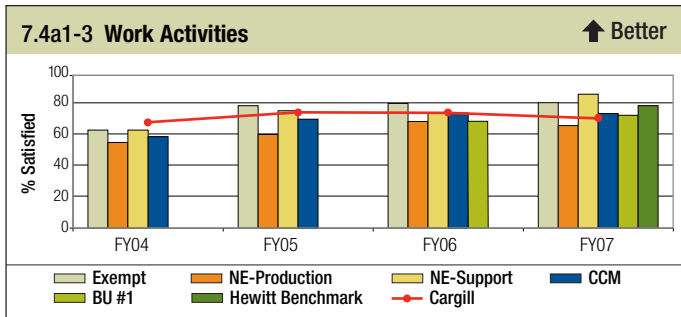


7.4a1-1 Engaging employees in a 24/7 operation is a key Human Resources strategic challenge and a CCM Scorecard measure (Figure 2.2-1). CCM utilizes the Employee Engagement Survey to measure workforce engagement [see 5.1c(1)]. CCM segments the workforce into three major segments: Non-Exempt Production, Non-Exempt Support, and Exempt. We benchmark another Cargill business unit with similar 24/7 operations and geography (BU #1). The Hewitt Best Employers benchmark is the average engagement score (79%) of the best employer range (60% – 100% engagement score) of the Hewitt database.

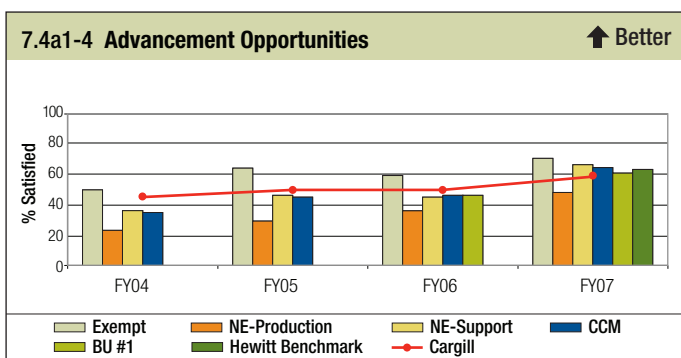
7.4a1-2 This chart shows the employee satisfaction scores (employees that “Agree” or “Strongly Agree”) to the statement, “I am able to keep the right balance between work



and personal commitments” as measured by the Employee Engagement Survey. Our internal benchmarks are from Cargill overall and another Cargill business unit with similar 24/7 operations and geography. The external benchmark is from the Hewitt database using only companies with an engagement score over 60%, which Hewitt considers the “Best Company” category. The Hewitt benchmark is an average of over 300 highly engaged organizations with over 100,000 employee responses. Quality of work/life is a key requirement of our Non-Exempt Support employee segment.

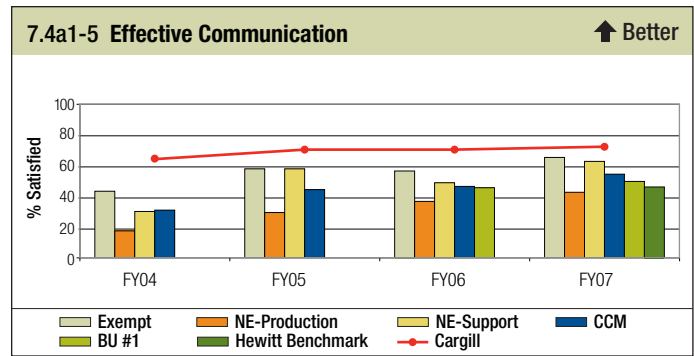


7.4a1-3 This chart indicates employee satisfaction scores for the statement, “I enjoy my day-to-day work activities” as measured by the Employee Engagement Survey. See **7.4a1-2** for an explanation of the benchmarks. Work Activities are a key requirement of our Non-Exempt Production employee segment.

