



GLOBAL ROUNDTABLE FOR SUSTAINABLE BEEF

Board of Directors Meeting

Wednesday, April 24, 2019

9:00 a.m. – 10:30 a.m. Central U.S. Time (3:00 p.m. UTC)

Conference Call: +1 (800) 309-2350 Pin: 908-3334

AGENDA

Chair: Nichole Johnson-Hoffman, President

1. Call to Order *Nichole Johnson-Hoffman*
2. Roll Call of Board of Directors Members (9:00 – 9:04) *Cheryl Clark*

Producer Constituency

- ___ Beef + Lamb New Zealand (Sam McIvor)
- ___ Canadian Cattlemen's (Bob Lowe)
- ___ National Cattlemen's Beef Assoc. (Josh White)

Commerce and Processing Constituency

- ___ Cargill (Gurneesh Bhandal)
- ___ OSI Group (Nicole Johnson-Hoffman)
- ___ Rabobank (Justin Sherrard)

Retail Constituency

- ___ A&W Food Services of Canada (Lisa Hughes)
- ___ Ahold Delhaize (John Laughead)
- ___ McDonald's (Rickette Collins)

Ex-officio

- ___ Nicole Johnson-Hoffman, President
- ___ Leon Mol, Vice President (absent)
- ___ Ian McConnel, Secretary/Treasurer

Civil Society Constituency

- ___ Solidaridad (Gert van der Bijl)
- ___ World Wildlife Fund (Tim Hardman) (absent)
- ___ National Wildlife Federation (Simon Hall)

Roundtable Constituency

- ___ CRSB – Canadian Roundtable (Monica Hadarits)
- ___ GTPS – Brazilian Roundtable (Beatriz Domeniconi)
- ___ MGSC – Colombian Roundtable (Juan Carlos Botero)
- ___ USRSB – U.S. Roundtable (Ashley McDonald)

3. Affirmation of adherence to the GRSB Anti-Trust Policy (9:04 – 9:05) *Ruaraidh Petre*
4. Opening Remarks (9:05 – 9:10) *Nichole Johnson-Hoffman*
5. Consideration of March 27, 2019 Minutes (9:10 – 9:14) **APPROVAL** *Board of Directors*
6. Regional Roundtables and Country Initiatives Updates **INFORM**
 - 6.1. GTPS (Brazil) (9:14 – 9:18) *Beatriz Domeniconi*
 - 6.2. CRSB (Canada) (9:18 – 9:22) *Monica Hadarits*
 - 6.3. USRSB (U.S.) (9:22 – 9:26) *Ashley McDonald*
 - 6.4. MGSC (Colombia) (9:26 – 9:30) *Juan Carlos Botero*
 - 6.5. ERBS (Europe) (9:30 – 9:34) *Sarah Haire*
 - 6.6. MPCS (Paraguay) 9:34 – 9:38) *Juan Carlos Pettengill or Alfred Fast*
 - 6.7. New Zealand (9:38 – 9:42) *Sam McIvor*

- 6.8. Australia Beef Sustainability Framework (9:42 – 9:46)
- 7. Executive Committee Report (9:46 – 9:51) **INFORM** *Nicole Johnson-Hoffman*
- 8. Executive Director’s Report 9:51 – 10:00) *Ruaraidh Petre*
 - 8.1. Chicago Meetings Schedule
 - 8.2. Strategic Plan Review **INFORM**
 - 8.2.1. Strategy Meeting Agenda
 - 8.3. Sustainability Communications Summit Planning **DISCUSSION**
 - 8.3.1. Communicator Summit Current Agenda
 - 8.3.2. Library Request Document
 - 8.3.3. Questionnaire Document
 - 8.3.4. Communicator Summit Slide
 - 8.3.5. Communicator Summit Flyer
 - 8.4. Carbon Methodologies Technical Working Group **INFORM**
- 9. Regional Director’s Report (10:00 – 10:05) *Josefina Eisele*
 - 9.1. Latin America Regional Meeting **INFORM**
 - 9.1.1. Latin American Sustainable Beef Vision Summit Save the Date
 - 9.1.2. Latin American Sustainable Beef Vision Summit Agenda
- 10. Administrative Report
 - 10.1. Financial Report (10:05 – 10:10) *Ruaraidh Petre / Ian McConnel*
 - 10.1.1. 2018 GRSB Audit **APPROVAL**
 - 10.1.2. GRSB Financials as of March 31, 2019 **APPROVAL**
 - 10.2. New Zealand BOD Meeting (10:10 – 10:15) **APPROVAL** *Ruaraidh Petre*
 - 10.3. 2019 Global Conference – Paraguay Presentation (10:15 – 10:25) **INFORM** *Ruaraidh Petre*
 - 10.3.1. Hotel Research – **INFORM** *Cheryl Clark*
 - 10.4. Membership (10:25 – 10:27) **INFORM** *Cheryl Clark*
 - 10.4.1.1. New Members
 - 10.4.1.2. Accounts Receivable Update
- 11. Council Reports

11.1. Global Issues

11.1.1. GRSB-GTPS Joint Working Group on Forests (10:27 – 10:30) **INFORM** *Mauricio Bauer*

12. Upcoming GRSB Member Engagement Opportunities **REFERENCE**

(send information to cheryl.clark@grsbeef.org)

12.1. CRSB Semi-annual Meeting, April 25th, 2019 in Winnipeg MB

12.2. USRSB Annual General Meeting, April 30 – May 2, 2019, Fresno, CA, usrsb.org

12.3. CRSB Annual General Meeting, September 18 &19, 2019 in Montreal, QC

13. Other Business and/or Updates from Members

14. Future Board of Directors Meetings

14.1. In-person Board of Directors Meeting – May 23rd, 2019 3:30pm-5:30pm CDT and Friday, May 24, 2019, 8am-12pm CDT, Chicago, IL

15. Adjourn

Attachments:

- A. GRSB Anti-Trust Policy (p 4)
- B. 3-27-19 Board of Directors Minutes (pp 5-9)
- C. Chicago Meeting Schedule (pp 10)
- D. Strategy Meeting Agenda (pp 11-14)
- E. Communicator Summit Agenda (pp 15-16)
- F. Communicator Summit Library Request (pp 17)
- G. Communicator Summit Questionnaire (pp 18)
- H. Communicator Summit Slide (attached)
- I. Communicator Summit Flyer (attached)
- J. Latin American Beef Vision Sum Save the Date (pp 19)
- K. Latin American Beef Vision Sum Agenda (pp 20)
- L. 2019 Audit Management Letters (attached)
- M. 2019 GRSB Audit (pp 21-29)
- N. March 31, 2019 Financial Reports (pp 30-33)



GLOBAL ROUNDTABLE FOR SUSTAINABLE BEEF

MEETING GUIDELINES

The purpose of the Global Roundtable for Sustainable Beef is to discuss sustainability issues related to the global beef system. Conversation and discussion about increasing industry sustainability are neutral and pro-competitive. While compliance with antitrust and other laws that govern participation in industry meetings is the responsibility of each participant, we ask you to follow both common sense and these simple guidelines to help us conduct our meeting according to good practices, and to ensure that your fellow participants are comfortable attending and actively participating.

DO adhere to the written meeting agenda.

