

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 26, 2020

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: **1-3390**

**Seaboard Corporation**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation)

**04-2260388**

(I.R.S. Employer Identification No.)

**9000 West 67th Street, Merriam, Kansas**

(Address of principal executive offices)

**66202**

(Zip Code)

**(913) 676-8800**

(Registrant's telephone number, including area code)

**Not Applicable**

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock \$1.00 Par Value	SEB	NYSE American

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer

Non-Accelerated Filer

Accelerated Filer

Smaller Reporting Company

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No .

There were 1,160,779 shares of common stock, \$1.00 par value per share, outstanding on October 20, 2020.

**PART I – FINANCIAL INFORMATION**

**Item 1. Financial Statements**

**SEABOARD CORPORATION AND SUBSIDIARIES**  
**Condensed Consolidated Statements of Comprehensive Income**

*(Unaudited)*

<i>(Millions of dollars except share and per share amounts)</i>	Three Months Ended		Nine Months Ended	
	September 26, 2020	September 28, 2019	September 26, 2020	September 28, 2019
<b>Net sales:</b>				
Products (affiliate sales of \$226, \$339, \$817 and \$1,017)\$	1,362	\$ 1,359	\$ 4,333	\$ 4,117
Services (affiliate sales of \$4, \$5, \$16 and \$13)	257	270	746	814
Other	26	34	57	97
<b>Total net sales</b>	<b>1,645</b>	<b>1,663</b>	<b>5,136</b>	<b>5,028</b>
<b>Cost of sales and operating expenses:</b>				
Products	1,294	1,329	4,090	3,981
Services	215	239	656	717
Other	18	21	46	70
<b>Total cost of sales and operating expenses</b>	<b>1,527</b>	<b>1,589</b>	<b>4,792</b>	<b>4,768</b>
Gross income	118	74	344	260
Selling, general and administrative expenses	89	80	241	247
<b>Operating income (loss)</b>	<b>29</b>	<b>(6)</b>	<b>103</b>	<b>13</b>
<b>Other income (expense):</b>				
Interest expense	(6)	(9)	(17)	(27)
Interest income	6	10	17	25
Loss from affiliates	(6)	(15)	(27)	(49)
Other investment income (loss), net	56	2	(41)	152
Foreign currency gains (losses), net	(5)	1	(21)	3
Miscellaneous, net	1	(1)	3	(1)
<b>Total other income (expense), net</b>	<b>46</b>	<b>(12)</b>	<b>(86)</b>	<b>103</b>
Earnings (loss) before income taxes	75	(18)	17	116
<b>Income tax benefit (expense)</b>	<b>72</b>	<b>11</b>	<b>1</b>	<b>(8)</b>
Net earnings (loss)	\$ 147	\$ (7)	\$ 18	\$ 108
Less: Net loss attributable to noncontrolling interests	—	—	—	—
<b>Net earnings (loss) attributable to Seaboard</b>	<b>\$ 147</b>	<b>\$ (7)</b>	<b>\$ 18</b>	<b>\$ 108</b>
<b>Earnings (loss) per common share</b>				
	\$ 126.17	\$ (6.00)	\$ 15.14	\$ 92.97
<b>Average number of shares outstanding</b>	<b>1,160,779</b>	<b>1,165,081</b>	<b>1,161,792</b>	<b>1,166,073</b>
<b>Other comprehensive income (loss), net of income tax expense of \$2, \$0, \$3 and \$0:</b>				
Foreign currency translation adjustment	5	2	(11)	(9)
Unrecognized pension cost	5	1	7	7
<b>Other comprehensive income (loss), net of tax</b>	<b>\$ 10</b>	<b>\$ 3</b>	<b>\$ (4)</b>	<b>\$ (2)</b>
<b>Comprehensive income (loss)</b>	<b>157</b>	<b>(4)</b>	<b>14</b>	<b>106</b>
Less: Comprehensive loss attributable to noncontrolling interests	—	—	—	—
<b>Comprehensive income (loss) attributable to Seaboard</b>	<b>\$ 157</b>	<b>\$ (4)</b>	<b>\$ 14</b>	<b>\$ 106</b>