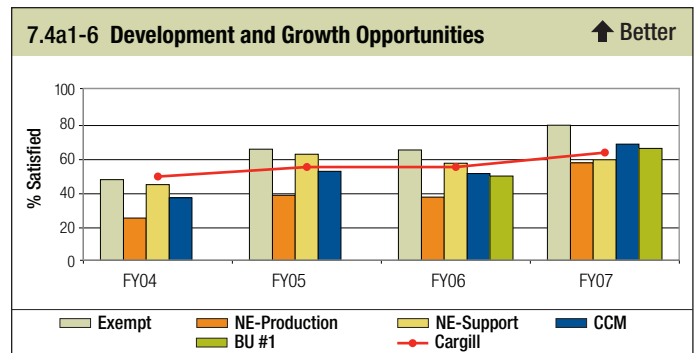


7.4a1-4 The CCM value *Develop Talent* requires hiring the right people and then providing skill improvement (**7.4a2-2**) and advancement opportunities. This chart indicates employee satisfaction scores to the statement, “My future opportunities here look good” as measured by the Employee Engagement Survey. See **7.4a1-2** for an explanation of the benchmarks. Advancement Opportunities are a key requirement of our Exempt employee segment.

7.4a1-5 This chart shows employee satisfaction scores to the statement, “Communication within Cargill is effective” as

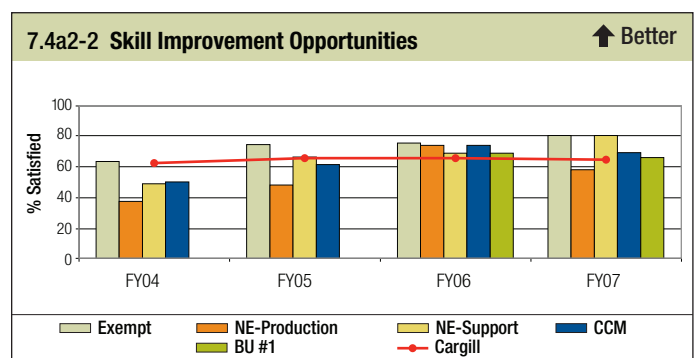


measured by the Employee Engagement Survey. See **7.4a1-2** for an explanation of the benchmarks. The SLT and SMT use this information as an indicator of the effectiveness of the communication processes identified in **1.1a(1)**.



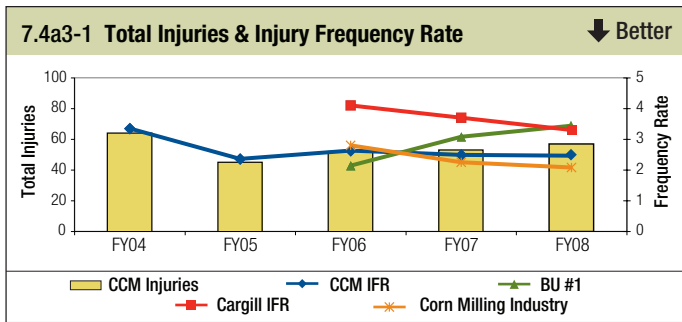
7.4a1-6 This chart show the employee satisfaction scores to the statement, “Cargill offers me development opportunities to build valuable skills” as measured by the Employee Engagement Survey. Personal development is important to all employee segments. This chart and **7.4a2-2** are used to measure the *Develop Talent* (**Figure P.1-2**) value. Development and Growth Opportunities is a CCM Scorecard measure (**Figure 2.2-1**).

7.4a2-1 Employee Turnover (Proprietary information – chart not shown)

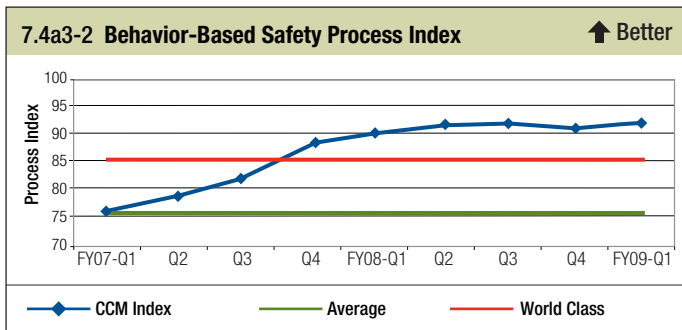


7.4a2-2 This chart indicates the employee satisfaction scores for the statement “Development opportunities are available to help me build valuable skills” as measured by the Employee Engagement Survey. A Hewitt Benchmark is not available for this measure. This chart and **7.4a1-6** are used to measure our value of *Develop Talent*.