DO NOT, in our organized meeting sessions, in informal discussions in the hallway, or in any other setting:

- discuss prices, rates, or other terms of trade among competitors;
- engage in discussions that could result in
 - the allocation of customers or markets,
 - the fixing or stabilization of prices,
 - limitations on production,
 - boycotts of customers, suppliers, or rivals, or
 - agreements that would competitively disadvantage certain rivals;
- discuss proprietary or other competitively sensitive information;
- discuss or engage in coordinated behavior to maintain prices, profit margins, or stability in an industry;
- engage in any other anti-competitive behavior or any discussion you feel might be inappropriate.

Thank you for following these few simple guidelines. They are provided to set the stage for a successful discussion of sustainability, not as a complete list of antitrust “don’ts” or legal advice. Should you have any concerns or questions about antitrust issues, your legal responsibilities, or your participation in industry meetings, you should seek advice from your own counsel.

**MINUTES
GLOBAL ROUNDTABLE FOR SUSTAINABLE BEEF
BOARD OF DIRECTORS
MARCH 27, 2019**

Vice President Leon Mol called the Global Roundtable for Sustainable Beef Board of Directors conference call to order at 3:00 p.m. Central Daylight U.S. Time, Wednesday, March 27, 2019.

Board of Directors:

| Organization | Representative | Organization | Representative |
|--|---------------------------|---------------------------------------|---------------------------|
| A&W Food Services of Canada | Andy Yeh | Mesa Ganaderia Sostenible Colombia | Juan Carlos Botero |
| Ahold Delhaize | Leon Mol | McDonald's | <i>Not present</i> |
| Beef + Lamb New Zealand | Sam McIvor | National Cattlemen's Beef Association | Josh White |
| Canadian Cattlemen's Association | Bob Lowe | Rabobank | Shane Bowands |
| Canadian Roundtable for Sustainable Beef | Anne Wasko | National Wildlife Federation | <i>Not present</i> |
| Cargill | Gurneesh Bhandal | Solidaridad | <i>Not present</i> |
| GTPS | Beatriz Domeniconi | U.S. Roundtable for Sustainable Beef | Ashley McDonald |
| OSI Group | Anna DeVries | World Wildlife Fund | Tim Hardman |

Ex-Officio Members:

Nicole Johnson-Hoffman (President) absent, Leon Mol (Vice President); Ian McConnel (Secretary/Treasurer)

Other Attendees:

Bob McCann, Member-at-Large
Sarah Haire, ERBS
Erica Murphy, Coyote Creek Angus
Dennis Laycraft – Past President
Monica Hadarits, CRSB
Alfred Fast, MPCS

Staff Present:

Katie Ambrose, Cheryl Clark, Josefina Eisele and Ruaraidh Petre

A verbal affirmation of adherence to the GRSB Anti-Trust Policy was received from those on the call.

Mol welcomed everyone on the call. Mol stated that this year is a year of building and strategy discussions.

Consideration of Minutes

There was a motion by McDonald and supported by Domeniconi that the minutes of the February 27, 2019 Board of Directors meetings be approved. Motion carried.

Regional Roundtables and Country Initiatives Updates

GTPS: Domeniconi reported that at the end of April they will be reporting their achievements through last year as well as current projects to the assembly. They will have information to report at the BOD in Chicago.

CRSB: Wasko reported that the CRSB was awarded the Beef Industry Innovation and Sustainability award from the Canadian Cattlemen Association last month. They are in their busy, final planning stages for the semi-annual meeting next month in Winnipeg. The CRSB will be presenting their three-year business plan to membership at that time.

USRSB: McDonald reported that last month they had their in-person board meeting where they took official actions to finalize the US Beef Industry Sustainability Framework. It was moved to have full membership vote on this. If it is fully approved, it will be launched at their general assembly meeting April 30 thru May 2. They are completing an Executive Summary and the Annual Report to also be presented at the general assembly meeting. At the in-person board meeting there were several projects added to their list which is now at 17. The projects are varied and consist of pilot projects, education, metrics, production, grazing management, feed, research, etc.

MGSC (Colombia): Botero reported they had their first Colombian Roundtable meeting on Tuesday, March 5 where reports on what has been accomplished in 2019 were given. They are making progress with leadership in the roundtable. There is a new secretary that will oversee how the Colombian roundtable will work. They are increasing metrics so sustainable production is growing. Discussions have taken place on how to increase the Colombian membership.

ERBS (Europe): Haire reports they continue to work on targets and recognition discussion framework that will be distributed to the technical working group to review and forward to the ERBS meeting in May. Several pilots are in progress they hope to have six platforms recognized by the end of the year.

MPCS (Paraguay): Fast reported that their roundtable is now officially recognized with statutes and bylaws and now working on internal rules of procedure. They are working on a communication plan. Last week they worked with the President of National Forest Service to see how people deal with land sustainability.

New Zealand: McIvor reported that the New Zealand Roundtable held their last meeting on March 15th with 60% beef production at the table. Those present were McDonald's, Frontier, Beef & Lamb NZ and WWF. Feedback of their first stage of our materiality survey was discussed. Five themes came from the survey: 1. Industry strategy and governance; 2. Communication and the public image; 3. Environmental; 4. Animal welfare; 5. Domestic populations access to product. Next steps as a roundtable are to take these five themes and prioritize them. New Zealand will host the fall face-to-face board meeting.

Australia Beef Sustainability Framework: McConnel reported that Pip has been working hard on the balance of tree and grass cover and deforestation. They are currently writing their annual report.

Executive Committee Report

Mol reported that the Executive Committee has been focused on the preparation of the Strategic Session and the Sustainability Communicators Summit in Chicago in May. Working on the balance of priorities and resources. GRSB leadership may be reaching out to the BOD for topics.

Executive Director's Report

Petre reported that he is in China today at the China Animal Agriculture Association (CAAA) conference. He presented on GRSB work and roundtables. CAAA wishes to join GRSB. Last week he was in Ethiopia at the Bill and Melinda Gates Foundation and the International Livestock Research Institute. There was interest from the fund to work in Africa and Asia. They work on poverty alleviation by working on livestock, genetics and animal health.

Strategic Plan Review

1. Meeting will be facilitated by Mark McCully, CAB;
2. Petre has had calls with all roundtables to get more detailed input. If there are any others that want to contribute additional details, please arrange to have a call with Ruaraidh if he hasn't spoken with you yet.

Sustainability Communications

The Communication Summit in Chicago is adjacent to a major meeting McDonald's is holding and, is also adjacent to the GRSB board meeting. We have received good input from the planning committee, and they are well advanced with their work. The agenda is formed, and the details are being worked out. This will be the start of a communication process we will utilize going forward.

Carbon Methodologies Technical Working Group

Two proposals met the brief and the better of two was Canadian Viresco Solutions. They are taking phase one. We have several people assisting them with the work. Phase one will be completed by May Chicago meeting.

Regional Director's Report

Eisele reports that she will go to Paraguay for a meeting next week. Coordinating the regional event in July in San Palo. The goal is to learn from each other and to learn of each country's priorities and then strategize on priorities as a region. Event will be held at McDonald's University in San Palo. Argentina has signed a letter of commitment and there is still additional outreach to occur.

Administrative Report

Financial Reports

McConnel raised a question regarding the outstanding receivables. Petre responded that there are several large organizations that have not paid their membership dues. All have agreed that they want to continue their memberships.

There was a motion by Wasko and seconded by Lowe to approve the financials as presented. Motion approved.