*See accompanying notes to condensed consolidated financial statements.*

**SEABOARD CORPORATION AND SUBSIDIARIES**  
**Condensed Consolidated Balance Sheets**  
*(Unaudited)*

<i>(Millions of dollars except share and per share amounts)</i>	September 26, 2020	December 31, 2019
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 92	\$ 125
Short-term investments	1,245	1,434
Receivables, net	525	646
Inventories	1,062	1,022
Other current assets	91	123
<b>Total current assets</b>	<b>3,015</b>	<b>3,350</b>
Property, plant and equipment, net	1,514	1,431
Operating lease right of use assets, net	404	446
Investments in and advances to affiliates	698	735
Goodwill	164	164
Other non-current assets	181	159
<b>Total assets</b>	<b>\$ 5,976</b>	<b>\$ 6,285</b>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Lines of credit	\$ 271	\$ 246
Current maturities of long-term debt	56	62
Accounts payable	210	368
Deferred revenue	58	80
Operating lease liabilities	111	104
Other current liabilities	304	329
<b>Total current liabilities</b>	<b>1,010</b>	<b>1,189</b>
Long-term debt, less current maturities	683	730
Deferred income taxes	24	76
Long-term income tax liability	62	62
Long-term operating lease liabilities	331	379
Other liabilities	321	295
<b>Total non-current liabilities</b>	<b>1,421</b>	<b>1,542</b>
Commitments and contingent liabilities		
Stockholders' equity:		
Common stock of \$1 par value. Authorized 1,250,000 shares; issued and outstanding 1,160,779 shares in 2020 and 1,164,848 shares in 2019	1	1
Accumulated other comprehensive loss	(444)	(440)
Retained earnings	3,978	3,983
<b>Total Seaboard stockholders' equity</b>	<b>3,535</b>	<b>3,544</b>
Noncontrolling interests	10	10
<b>Total equity</b>	<b>3,545</b>	<b>3,554</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 5,976</b>	<b>\$ 6,285</b>

*See accompanying notes to condensed consolidated financial statements.*

**SEABOARD CORPORATION AND SUBSIDIARIES**  
**Condensed Consolidated Statements of Cash Flows**  
*(Unaudited)*

<i>(Millions of dollars)</i>	Nine Months Ended	
	September 26, 2020	September 28, 2019
<b>Cash flows from operating activities:</b>		
Net earnings	\$ 18	\$ 108
<b>Adjustments to reconcile net earnings to cash from operating activities:</b>		
Depreciation and amortization	109	103
Deferred income taxes	(56)	(9)
Loss from affiliates	27	49
Dividends received from affiliates	11	7
Other investment loss (income), net	41	(152)
Other, net	27	7
<b>Changes in assets and liabilities:</b>		
Receivables, net of allowance	112	15
Inventories	(50)	(96)
Other assets	3	26
Accounts payable	(146)	(20)
Other liabilities, exclusive of debt	(62)	32
<b>Net cash from operating activities</b>	<b>34</b>	<b>70</b>
<b>Cash flows from investing activities:</b>		
Purchase of short-term investments	(432)	(863)
Proceeds from the sale of short-term investments	600	762
Proceeds from the maturity of short-term investments	26	174
Capital expenditures	(160)	(261)
Proceeds from the sale of non-consolidated affiliate	—	24
Investments in and advances to affiliates, net	(8)	(11)
Purchase of long-term investments	(41)	(14)
Other, net	2	(6)
<b>Net cash from investing activities</b>	<b>(13)</b>	<b>(195)</b>
<b>Cash flows from financing activities:</b>		
Lines of credit, net	30	63
Proceeds from long-term debt	7	36
Principal payments of long-term debt	(63)	(20)
Repurchase of common stock	(13)	(17)
Dividends paid	(7)	(7)
Other, net	(7)	(3)
<b>Net cash from financing activities</b>	<b>(53)</b>	<b>52</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(1)</b>	<b>—</b>
<b>Net change in cash and cash equivalents</b>	<b>(33)</b>	<b>(73)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>125</b>	<b>194</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 92</b>	<b>\$ 121</b>