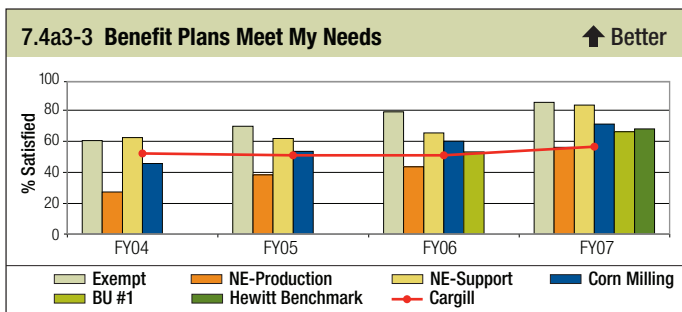
7.4a3-1 CCM’s value of *Injury Free* (**Figure P.1-2**) reflects our commitment to excellence in safety performance. Total Injuries is a CCM Scorecard measure (**Figure 2.2-1**). We use Injury Frequency Rate (IFR) to compare ourselves with the



Corn Milling industry, Cargill overall, and a Cargill business unit with similar geography and 24/7 operation. This chart indicates decreases in injuries and injury frequency rate despite increases in total hours worked (up 7% and 15% over the past two years). Safety is a key requirement of our Non-Exempt Production employee segment.



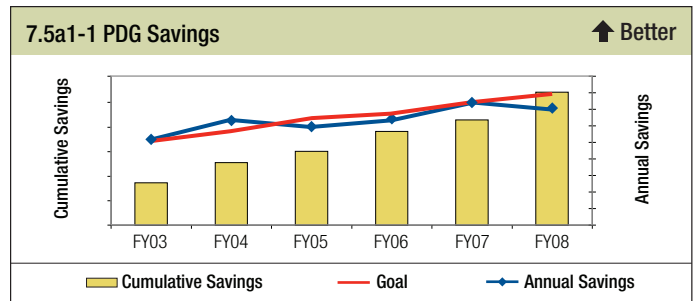
7.4a3-2 Safety studies confirm that unsafe acts are far more likely to cause accidents than unsafe conditions. CCM initiated a behavioral based safety (BBS) improvement approach in FY00. This proactive, employee-driven approach was deployed to elevate safety awareness by focusing on employee at-risk behaviors. Our BBS consultant has determined a Process Index score above 75 as good and above 85 as world class. The BBS Process Index consists of eight key behavioral metrics and is a CCM Scorecard measure (Figure 2.2-1).



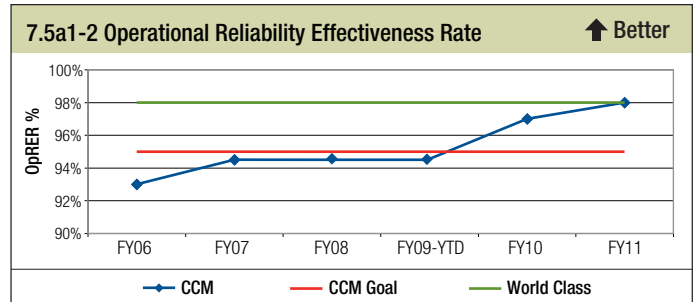
7.4a3-3 This chart indicates employee satisfaction scores to the statement, “My benefit plans meet my needs” as measured by the Employee Engagement Survey. See 7.4a1-2 for an explanation of the benchmarks.