Meetings

- Board of Directors, Wednesday, April 24, 2019, 9:00am – 10:30 am Central U.S. Daylight Time
- **May GRSB Meeting Schedule, Chicago, IL**
- Strategy Session, Tuesday, May 21, 2019, Chicago, IL, 8am – 5:30pm Central U.S. Daylight Time
- Communicators Summit, Wednesday, May 22nd, 2019, 8am – 5pm CDT and Thursday, May 23, 2019, 8am-12:15pm CDT, Chicago, IL
- In-person Executive Committee Meeting – Thursday, May 23, 2019 1pm-3pm CDT, Chicago, IL
- In-person Board of Directors Meeting – May 23rd, 2019 3:30pm-5:30pm CDT and Friday, May 24, 2019, 8am-12pm CDT, Chicago, IL

There was a motion to approve the Chicago meetings scheduled by Hardman and seconded by White. Motion approved.

Mol encouraged all board directors to attend the Communicator Summit.

Clark will send out the schedule for all the meetings in Chicago.

Membership Report

Clark reported that there are no new memberships to review.

- The outstanding membership monies yet to be received is \$80,500.
- Memberships of \$15,000 have all been contacted and they have all indicated that payment is imminent.
- The final due date for membership monies to be received is March 31.

Council Reports

Global Issues

GRSB-GTPS Joint Working Group (JWG) on Forests –No update.

Upcoming GRSB Member Engagement Opportunities

- CRSB Semi-annual Meeting, April 25th, 2019 in Winnipeg MB
- USRSB Annual General Meeting, April 30 – May 2, 2019, Fresno, CA, usrsb.org
- SAI Platform, Chicago, IL June 26-28, 2019
- Latin America Sustainable Beef Vision Summit, July 9-11, 2019, Sao Palo, Brazil
- CRSB Annual General Meeting, September 18 &19, 2019 in Montreal, QC

Other Business

GRSB face-to-face BOD in New Zealand to be in early November; either first two days or last two days of the week in Auckland.

Future Board of Directors Meetings

Board of Directors, Wednesday, April 24, 2019, 9:00am – 10:30am Central U.S.
Daylight Time, 3:00 p.m. UTC

The meeting was adjourned at 4:15 pm Central U.S. Daylight Time.

Respectfully submitted,

Cheryl Clark
Director of Operations

| | | | | |
|---|---|---|--|--|
| Global Roundtable for Sustainable Beef | | | | |
| Strategy - Communications Summit - Executive Committee - Board of Directors | | | | |
| DRAFT TIMELINES | | | | |
| DRAFT | | | | |
| Location: | Near Chicago's West Side | | | |
| Date: | May 21,22,23,24 | Hotel: Crowne Plaza Chicago West Loop; 25 South Halsted Street, Chicago, IL 60661 | | |
| | McDonalds Corporate Headquarters: 110 North Carpenter Street, Chicago, IL 60607 | | | |
| Date | Time | Meeting / F&B | Setup | |
| Mon, May 20 | Strategy Attendees Dinner on their own | | | |
| Tues, May 21 | 6:30am - 7:30am | Breakfast Provided at the Crowne Plaza Hotel | | |
| Strategy | 8:00-12:00pm | Strategy Session | Room CC32 | |
| | 12:00p-1:00pm | Lunch | Served at McDonalds - Location TBD | |
| | 1:00pm-5:30pm | Strategy Session (continued) | Room CC32 | |
| | 5:30pm-7:00pm | Reception | Crowne Plaza Hotel - Location TBD | |
| Communicator Summit and Strategy Attendees Dinner on their own | | | | |
| Wed, May 22 | 6:30am - 7:30am | Breakfast Provided at the Crowne Plaza Hotel | | |
| Communicators Summit | 8:00-12:00pm | Communicators Summit | Turner Room | |
| | 12:00p-1:00pm | Lunch | Served at McDonalds - Location TBD | |
| | 1:00pm-5:00pm | Communicators Summit | McDonald's Facility | |
| | 6:00pm-8:30pm | Reception/Dinner | McDonald's Work Café | |
| Thur, May 23 | 6:30am - 7:30am | Breakfast Provided at the Crowne Plaza Hotel | | |
| Comm Summit Continued | 8:00am-12:15pm | Communicators Summit | Room CC32 | |
| | 12:15pm | <i>Communicators Summit Adjourned</i> | | |
| EC | 1pm-3pm | Executive Committee | McDonald's Facility - Rooms CC33-35-37 | |
| BOD | 3:30pm-5:30pm | Board of Directors | McDonald's Facility - Rooms CC33-35-37 | |
| EC/BOD | 6:30pm-8:00pm | Dinner EC and BOD | Crowne Plaza Hotel - Location TBD | |
| Fri, May 24 | 6:30am - 7:30am | Breakfast Provided at the Crowne Plaza Hotel | | |
| BOD | 8:00am-Noon | Board of Directors | McDonald's Facility - Ray Kroc Room | |
| | 12:00pm | <i>Adjourned</i> | | |
| Working Group GHG | | GHG - Viresco Session | TBD | |



GLOBAL ROUNDTABLE FOR SUSTAINABLE BEEF

**GRSB Strategic Planning Workshop
Draft Agenda
May 21st, 2019
Chicago, Illinois**

Objective: Set the Global Roundtable on Sustainable Beef's direction for the coming ten years, with a more detailed 5 year strategy

Product: Three to Five-page concise document with a ten-year vision and goals, objectives, and actions over the next five years. This document will be the product of the process, produced after the workshop; ready for discussion by Friday 24th.

Decision Rule: By consensus of the Board, to the extent possible

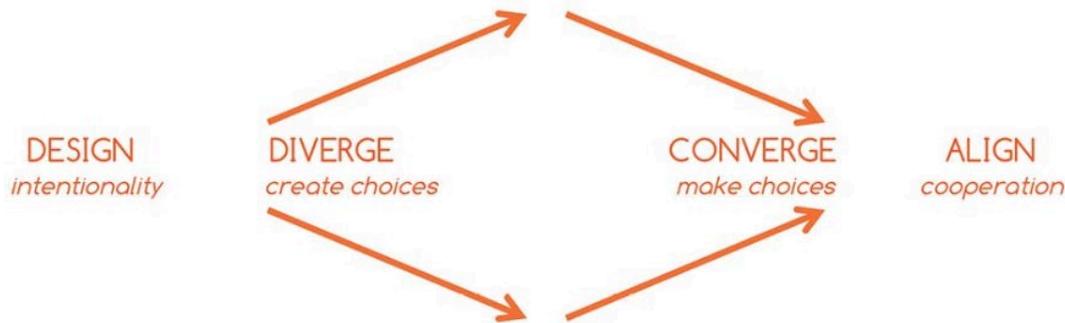
Anticipated # of Participants: Up to 25

- 8:00 Welcome, purpose, agenda for the day
- 8:15 Introductions of Participants
- 30 seconds each
 - Groups of 2 for 5 minutes of sharing
- 8:45 GRSB's Evolution, Accomplishments To Date, Current Strategic plan
(information)
- *Ruaraidh Petre, GRSB Executive Director*
- 9:15 Summary of Feedback from Interviews; *(information stage, to be provided to as a written report to all participants in advance)*
- *Mark McCully, CAB, facilitator*
- 9:30 Divergent ideas for GRSB *(with break) Small group work (3 to 4),*
- Design thinking ambition; what will we have achieved in 10 years?
 - Groups feedback per membership constituency – each group collects the 10-year ambitions on post it notes / paper.
- 10:30 What opportunities does this create? A set of categorized opportunities.
- *Mark McCully with whole group input, (Ruaraidh to assist in categorizing paper / post it notes)*

