

Land O'Lakes, Inc.

IGNITE Presentation

Land O'Lakes has an exceptional reputation with a 94-year history

Powerful, respected brands

More than a “butter business”

Industry-leading operations



We operate three diversified agribusinesses, driven by insights & innovation



Ag services,
crop inputs,
precision agriculture



Animal nutrition
and feed



Dairy foods and
ingredients

Land O'Lakes, Inc. overview

Fortune 500
#215



PRESENCE IN
50 states
60+ countries



10,000
EMPLOYEES

290

U.S. facilities



3rd LARGEST

U.S. member-owned Cooperative

Our HR Analytics Journey: Where we started (2010)

Limited use of a “satisfaction” survey

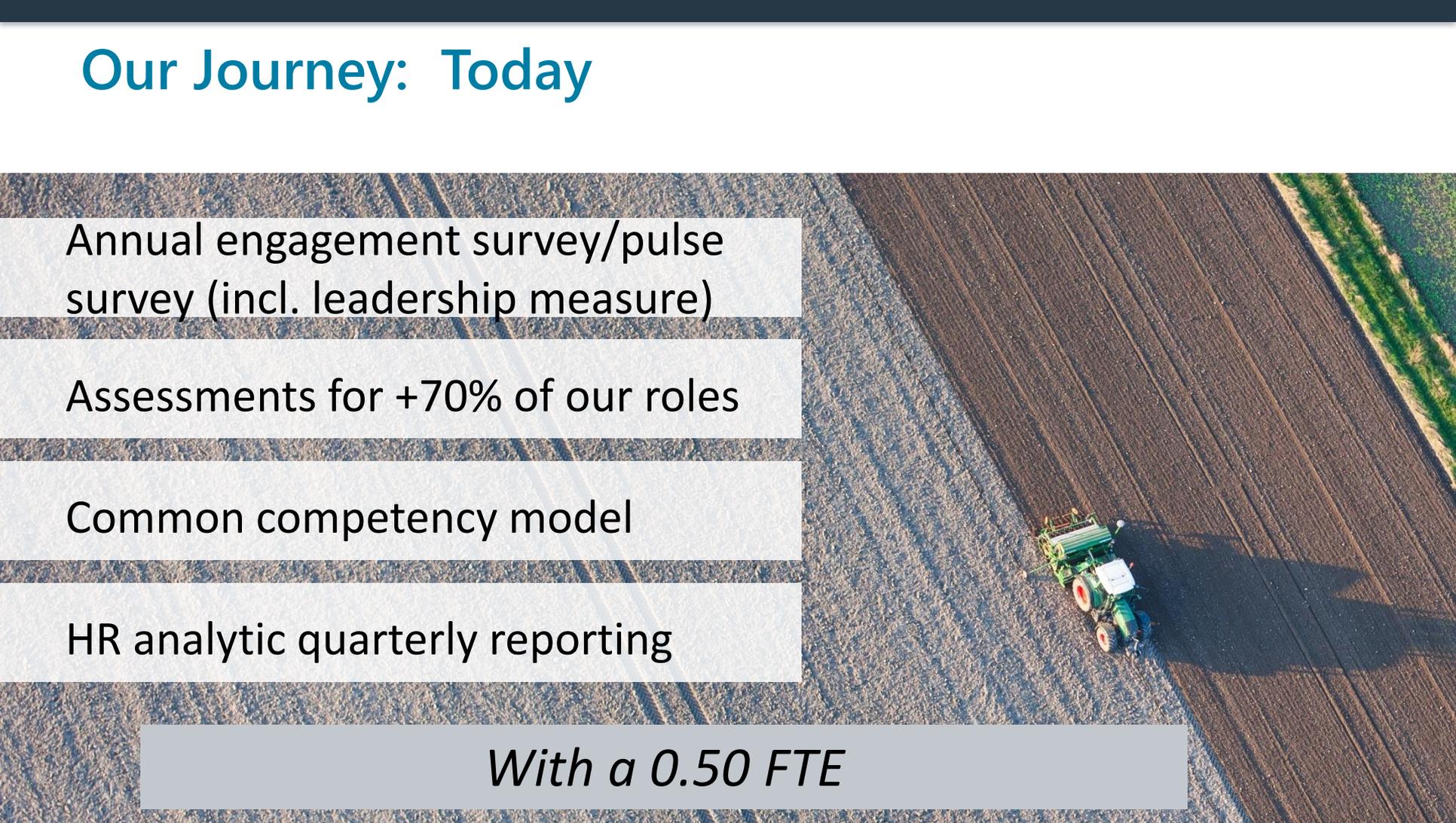
Few pre-hire assessments

Lack of common competency model

Basic HR metrics tracked (days to fill)

We weren't measuring our talent

Our Journey: Today

An aerial photograph of a green tractor with a white cab and a green implement, plowing a dark brown field. The tractor is moving from the bottom right towards the top left, leaving a lighter-colored furrow behind it. The field is divided into sections by straight lines, and a strip of green grass is visible on the right edge.

