

Innovation Center for U.S. Dairy Publishes First Progress Report

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The Innovation Center for U.S. Dairy has published the first U.S. Dairy Sustainability Commitment Progress Report, a summary of the industry-wide efforts underway to increase the economic, environmental and social sustainability of the dairy industry.

The report is intended for use by the industry and our partners to communicate the industry's science-based approach to continuous improvement. It is available for download at www.usdairy.com/sustainability.

Since the launch of the Sustainability Commitment in 2007, the industry has worked together to establish voluntary goals, launch an environmental research agenda and spur innovation across the value chain.

More than 500 leaders and experts from within and outside the U.S. dairy industry have invested more than 100,000 hours of time to the commitment, amounting to nearly 15,000 working days with a value of nearly \$5 million. The U.S. Dairy Sustainability Commitment Progress Report summarizes these efforts from the commitment launch in 2007 through August 31, 2010.

Highlights include:

• The current state of carbon in the U.S. dairy industry and key findings of the first national GHG life cycle assessment, or carbon footprint study, of fluid milk.

• Milestones achieved in the 10 industry projects to reduce GHG emissions and create business value at various steps in supply chain. These include the reduction of fuel and energy costs at farm and milk processing facilities, as well as in milk hauling and dairy product distribution.

• Examples of some of the many efforts underway by individual farms and businesses across the industry to measure and improve their environmental footprint.

The progress report also will serve as a resource for stakeholders as they continue to work together to measure the industry's performance. Over the coming years, we will gradually expand the scope of reporting to include industry-wide data for additional sustainability dimensions. Ultimately, our goal is to publish an annual, comprehensive sustainability report based on the Global Reporting Initiative (GRI) Sustainability Reporting Framework.

Please visit www.usdairy.com/sustainability or contact us at innovationcenter@usdairy.com. If you would like a hard copy of the report, please contact innovationcenter@usdairy.com.

Innovation Center for U.S. Dairy provides a forum for the dairy industry to work together precompetitively to address barriers and opportunities to foster innovation and increase sales. The Innovation Center aligns the collective resources of the industry to offer consumers nutritious dairy products and ingredients, and promote the health of people, communities, the planet and the industry. The Board of Directors for the Innovation Center includes 31 leaders representing 30 key U.S. producer organizations, dairy cooperatives, processors, manufacturers and brands. The Innovation Center is staffed by Dairy Management Inc.[™]