- 11:30 Converging opportunities – moving to the “big idea”. *group work*
- From Opportunities small groups formulate compelling proactive ideas that work across constituents and deliver outcomes.
 - Feedback from groups on their “big idea”, outline concept on paper.
- 12:30 Lunch
- 1:15 Summary from AM – process of going wide, now converging (*feedback*).
- *Mark McCully, CAB, facilitator*
- 1:30 1st steps to big ideas. (*Group work*)
- Groups now divided according to the themes of the big ideas.
 - Each group works on the first step required towards “big ideas”
 - Feedback – each 1st step described in outline on paper should be in the form of a strategy as outlined in the table on **page 4**.
- 2:30 Prioritizing (*Facilitated discussion, voting on 1st steps*)
- *Mark McCully*
 - Given the discussions and subjects so far, what are the priority activities for the next year? The next 4 to 5 years? Whole group discussion
 - Each person uses stickers to vote for their preferred strategies from the previous session.
- 15:30 Implications re: GRSB Organization (*Facilitated discussion¹*)
- Given the Strategies selected, what does this mean for:
 - Staffing
 - Revenue, Fees, and Revenue Model
 - Seeking new members, broader membership
 - Output = summary list of conclusions.
- 16:30 Review Session and Next Steps –
- Planning for production of report to board on the Friday; request for volunteers to help collate material.
- 17:00 Adjourn

¹ This is a facilitated discussion; it is not the moment to go into detailed consideration of all of the potential options. The conclusion of the discussion will be what the implications of the plan are for the structure of GRSB. The mean of implementation of those implications will be the first next step to be taken at the direction of the board.

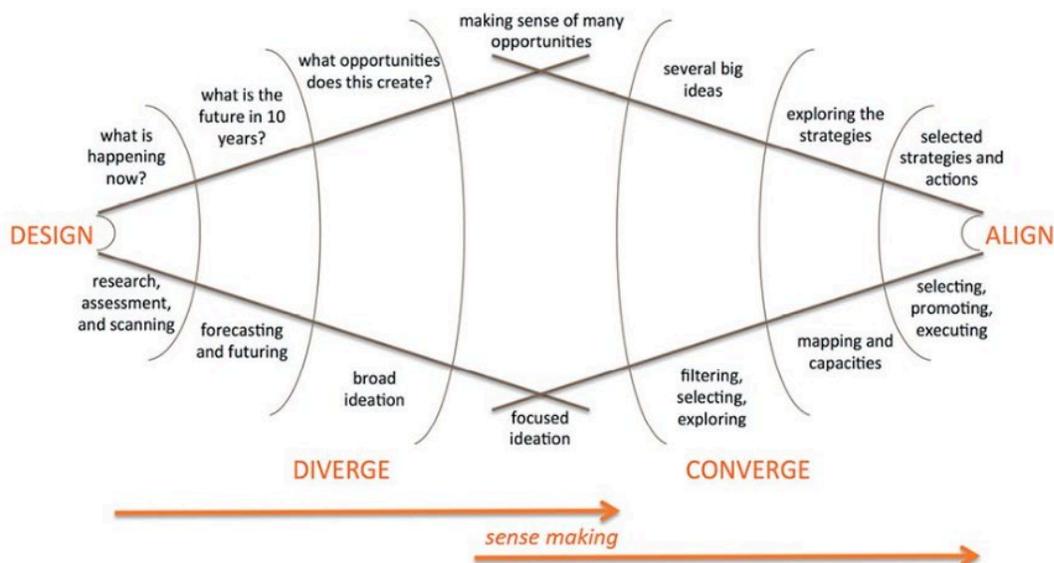
Design Thinking Methodology



1. During the initial design of the strategy crafting process, key effort ensures that the entire process will meet expectations and take the appropriate amount of time, resources, and engagement. Tools are selected to address important questions and deliver the necessary outcomes.
2. The paired processes of divergence and convergence are all about exploring opportunities and creating choices then sifting and filtering through the possibilities to craft the best strategies for the future. Divergence employs a variety of creativity and innovation methods to generate a large number of choices.
3. Convergence has the primary goal of making choices from the large variety of opportunities created during divergence. Here filtering, selecting, and testing ideas is critical. Early concepts of the strategies begin to form.
4. During the final alignment stage, the strategies and corresponding strategic documents are produced and carefully aligned with the resources and capacities available to successfully execute.

Looking more closely at the process, the image below adds guiding questions and hopeful outcomes in steps along the top of the diagram, and potential tools and considerations in corresponding steps along the bottom of the diagram. The four stages are shown in orange. The image shows a broadening set of possibilities as the triangle widens through divergence and then a narrowing set of opportunities and big ideas as the final strategies are crafted.

design → divergent thinking → convergent planning → alignment



One of the most important parts of the entire process is the development and refinement of the key strategic statements that form the backbone of strategy. During the process, a lot of options arise as opportunities for the organization, but no one organization could or should pursue them all at once. The best opportunities should evolve into the big ideas that could significantly strengthen, advantage, or transform the organization over time. As these are considered and tested, they will evolve and change form. Some will fall away after the organization's capacity to execute is added to the process. In the end, the final strategies that are crafted should be the best ones for pursuit over the course of the planning horizon.

Opportunities are generally unrefined and tend to emerge from the divergence process as somewhat reactive and recognized due to the changing environment. They can be very broad or very specific and are of undetermined value at this early stage. They are not yet tested and while they may be interesting it is not yet determined if they are significant enough to help focus the organization and its agents.

As opportunities evolve to what I call *Big Ideas*, we weed out the most reactive and spend more time developing those that are proactive, recognizing the changing environment. The big ideas tend to be more organization-wide, engaging and motivating more than one single part of the organization. Big ideas are compelling and help serve as a focus point for effort. And they have more clearly developed value propositions.

The table below depicts 5 *Evolving Characteristics: Opportunities to Big Ideas to Strategies*.

| Opportunities | Big Ideas | Strategies |
|---|--|--|
| reactive, recognized due to the changing environment | proactive, recognizes the changing environment | expeditionary: adaptive to changing environment |
| very broad or very specific | works across all constituents and partners | linked to each constituent and partner w/ accountability |
| interesting (maybe) | compelling (always) | clear & executable |
| value undetermined | creates value | measurable value and outcomes |
| favorable circumstance, but may not help people focus | serves as a focal point of effort | focuses behavior over an extended period of time |

During the final filtering and selection, I focus intently on crafting strategies. Beyond recognizing the changing environment, good strategies are expeditionary and can evolve and adapt to anticipated and unexpected future changes in the environment. Strategies come with accountabilities that are clearly linked to organizational managers, organizational constituents responsible for success, and external partners and collaborators. The clarity of the strategic statements evolves from being initially interesting or novel to being compelling to becoming clear and executable. They are associated with measurable value and outcomes and serve to focus individual and group behavior for an extended period of time.

Subject to change*

Day 1

What's the impact of beef production on the planet?

8 AM: Welcome & Summit Goals with GRSB Leadership

Key insights from 2017 Sustainability Communicators Summit and vision for 2019 and beyond.