7.5 Process Effectiveness Outcomes

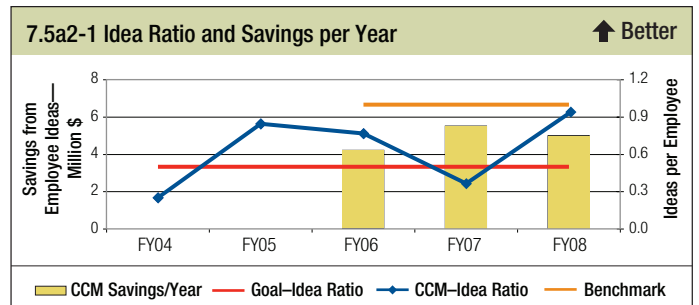
7.5a1-1 CCM’s values of *Be Innovative* and *Promote Collaboration* (Figure P.1-2) are key drivers for our unique Process Development Group (PDG) best practice process. The PDG process is instrumental in the collection and transfer



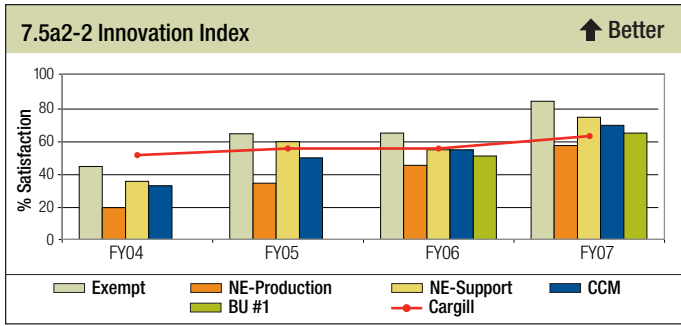
of employee knowledge. This chart shows the annual and cumulative savings generated over the base year for our two most mature and well deployed PDG Teams, mill-feed and refinery (corn syrup and fructose). The drop in FY08 was due to a change in testing methods resulting in lower savings.



7.5a1-2 CCM is committed to using proactive maintenance to improve plant reliability. The Operational Reliability Effectiveness Rate (OpRER) is a ratio between actual production and commercial demand. The world-class benchmark comes from the Society of Maintenance and Reliability Professionals. OpRER is a CCM Scorecard measure (Figure 2.2-1). Projections are provided for the next two years.



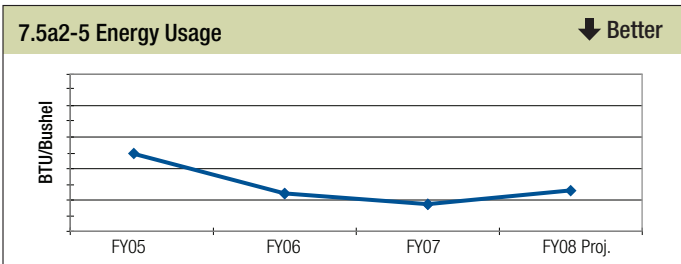
7.5a2-1 CCM has an innovative culture focused on both incremental improvement and creating distinctive customer value. These two metrics, the Idea Ratio (Ideas per employee) and savings from innovative ideas support the CCM value of *Be Innovative* (Figure P.1-2). Over the last three years we have saved over \$15 million from innovative ideas. Data on this chart is generated from our Ideas to Innovation (i2i) system. Discussions with Flour Milling in FY03 led to the goal of 0.5 ideas per employee. In FY06 we benchmarked an outside company known for innovative practices as a best practice in employee innovation culture. We didn’t begin capturing savings from implemented employee ideas until FY06. Implemented idea savings is a CCM Scorecard measure (Figure 2.2-1).