Annual engagement survey/pulse survey (incl. leadership measure)

Assessments for +70% of our roles

Common competency model

HR analytic quarterly reporting

With a 0.50 FTE

Metrics and Progress

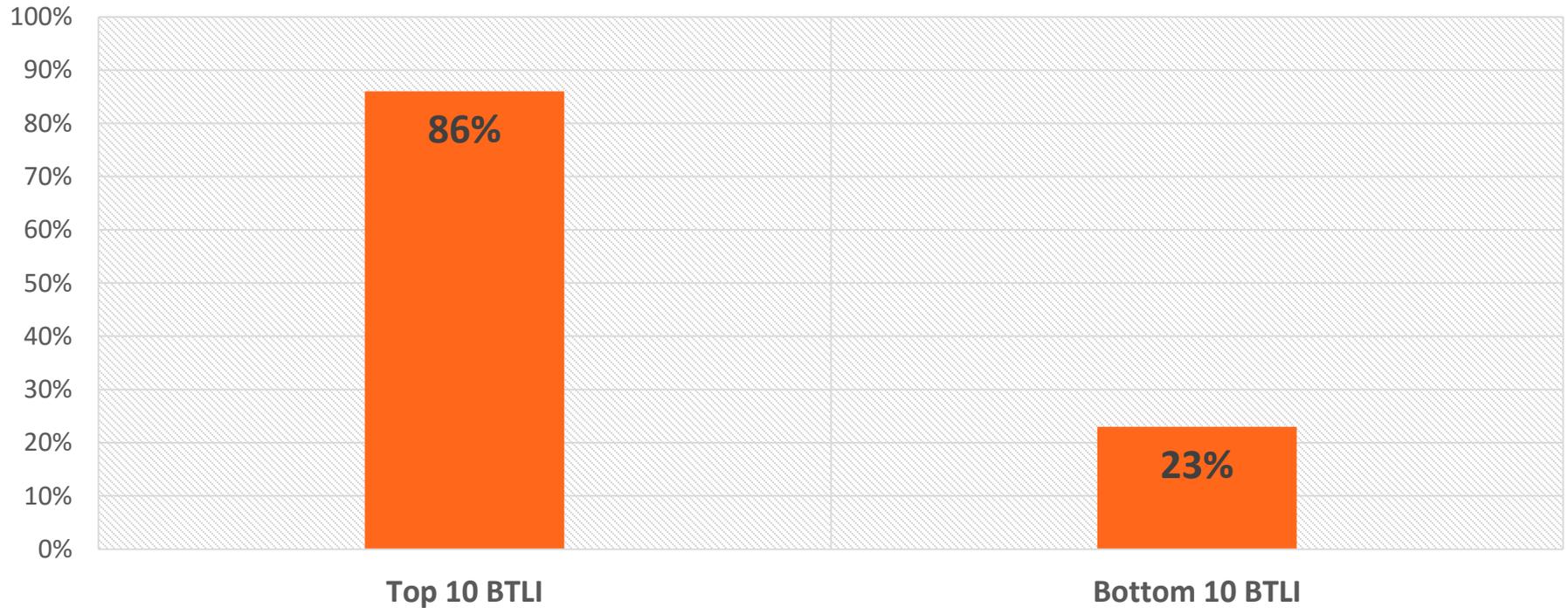
| Metric | | BIC* Goal | HR | LOL | Trend & Goal |
|------------------------|-------------|-----------|------|-----|--------------|
| Participation Rate | | 80% | 94% | 89% | ↑ ★ |
| Engagement | EEI | 78% | 84% | 74% | ↑ ★ |
| Performance Enablement | PEI | 78% | 70% | 69% | ↑ |
| Best Talent Leader | BTLI | 79% | 80% | 78% | ↑ ★ |
| Action Plan Completed | | 95% | 100% | 97% | ↑ ★ |