9:15 AM: Plenary Speaker #1-TBC

Challenge beef industry to be different and provide global context of beef sustainability.

NETWORKING BREAK

10:20 AM: Panel #1

Big Question: What's the impact of beef production on the planet (i.e. Natural Resources)?

What is the physical science of beef production saying about the impact of beef on the planet around the world? (Climate, Conservation, GHG, Water, Methane, etc.) Conversation to feature thought leaders from North America, Latin America, and Europe.

LUNCH

1:00 PM: Panel #2

Big Question: What do consumers think about beef's impact to the planet?

What is the science of consumer communication data/research saying about what consumers care about around the world? What does retail sales data say about what matters most to consumers? What is being said by credible critics/pragmatic skeptics about beef's impact to the planet? What trends should be in view? U.S., Canadian, Irish and Brazilian perspectives to be shared.

2:15 PM: Working Session #1

Building Beef's Grand Narrative-What is the impact of beef production on the planet?

Summarize what was learned about the science of beef sustainability science and communication. Identify shared values, opportunities, gaps, and priorities.

NETWORKING BREAK

Day 1-Part II

Big Questions of Impact: Beef Producer Connection

3:50 PM: Panel #3

Big Question: How do we best leverage, engage, support/serve, and amplify beef producers and beef producer voices/interests in communication efforts? Producers from Canada, Brazil, U.S., and Zimbabwe will discuss issues impacting producer livelihoods and connecting with communities and consumers beyond the fence-line.

5:20 PM: Day 1-Content Wrap-Up
Summarize key take-aways from panel 3 and priorities for day-2 working sessions.

6 PM: Cocktail Hour
w/ U.S. Environmental Stewardship Award Program delegates.

7 PM: Dinner
featuring "Changing the Status Quo in Communication: No Shame, No Blame"
dinner speaker: Peter Byck, U.S. Film Director



Day 2

Art of Communication & Action Mapping

8:00-8:30 AM: Insights from Day 1

8:30-9:00 AM ~ Morning Speaker: *McDonald's Global Consumer Research Insights*

9:00-10:30 AM ~ Working Session #2

Big Question: What are the universal beliefs we hold about beef's impact to the planet and what messages and audiences are priority?

NETWORKING BREAK

11:00 AM-12:00 PM: Working Session #3

Big Question: What do we collectively believe it will take to create a positive global sustainable beef narrative over the next 12-18 months?

-What will it take to move forward, and what is GRSB's role?

-What are our gaps and vulnerabilities?

-What are the commitments leaving here? (New working groups, workflow streams, requests/offers, etc.).

12:00-12:30 PM: Closing & Next Steps with GRSB Leadership

Coming Soon



-Online video library of sustainable beef communication best practices from around the world.

-Pre-Sustainability Communicators Summit Questionnaire to better understand regional communication priorities, consumer research data, best practices and opportunities.

-Intense GRSB focus on the global narrative of beef sustainability during May 2019 strategic planning efforts.

Register today at grsbeef.org

SUSTAINABILITY COMMUNICATORS SUMMIT

MAY 22-23, 2019

Hosted by  GLOBAL ROUNDTABLE FOR SUSTAINABLE BEEF and 

Help GRSB create a video library of sustainable beef communication mastery!

The GRSB has a vision to curate a global library of beef sustainability communication tools and resources, and *your help is requested for the initial launch!* The first virtual library wing will be opened as an exciting lead-in to the 2019 Sustainability Communicators Summit (visit grsbeef.org for details) and having leaders like YOU engaged is critical to success.

We're excited for regional roundtables and other communication-focused members to join us in creating simple (Zoom) *video content* to be shared online, with the purpose to serve our membership's communication learning needs. Many members have expressed desires to learn more about the specific strategies and tactics driving beef sustainability communication in different parts of the world, and this platform will allow for a virtual conversation about best practices, trends and more.

The Request

1-Select *3-4 top communication insights* you feel a global sustainability communicators audience would value and that you'd feel confident sharing with others.

Outline content for a 20-60 minute video, featuring stories of actual sustainability communication experience and/or priority communication projects currently being executed and why they're important to the beef narrative. Note: If you have content that exceeds 60 minutes, please break into two separate videos.

2-Record content via Zoom with video of presenter. Use of slides is the choice of the presenter.

GRSB can assist with the planning and recording of your content, if technical support is desired and remember to keep things simple. The goal is to share stories, not to create highly-edited, perfect videos.

3-Upload mp4 file for GRSB use: <https://www.dropbox.com/request/9BQlC5nwM3B7RVtCEjD>.



Topics to Consider:

- Key communication strategies and sustainable beef priority messages for 2019.
- Strategies for identifying target market/audience needs and concerns.
- Best practices for social media audience engagement.
- Tips for creating effective visuals/digital images.
- Practices for testing message effectiveness with audiences.
- Key measures of communication effectiveness and impact.
- Hosting creative community-based live events and conferences.
- Tips for cultivating empathy and why it matters for consumer conversations.
- Proven methods for engaging producers in communication strategies.
- Best approaches to virtually communicate with internal stakeholders.
- Media engagement pitfalls and trends.
- Influencer marketing musts and nevers.
- Tips for translating complex messages to simple key points.
- Whatever YOU think can help to solve the problems sustainability communicators face.

Timeline

-Please confirm your region's/organization's participation by **April 30** via email to sarah.bohnenkamp@grsbeef.org.

-Video file upload deadline: **May 9**

-Online launch of content library will be near **May 10** (1.5 weeks before Sustainability Communicators Summit)

-GRSB has a goal of launching with 10 videos!

Will YOUR organization be a part of this inaugural virtual sharing of sustainability communication knowledge?

GRSB Comms Summit: Attendee Pre-Event Questionnaire

We are excited that you will be attending the 2019 GRSB Communicators Summit. One of our primary objectives of the Summit is to establish a foundation for creating a multi-stakeholder, GRSB-led, credible and compelling beef narrative.

Prior to the Summit we're asking every attendee to provide thoughts and insights about the perceptions of beef sustainability in your area, and opportunities for building this story of beef sustainability.

- 1) We've all seen coverage – from credible and non-credible sources – about negative impacts of beef production. **What topics are creating headlines and creating consumer concerns** in your country/region? Score each topic on a 1 to 10 basis (1 being HIGHEST concern and 10 being the LEAST/LOWEST)
 - Nutritional/health impact of beef consumption
 - Climate / GHG emissions associated with the production of beef
 - Animal welfare practices
 - Water pollution / manure (manure is quite a local term, might be just better to state water pollution)
 - Air pollution / dust
 - Growth implants in beef
 - Antibiotic use in beef
 - Vegetarianism / Veganism
 - Land / resources used (vs human edible crops)
 - Deforestation or Habitat loss
 - Other (fill in the blank)

- 2) In your area, region or country, what are the **key opportunities or unheralded stories for building a compelling, balanced and positive narrative**? Consider the scalability and applicability in your region, as well as globally. You only need to respond where relevant and include as many opportunities or examples you deem appropriate.
 - Natural Resources
[Text box for open entry]
 - Animal Health & Welfare
[Text box for open entry]
 - Food
[Text box for open entry]
 - People & Community
[Text box for open entry]
 - Efficiency & Innovation
[Text box for open entry]