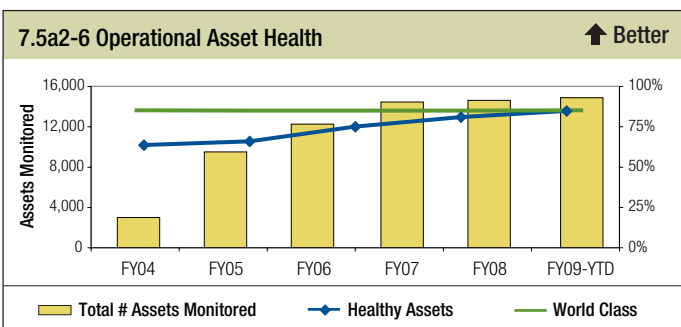
7.5a2-2 From the Employee Engagement Survey, the Innovation Index is a measure used to examine your innovation culture and environment and look at your levels of creativity and risk taking. The Innovation Index is calculated using the responses to the following statements: 1) My unique talents and views are maximized at work. 2) I am encouraged to share ideas and carry out solutions. 3) My BU has a process to move ideas into action. 4) We provide solutions that add unique value to Cargill and our customers. We benchmark Cargill and another Cargill business unit with similar 24/7 operations and geography. A Hewitt benchmark is not available because this is a unique measure for Cargill.

7.5a2-3 Manufacturing Cost (Proprietary information – chart not shown)

7.5a2-4 Manufacturing Cost Components (Proprietary information – chart not shown)



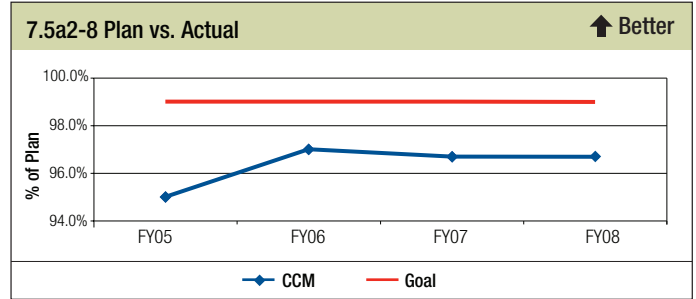
7.5a2-5 Energy usage is a key focus area for CCM due to the cost volatility and the environmental impact. CCM has implemented capital and non-capital improvements to reduce fuel usage at its facilities. The Energy Process Development Group coordinates these improvements at an enterprise level. In 2007, CCM received the Cargill Environmental, Health and Safety Achievement Award for Resource Conservation and Energy Management. CCM delivered Cargill leading results through global collaboration, connectivity, and best practice implementation.



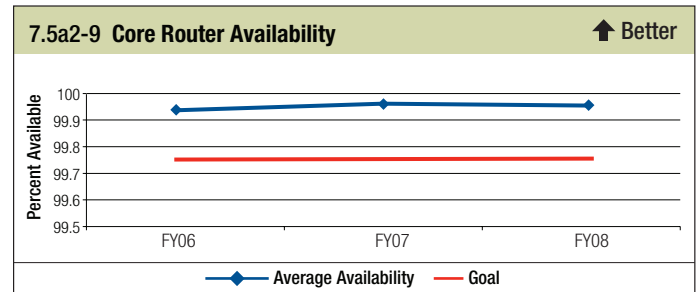
7.5a2-6 CCM is committed to using proactive maintenance to improve plant reliability. Our predictive technologies

are used to drive reliability, which is measured using the Operating Asset Health report. This report indicates the health of various pieces of equipment based on predictive technologies. The Society of Maintenance and Reliability Professionals sets the world-class benchmark percent of healthy assets at 85%.

7.5a2-7 Corn Delivered by Producer (Proprietary information – chart not shown)



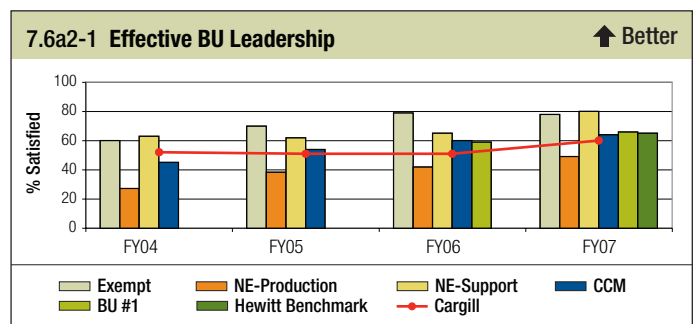
7.5a2-8 The plan versus actual production measure is the result of reliable operations, well-trained employees, and understanding customer demands. The operational goal is to achieve 100% +/- 1% of the production plan every month. There is a direct correlation between asset health (reliability, see 7.5a2-6) and meeting the production plan. Actual vs. Plan is a CCM Scorecard measure (Figure 2.2-1).