★ Reached or surpassed goal
 ↑ Trend; *BIC=Best in Class

Making good improvement, achieving goals

BTLI and Team Engagement Scores

Average Engagement Score

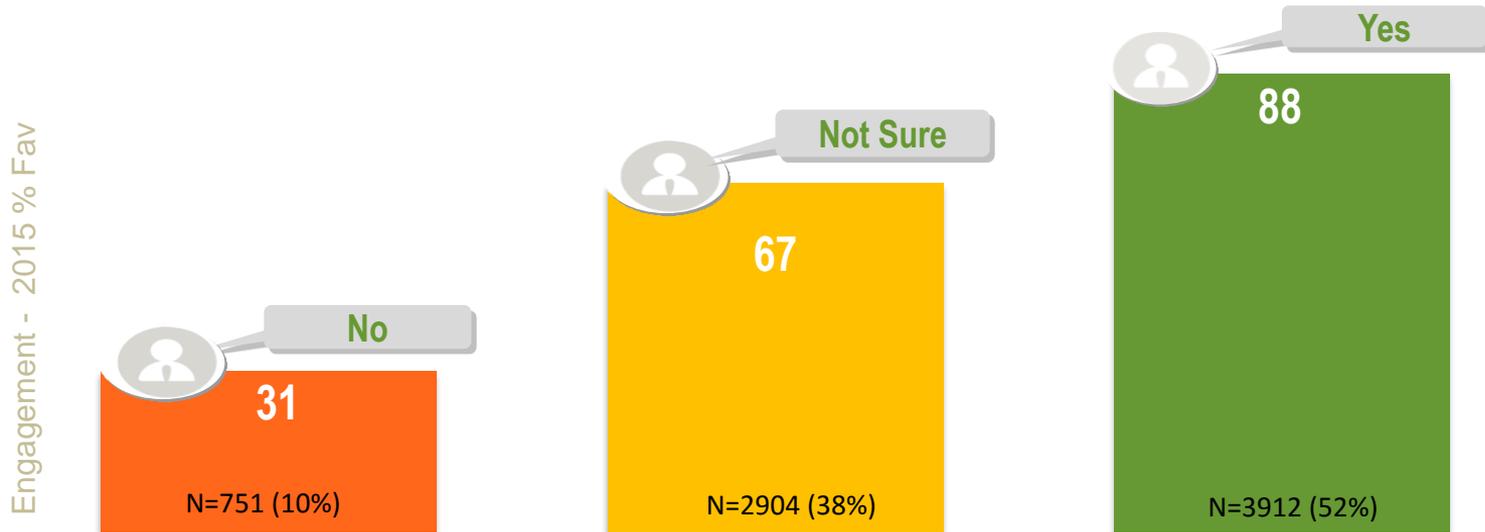


Leadership Matters

Action Drives Engagement



“My work group has taken action on the results of the last employee survey.”