- 3) What **sources of information on beef production & consumption** appear to be influencing consumers the most? OR Where are consumers getting the information they're using to make decisions about their beef consumption decisions? Score each topic on a 1 to 10 basis (1 being most influential and 10 being the least influential in your country/region).
- Bloggers
 - Broadcast media (TV, radio)
 - Print media (newspapers, magazines)
 - Online news
 - Social media (Facebook, Twitter, Instagram, etc.)
 - Friends/family
 - Retailer/butcher
 - Healthcare professional/nutritionist
 - Self-guided Internet research
 - Celebrity opinions
 - Other (fill in the blank)
- 4) **How could the beef industry leverage** those same sources/influencers to get our message across?
- 5) **What are we communicating well** and what could we **do better**?
- 6) What are the **biggest barriers** to consumers understanding more about beef's positive contributions to a thriving food system?
- No central voice to speak for beef
 - Uncertainty about what attribute we should communicate
 - Lack of knowledge about what and/or how to engage – whether it's proactively or reactively
 - People aren't interested in positive or good news
 - Those sharing negative information seem more credible
 - Too much marketing focus and infighting subtypes of beef (certain breeds, certain countries of origin, grass vs grain, hormone free, antibiotic free, etc.)
 - I'm not sure
 - Other (fill in the blank)
- 7) **Is beef consumption** in your region/country:
- Increasing
 - Decreasing
 - Stable
 - Not sure
- 8) If consumption is decreasing or increasing **what is driving this?**
[Text box for open entry]

SAVE THE DATE

LATIN AMERICA

SUSTAINABLE BEEF VISION SUMMIT

Hamburger University – São Paulo - Brazil

09-11 JULY – 2019

ADDITIONAL DETAILS COMING SOON

Hosted by:



Arcos Dorados



GLOBAL ROUNDTABLE FOR
SUSTAINABLE BEEF



GTPS
Brazilian Roundtable on
Sustainable Livestock

Agenda Regional Meeting July

Theme: LatinAmerica Beef Sustainability event

Venue **Mc Donald's University**

Location **Sao Paulo**

Date: **9, 10 and 11 July.**

Participants Fee: **TBD**

| Day 10- 10t July | Disertante | Day 2- 11th July | Comentarios | Day 3 |
|------------------|---|--|--|---|
| 8:00 | | | | Field Trip? |
| 9:00 | Opening Session: GRSB, GTPS, GASL: Objective of the meeting and each organisation goals on sustainable beef | Debrief of Day 1 and Goal of day 2: Building consensus | Llegar a una conclusion sobre las prioridades mas importantes, y que piensa hacer el sector al respecto. Que hacer con esos resultados? | Definir con GTPS a donde vamos y a ver que? |
| 10:00 | Brief presentation from National Roundtables (10 min each) Argentina, Brasil, Paraguay, Colombia, Mexico....Other? | Building consensus on difficult topics; Jurisdictional Approaches? Criteria? Country Specific/Region Specific | PNUD tiene un programa en el tema Jurisdictional Approach PNUD tiene un programa con Earth Innovation. Speakers: Dario (TFA), Dan Nepstad (Earth Innovation) Arturo busca un speaker. | |
| 11:00 | GTPS: Lessons learnt from the past 10 years. | Quien presenta? (Leo lo centraliza) Ver con Leo cuales son los highlights que mas interesan a la audiencia. Focus for the next 5 years | Building consensus on COP: Position of the beef sector. What message can be taken to COP. Concrete action that can be taken up to COP | New Your declaration on Forest? Carolyn Livestock officer from FAO can give an introduction about COP. Walter Oyhantazabal. Resaltar datas donde HAY consenso. DONDE hay pequenas diferencias. Donde NO HAY consenso. CDP (Presentacion de ellos?) |
| 12:00 | Global Market trends and local consumption of sustainable beef trends: export markets (Asia, US, others) , Leather industry | Aclarar como se relaciona con la sostenibilidad. Hacer una encuesta previa de quien pide sostenibilidad? Que presente Carrefour, Mc D , MARS PET FOOD, Minerva. RABOBANK market analisis. Hablar con Taciano para ver si puede presentar en nombre de Minerva. Invitar a algun supermercado (Leo centraliza esto). Tambien podemos invitar a la Isabel Nepstad a hablar sobre China y los mercados asiaticos | Traceability (Blockchain, Deloitte??). Juan Carlos Martin (SENACSA Py, Blockchain). Animal Welfare (como mejorar productividad con medidas apropiadas). Agrottools caso MCD/Marfrig | GASL puede colaborar con un Speaker en el tema de AW, Speaker de Blockchain lo buscamos junto con Arturo y GRSB (Josefina esta viendolo tb). Agrottools (???) |
| 13:00 | LUNCH | LUNCH | | |
| 14:30 | Which are the priorities per country? Market linkage with D-free/Deforestation (JWG on Forests). | DATA: que base de datos usamos?? Mapear iniciativas, y ver areas en comun entre ellas | Capacity buiding for sustainability: Who pays the bill?? Financing sustainability: Roles of the different chain stakeholders; IFC, Santander, Retailer, Producer org, Processor, NGO | Invitar Chris Wells de Santander (leo). Pensar mejor este segmento |
| 15:30 | GHG Low carbon markets. | Leo va a conseguir facilitadores (3 idealmente) | | IFC Guillermo Terol |
| 16:30 | Antimicrobials Market demands | armar "next steps/Acuerdos"entre Leo y yo para que quede algo concreto. En temas de GHG seria bueno traer expertos en el tema. Sino para la plenaria Ernesto Viglizzo de Argentina (Josefina lo puede invitar) EMBRAPA | | Gobierno? Planes de desarrollo inversion del gobierno. Enfoque juridiccional en Brasil (Mato Grosso- Fernando Sampaio). Colombia? Paraguay cero deforestacion? Arturo busca alguien. WWF/Solidaridad |
| 17:30 | Communicating Sustainability: unlearning defensiveness | Pedir que hagan un resumen del Communication Summit de Chicago de GRSB. Como ser proactivo en la comunicacion? Deforestation being an economic imperative | Cierre. Conclusiones | Josefina/Rory |
| 18:00 | | | | |

encuesta de cuantas empresas tienen Politicas/compromisos firmados? GlobScan esta haciendo una encuesta con consumidores y empresas. Podemos sumar preguntas

GLOBAL ROUNDTABLE FOR
SUSTAINABLE BEEF

Financial Statements and
Independent Auditor's Report
Years ended December 31, 2018 and 2017

GLOBAL ROUNDTABLE FOR SUSTAINABLE BEEF

CONTENTS

FINANCIAL STATEMENTS

| | Page |
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| Independent Auditor's Report | |
| Statements of Financial Position | 1 |
| Statements of Activities | 2 |
| Statements of Cash Flows | 3 |
| Notes to Financial Statements | 4-6 |

INDEPENDENT AUDITOR'S REPORT

To the Executive Board
Global Roundtable for Sustainable Beef
Colorado Springs, Colorado

We have audited the accompanying financial statements of Global Roundtable for Sustainable Beef (a Colorado not-for-profit corporation) which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with accounting standards generally accepted in the United States of America. Those standards required that we plan and perform our audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide the bases for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Global Roundtable for Sustainable Beef as of December 31, 2018 and 2017, and the results of its activities and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Centennial, Colorado
April 2, 2019