7.5a2-9 Core Router Availability (or uptime) measures our key Sustainability work process Manage IT Services (Figure 6.1-3). Core routers are integral to our data and network communication systems in order to keep all locations connected and provide nearly 100% around the clock access to our information.

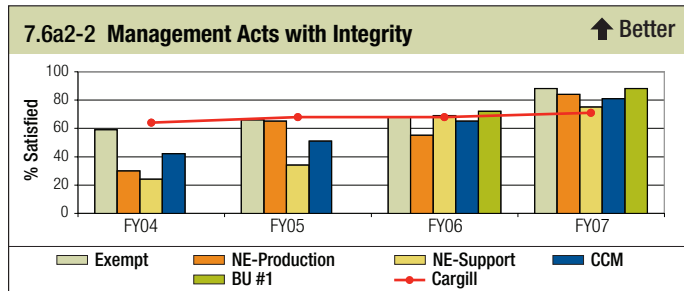
7.6 Leadership Outcomes

7.6a1-1 Key Measures of Organizational Strategy (Proprietary information – chart not shown)



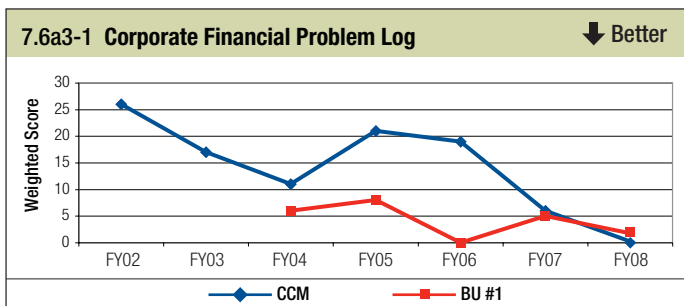
7.6a2-1 This chart shows the satisfaction scores (employees responding “Agree” or “Strongly Agree”) to the statement, “I see strong evidence of effective leadership from my business

unit leaders” as measured by the Employee Engagement Survey. We benchmark both Cargill and another Cargill business unit similar to CCM in geography and 24/7 operations. In addition, the Hewitt Benchmark is from their database using only companies with an engagement score over 60%, which Hewitt considers the “Best Company” category.



7.6a2-2 *Demonstrate Integrity* is a CCM value and the Employee Engagement Survey is used to measure employee perceptions of management integrity. This chart indicates the satisfaction scores to the statement, “My supervisor acts with integrity and in an ethical manner.” We benchmark both Cargill and another Cargill business unit with a similar geography and 24/7 environment. A Hewitt benchmark is not available.

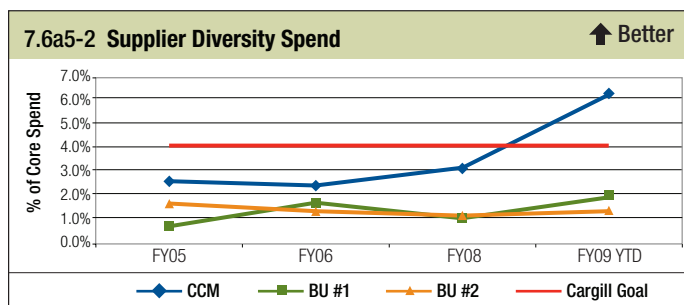
7.6a2-3 Guiding Principles Training (Proprietary information – chart not shown)