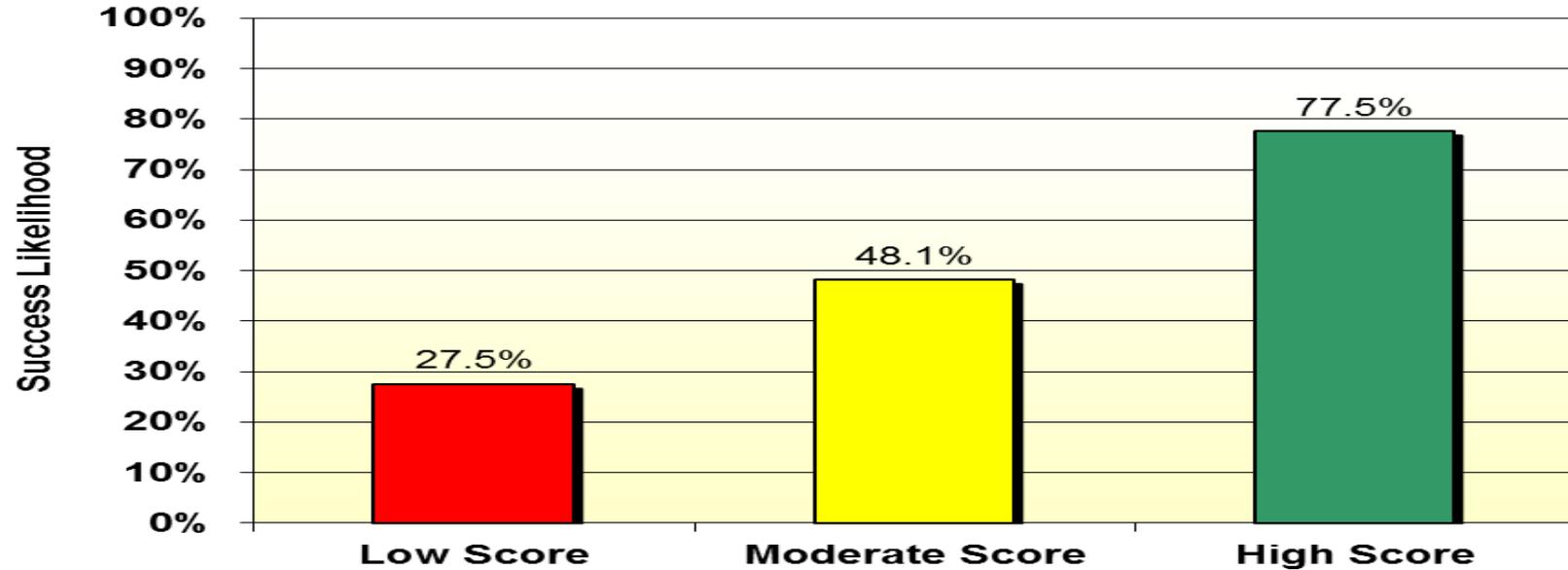


57 point difference in engagement between people who say their work group took action and those who say no action was taken.

No significant differences by age group (non-production only)

| | Engagement | Enablement | BTLI | N |
|-----------------------------------|------------|------------|------|------|
| 70 and older (traditionalists) | 82% | 69% | 84% | 14 |
| 51-69 (boomers) | 82% | 73% | 83% | 1624 |
| 34-50 (gen X) | 81% | 71% | 84% | 1752 |
| 33 and younger (millennials) | 84% | 72% | 84% | 1018 |

Assessment Effectiveness-Sales



Those with the test scores in the top 25% (high scorers) are **9.1** times more likely to excel than those in the bottom 25% (low scorers).

Best Talent: Leadership Expectations



Act with Integrity



Demonstrate Thought Leadership



Deliver Results

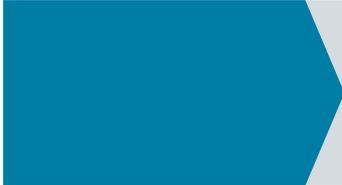


Leverage Talent

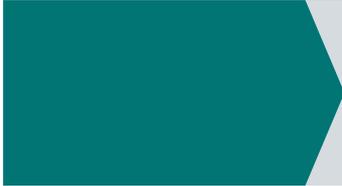
HR Analytics Strategic Objectives



**Ensure we have the talent we need to
support aggressive growth**



**Building a diverse culture contributes to our
business success**



**Retention of high performing, engaged
employees**

| | Quarterly Metric | Goal | 2015 | 2016 Q1-Q2 | Progress |
|---------|-------------------------|------|------|------------|----------------------|
| Acquire | Female hires | 45% | 47% | 40% | A bit behind LY |
| | Minority hires | 14% | 15% | 14% | On track |
| Retain | High performer turnover | 4% | 4% | 4% | 2.6% Regrettable |
| | High potential turnover | 3% | 6% | 4% | 2.7% Regrettable |
| | New hire turnover | 5% | 5% | 7% | 4.5% Non-regrettable |
| | Minority turnover | 6% | 6% | 8% | 4.7% Non-regrettable |
| Develop | Female promotions | 40% | 45% | 49% | Ahead of LY |
| | Minority promotions | 12% | 12% | 11% | On track |
| D & I | Female representation | NA | 40% | 39% | |
| | Minority representation | NA | 9% | 9% | |

Non-production, non-temporary employees only

Current State

Findings

- Hires and promotions on track or above goal
- Higher levels of non-regrettable new hire turnover
- Higher levels of minority turnover

Why it's important

- We are doing a good job acquiring talent and promoting talent; need to focus on retention
- New hire turnover is costly; on average \$4k per hire; need to raise the bar on talent
- Having a diverse workforce is critical to our success; Black/African American turnover is higher than other groups

How to address

- Improve the selection process
- Enhance leadership accountability for onboarding and new hire retention
- Provide recognition and development opportunities for Black/African American employees; provide customized training for their leaders