GLOBAL ROUNDTABLE FOR SUSTAINABLE BEEF

STATEMENTS OF FINANCIAL POSITION

December 31, 2018 and 2017

| ASSETS | <u>2018</u> | <u>2017</u> |
|-----------------------------------|-------------------|----------------|
| Cash and cash equivalents | \$ 232,473 | 177,411 |
| Certificate of deposit | 247,000 | 225,000 |
| Receivables | 26,332 | 32,500 |
| Prepaid expenses | <u>274</u> | <u>3,211</u> |
| Total Assets | <u>\$ 506,079</u> | <u>438,122</u> |
| LIABILITIES AND NET ASSETS | | |
| Liabilities | | |
| Accounts payable | \$ 71,637 | 79,194 |
| Prepaid memberships | <u>106,750</u> | <u>35,500</u> |
| Total Liabilities | <u>178,387</u> | <u>114,694</u> |
| Commitments | | |
| Net assets | | |
| Unrestricted | | |
| Undesignated | 102,692 | 98,428 |
| Board designated reserve | <u>225,000</u> | <u>225,000</u> |
| Net Assets | <u>327,692</u> | <u>323,428</u> |
| Total Liabilities and Net Assets | <u>\$ 506,079</u> | <u>438,122</u> |

See accompanying notes to financial statements.

GLOBAL ROUNDTABLE FOR SUSTAINABLE BEEF

STATEMENTS OF ACTIVITIES

Years Ended December 31, 2018 and 2017

| CHANGES IN UNRESTRICTED NET ASSETS | <u>2018</u> | <u>2017</u> |
|---|-------------------|----------------|
| Revenues | | |
| Membership dues | \$ 351,375 | 394,376 |
| Conferences | 288,755 | 6,000 |
| Meetings | 3,405 | 6,124 |
| Grants | 7,228 | 146,819 |
| Investment income | 5,865 | 1,132 |
| Total revenue | <u>656,628</u> | <u>554,451</u> |
| Expenses | | |
| Program services | | |
| Conferences | 134,826 | 37,608 |
| Meetings | 16,971 | 32,029 |
| Grant expenses | - | 93,882 |
| Communications | 51,626 | 33,057 |
| Supporting services | | |
| Administration | 405,167 | 303,581 |
| Operating expenses | 43,774 | 48,326 |
| Total expenses | <u>652,364</u> | <u>548,483</u> |
| Increase in net assets | 4,264 | 5,968 |
| Net Assets, Beginning of period | 323,428 | 317,460 |
| Net Assets, end of period | <u>\$ 327,692</u> | <u>323,428</u> |

See accompanying notes to financial statements.

GLOBAL ROUNDTABLE FOR SUSTAINABLE BEEF

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2018 and 2017

| | <u>2018</u> | <u>2017</u> |
|---|-------------------|-----------------|
| Cash flows from operating activities: | | |
| Increase in net assets | \$ 4,264 | 5,968 |
| Adjustments to reconcile increase in net assets to cash provided (used) by operating activities: | | |
| Receivables | 6,168 | (17,500) |
| Prepaid expenses | 2,937 | (3,211) |
| Accounts payable | (7,557) | 22,692 |
| Prepaid memberships | 71,250 | (43,503) |
| Total adjustments | <u>72,798</u> | <u>(41,522)</u> |
| Net change in cash from operating activities | 77,062 | (35,554) |
| Cash flows from investing activities: | | |
| Increase in certificate of deposit | <u>(22,000)</u> | - |
| Net change in cash from investing activities | <u>(22,000)</u> | - |
| Net change in cash and cash equivalents | 55,062 | (35,554) |
| Cash and cash equivalents at beginning of year | 177,411 | 212,965 |
| Cash and cash equivalents at end of year | <u>\$ 232,473</u> | <u>177,411</u> |

See accompanying notes to financial statements.

GLOBAL ROUNDTABLE FOR SUSTAINABLE BEEF

NOTES TO FINANCIAL STATEMENTS

December 31, 2018 and 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

General

The Global Roundtable for Sustainable Beef (“GRSB”, “Organization”) is a non-profit corporation incorporated under Colorado laws, effective January 9, 2013. GSRB was organized as a multi-stakeholder initiative to advance continuous improvement in sustainability of the global beef value chain through leadership, science and multi-stakeholder engagement and collaboration. The GRSB envisions a world in which all aspects of the beef value chain are environmentally sound, and socially responsible and economically viable.

Revenues are primarily derived from membership dues and conferences.

GRSB has no employees and contracts for all of its secretariat services.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standard’s Codification (ASC 958), Financial Statements of Not-for-Profit Organizations. Under ASC 958 the Organization is required to report information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted amounts are those net assets including both board designated and other unrestricted funds. They include revenue and expenses used currently for the general operations of the Organization. General contributions that are restricted by the donor are reported as increases in unrestricted net assets if the donor restrictions expire in the fiscal year in which the contributions are recognized.

Temporarily restricted amounts are those which include contributions restricted by donor designation and are reported as increases in temporarily restricted net assets. When a donor restriction expires either with the passage of time or by actions of the Organization, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

GLOBAL ROUNDTABLE FOR SUSTAINABLE BEEF

NOTES TO FINANCIAL STATEMENTS

December 31, 2018 and 2017

Concentrations of Credit Risk

The Organization's financial assets potentially subject to credit risk include cash and cash equivalents and receivables. At times, the Organization may have cash and cash equivalents at a financial institution in excess of insured limits. The Organization places its cash and cash equivalents with a financial institution whose credit rating is monitored by management to minimize the concentration of credit risk. Receivables are due from business entities and individuals and are not concentrated in any one group or geographic location.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. The Organization has determined that an allowance for doubtful accounts is unnecessary based on the nature of its select member base. Delinquent accounts are written off based on the specific circumstances and individual credit evaluation of the member.

Revenue Recognition

Membership dues are recognized as revenues in the membership period to which the dues relate. Accordingly, dues paid by members in advance of the membership period are reported as prepaid memberships in the accompanying statements of financial position.

Income Tax Status

The Organization qualifies and operates as a tax-exempt organization under Section 501(c)(5) of the Internal Revenue Code and is not a private foundation. The Organization received its determination letter January 13, 2015.

The Organization applies the provisions of FASB ASC Topic 740-10, Income Taxes which prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. This standard also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. For the years ended December 31, 2018 and 2017, the Organization does not believe it has any uncertain tax positions or any related penalties and interest, therefore no recognition of uncertain tax positions is reflected in the financial statements.

The Organization is required to make the appropriate tax payments on any income considered unrelated to its exempt purpose. There was no unrelated business income for the years ended December 31, 2018 and 2017, and as a result, there was no income tax liability.

The Organization files IRS Form 990 annually with the federal government. The Organization's 2015, 2016, and 2017 tax years are still subject to examination by taxing authorities.

GLOBAL ROUNDTABLE FOR SUSTAINABLE BEEF

NOTES TO FINANCIAL STATEMENTS

December 31, 2018 and 2017

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Reclassifications – Certain reclassifications have been made to the prior year's financial statements to conform to the current year's presentation.

NOTE 2 – COMMITMENTS

GRSB contracts with National Livestock Producers Organization (NLPA) for management, administrative and operating services on a yearly basis. The agreement will remain in effect until terminated by either party subject to 60 days advance notice. The agreement provides for fixed monthly fees. The costs for these services were \$195,500 and \$195,500, respectively, for the years ended December 31, 2018 and 2017.