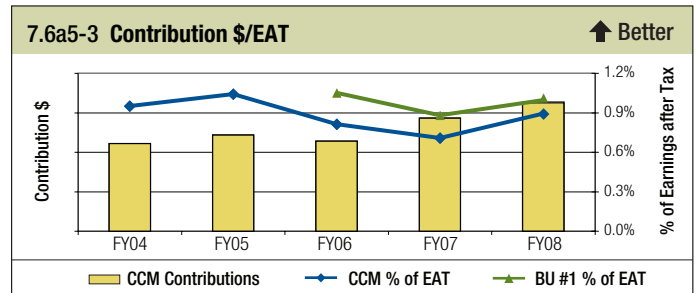
7.6a3-1 The Corporate Financial Reporting problem log is a unique weighted measure of the errors found on each business unit’s quarterly financial report. More severe errors are assigned a higher point value than less severe errors. CCM has not had any severe issues identified from these audits. This is intended to be a communication tool to highlight areas where each business unit can improve fiscal accountability. The Finance Team reviews the errors and implements corrective actions to refine processes. The comparative Cargill BU is of similar size and geography.

7.6a4-1 EHS 101’s (ppm) (Proprietary information – chart not shown)

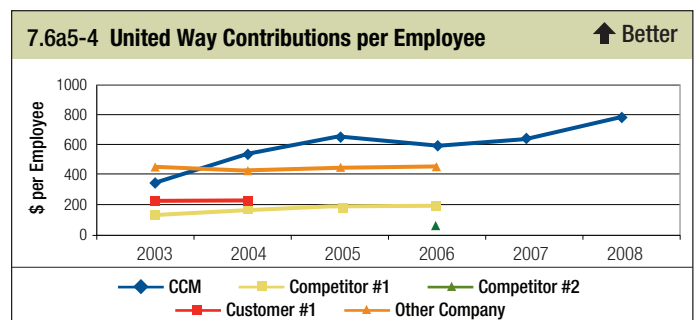
7.6a5-1 Water Usage (Proprietary information – chart not shown)



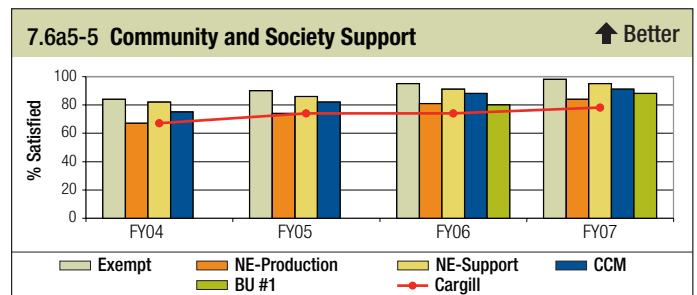
7.6a5-2 CCM is committed to supplier diversity because it enhances our ability to provide distinctive value for our customers, fosters prosperity in our communities and aligns with our value of *Strengthen Communities* (Figure P.1-2). CCM has a higher comparable diversity spend than two comparably sized Cargill business units. Diversity spend is a CCM Scorecard measure (Figure 2.2-1).



7.6a5-3 CCM’s value of *Strengthen Communities* (Figure P.1-2) is reflected in its financial support of the communities where facilities are located. Contribution dollars is a CCM Scorecard measure (Figure 2.2-1) measure and includes United Way contributions and other charitable giving. A similar sized Cargill BU with the same geography is used as a comparison.



7.6a5-4 CCM’s value of *Strengthen Communities* (Figure P.1-2) is reflected in our support of local United Way (UW) campaigns. CCM compares favorably against benchmarks from competitors, customers, and other companies.



7.6a5-5 As an indicator of corporate citizenship and supporting our value of *Strengthen Communities*, CCM uses the EES to measure employee perceptions. This chart indicates satisfaction scores to the statement, “Overall Cargill is the kind of company that helps the community and society by contributing things like time, volunteers, and money.” We benchmark both Cargill and another Cargill business unit with similar geography and 24/7 operations. A Hewitt benchmark is not available.