NOTE 3 – NET ASSETS

The Board of Directors has designated \$225,000 of the Organization's unrestricted net assets as a long-term emergency reserve to be used in the event of a significant shortfall in revenues. The board may annually add or subtract from the designation at its discretion.

NOTE 4 – SUBSEQUENT EVENTS

The Organization has evaluated events that occurred subsequent to December 31, 2018 through April 2, 2019 the date these financial statements were available to be issued, and has determined there were no material events requiring recognition or disclosure.

Global Roundtable for Sustainable Beef
Balance Sheet
March 31, 2019

ASSETS

Current Assets

| | | |
|-------------------------------|----|------------------|
| Cash in Operating - ML *02005 | \$ | 554,076.21 |
| Accts Receivable - Members | | <u>25,000.00</u> |

| | | |
|-----------------------------|--|-------------------|
| Total Current Assets | | 579,076.21 |
|-----------------------------|--|-------------------|

Other Assets

| | | |
|---------------------------|--|-------------|
| Total Other Assets | | <u>0.00</u> |
|---------------------------|--|-------------|

| | | |
|---------------------|-----------|--------------------------|
| Total Assets | \$ | <u><u>579,076.21</u></u> |
|---------------------|-----------|--------------------------|

LIABILITIES AND CAPITAL

Current Liabilities

| | | |
|------------------|----|------------------|
| Accounts Payable | \$ | <u>44,575.26</u> |
|------------------|----|------------------|

| | | |
|----------------------------------|--|------------------|
| Total Current Liabilities | | 44,575.26 |
|----------------------------------|--|------------------|

Capital

| | |
|-------------------------|-------------------|
| Retained Earnings | 102,693.04 |
| Board Specified Reserve | 225,000.00 |
| Net Income | <u>206,807.91</u> |

| | | |
|----------------------|--|-------------------|
| Total Capital | | <u>534,500.95</u> |
|----------------------|--|-------------------|

| | | |
|--|-----------|--------------------------|
| Total Liabilities & Capital | \$ | <u><u>579,076.21</u></u> |
|--|-----------|--------------------------|

Global Roundtable for Sustainable Beef
Aged Payables
As of Mar 31, 2019

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Detail Format.

| Vendor ID | Date | Invoice/CM # | 0 - 30 | 31 - 60 | 61 - 90 | Over 90 days | Amount Due |
|----------------------------|--------------------------------|-------------------------------|----------------------|-------------------|----------------|------------------|-----------------------------|
| NLPA | 3/31/19 | 2019-0078 | 16,291.67 | | | | 16,291.67 |
| NLPA | | | 16,291.67 | | | | 16,291.67 |
| Ruaraidh Petre | 3/31/19 | 2019-04 | 7,083.33 | | | | 7,083.33 |
| Ruaraidh Petre | | | 7,083.33 | | | | 7,083.33 |
| Sarah J. Bohnenkamp | 3/1/19 3/13/19 | 112718AUPDATE 031319A | 1,603.00 4,339.00 | | | | 1,603.00 4,339.00 |
| Sarah J. Bohnenkamp | | | 5,942.00 | | | | 5,942.00 |
| SSCD | 12/28/16 12/31/18 | 12302016 Scofield AJE #3 | | -11,765.46 | | 26,863.72 | 26,863.72 -11,765.46 |
| SSCD | | | | -11,765.46 | | 26,863.72 | 15,098.26 |
| Wild Apricot | 12/20/18 2/20/19 3/20/19 | 2018-30 2018-41 2018-42 | | | -160.00 | | -160.00 160.00 160.00 |
| Wild Apricot | | | 320.00 | | -160.00 | | 160.00 |
| Report Total | | | 29,637.00 | -11,765.46 | -160.00 | 26,863.72 | 44,575.26 |

**Global Roundtable for Sustainable Beef
Aged Receivables
As of Mar 31, 2019**

Filter Criteria includes: 1) Includes Drop Shipments. Report order is by ID. Report is printed in Detail Format.

| Customer ID Customer Bill To Contact Telephone 1 | Invoice/CM | 0-30 | 31-60 | 61-90 | Over 90 days | Amount Due |
|--|-------------------|------------------|--------------|--------------|---------------------|-------------------|
| McDonald's McDonald's Bob Langert Retail Tier 3 | 2019-001 | 20,000.00 | | | | 20,000.00 |
| McDonald's McDonald's | | 20,000.00 | | | | 20,000.00 |
| NCBA National Cattlemen's Beef A Dianne Harvanek Prod. Tier 3 | 2019-003 | 5,000.00 | | | | 5,000.00 |
| NCBA National Cattlemen's Beef | | 5,000.00 | | | | 5,000.00 |
| Report Total | | 25,000.00 | | | | 25,000.00 |

Global Roundtable for Sustainable Beef
Income Statement
Compared with Budget
For the Three Months Ending March 31, 2019

| | Current Month Actual | Current Month Budget | Year to Date Actual | Year to Date Budget |
|--------------------------------|-------------------------|-------------------------|------------------------|------------------------|
| Revenues | | | | |
| Dues Revenues | \$ 51,166.67 | \$ 60,000.00 | \$ 279,916.67 | \$ 327,500.00 |
| Grant Income | 0.00 | 5,000.00 | 0.00 | 5,000.00 |
| Contract revenue | 0.00 | 0.00 | 0.00 | 0.00 |
| Meeting Revenue | 31,750.00 | 3,000.00 | 31,750.00 | 3,000.00 |
| Global Conference Revenue | 0.00 | 0.00 | 0.00 | 0.00 |
| Interest Income | 443.52 | 291.67 | 1,413.33 | 875.01 |
| Total Revenues | 83,360.19 | 68,291.67 | 313,080.00 | 336,375.01 |
| Expenses | | | | |
| Meeting Expenses | 0.00 | 7,000.00 | 2,186.63 | 9,200.00 |
| Staff Travel Expense - Meeting | 0.00 | 2,500.00 | 629.95 | 3,500.00 |
| Executive Director Contract | 7,083.33 | 7,083.33 | 21,249.99 | 21,249.99 |
| Executive Director Travel | 3,087.24 | 2,916.67 | 10,674.90 | 8,750.01 |
| Leadership Travel | 0.00 | 416.67 | 187.17 | 1,250.01 |
| Administrative Services | 16,291.67 | 16,291.67 | 48,875.01 | 48,875.01 |
| Office Supplies & Expense | 0.00 | 62.50 | 117.98 | 187.50 |
| Postage & Shipping Expense | 0.00 | 29.17 | 2.44 | 87.51 |
| Telephone Expense | 204.94 | 166.67 | 396.56 | 500.01 |
| Legal Fees & Expense | 1,464.37 | 125.00 | 1,464.37 | 375.00 |
| Audit Expense | 0.00 | 0.00 | 4,960.00 | 6,000.00 |
| Bank Charges & Fees | 334.65 | 187.50 | 1,057.10 | 562.50 |
| Communications | 6,421.86 | 4,291.67 | 14,469.99 | 12,875.01 |
| Contract Expenses | 0.00 | 5,000.00 | 0.00 | 15,000.00 |
| Global Conference Expenses | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Expenses | 34,888.06 | 46,070.85 | 106,272.09 | 128,412.55 |
| Net Income | \$ 48,472.13 | \$ 22,220.82 | \$ 206,807.91 | \$ 207,962.46 |