*See accompanying notes to condensed consolidated financial statements.*

**SEABOARD CORPORATION AND SUBSIDIARIES**  
**Condensed Consolidated Statements of Changes in Equity**  
*(Unaudited)*

<i>(Millions of dollars)</i>	<b>Common Stock</b>	<b>Accumulated Other Comprehensive Loss</b>	<b>Retained Earnings</b>	<b>Noncontrolling Interests</b>	<b>Total</b>
<b>Balances, December 31, 2018</b>	\$ 1	\$ (410)	\$ 3,727	\$ 11	\$ 3,329
Reduction to noncontrolling interests	—	—	—	(1)	(1)
Comprehensive income:					
Net earnings	—	—	57	—	57
Other comprehensive income, net of tax	—	1	—	—	1
Repurchase of common stock	—	—	(13)	—	(13)
Dividends on common stock (\$2.25/share)	—	—	(3)	—	(3)
<b>Balances, March 30, 2019</b>	\$ 1	\$ (409)	\$ 3,768	\$ 10	\$ 3,370
Comprehensive income:					
Net earnings	—	—	58	—	58
Other comprehensive loss, net of tax	—	(6)	—	—	(6)
Repurchase of common stock	—	—	(1)	—	(1)
Dividends on common stock (\$2.25/share)	—	—	(2)	—	(2)
<b>Balances, June 29, 2019</b>	\$ 1	\$ (415)	\$ 3,823	\$ 10	\$ 3,419
Comprehensive loss:					
Net loss	—	—	(7)	—	(7)
Other comprehensive income, net of tax	—	3	—	—	3
Repurchase of common stock	—	—	(3)	—	(3)
Dividends on common stock (\$2.25/share)	—	—	(2)	—	(2)
<b>Balances, September 28, 2019</b>	\$ 1	\$ (412)	\$ 3,811	\$ 10	\$ 3,410
<b>Balances, December 31, 2019</b>	\$ 1	\$ (440)	\$ 3,983	\$ 10	\$ 3,554
Adoption of accounting guidance (see Note 1)	—	—	(3)	—	(3)
Comprehensive loss:					
Net loss	—	—	(103)	—	(103)
Other comprehensive income, net of tax	—	5	—	—	5
Repurchase of common stock	—	—	(13)	—	(13)
Dividends on common stock (\$2.25/share)	—	—	(3)	—	(3)
<b>Balances, March 28, 2020</b>	\$ 1	\$ (435)	\$ 3,861	\$ 10	\$ 3,437
Comprehensive loss:					
Net loss	—	—	(26)	—	(26)
Other comprehensive loss, net of tax	—	(19)	—	—	(19)
Dividends on common stock (\$2.25/share)	—	—	(2)	—	(2)
<b>Balances, June 27, 2020</b>	\$ 1	\$ (454)	\$ 3,833	\$ 10	\$ 3,390
Comprehensive income:					
Net income	—	—	147	—	147
Other comprehensive income, net of tax	—	10	—	—	10
Dividends on common stock (\$2.25/share)	—	—	(2)	—	(2)
<b>Balances, September 26, 2020</b>	\$ 1	\$ (444)	\$ 3,978	\$ 10	\$ 3,545

*See accompanying notes to condensed consolidated financial statements*

**SEABOARD CORPORATION AND SUBSIDIARIES**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**

**Note 1 – Accounting Policies and Basis of Presentation**

The condensed consolidated financial statements include the accounts of Seaboard Corporation and its domestic and foreign subsidiaries (“Seaboard”). All significant intercompany balances and transactions have been eliminated in consolidation. Seaboard’s investments in non-consolidated affiliates are accounted for by the equity method. The unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements of Seaboard for the year ended December 31, 2019 as filed in its annual report on Form 10-K. Seaboard’s first three quarterly periods include approximately 13 weekly periods ending on the Saturday closest to the end of March, June and September. Seaboard’s year-end is December 31.

The accompanying unaudited condensed consolidated financial statements include all adjustments (consisting only of normal recurring adjustments) that, in the opinion of management, are necessary for a fair presentation of financial position, results of operations and cash flows. Except for new guidance adopted prospectively as discussed below, Seaboard has consistently applied all accounting policies as disclosed in the annual report on Form 10-K to all periods presented in these condensed consolidated financial statements. Results of operations for interim periods are not necessarily indicative of results to be expected for a full year. As Seaboard conducts its commodity trading business with third parties, consolidated subsidiaries and non-consolidated affiliates on an interrelated basis, gross margin on non-consolidated affiliates cannot be clearly distinguished without making numerous assumptions primarily with respect to mark-to-market accounting for commodity derivatives.

*Use of Estimates*

The preparation of the condensed consolidated financial statements in conformity with United States (“U.S.”) generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Items subject to such estimates and assumptions include those related to allowance for credit losses on receivables, valuation of inventories, impairment of long-lived assets, intangibles and goodwill, write-down related to investments in and advances to affiliates and notes receivable from affiliates, income taxes, lease liabilities and right of use (“ROU”) assets and accrued pension liability. Actual results could differ from those estimates.

*Supplemental Cash Flow Information*

The following table includes supplemental cash and non-cash information related to leases. Seaboard reports the amortization of ROU assets and changes in operating lease liabilities in other liabilities, exclusive of debt in the condensed consolidated statements of cash flows.

	Nine months ended	
	September 26, 2020	September 28, 2019
<i>(Millions of dollars)</i>		
<b>Cash paid for amounts included in the measurement of lease liabilities:</b>		
Operating cash flows from operating leases	\$ 107	\$ 101
Operating cash flows from finance leases	3	1
Financing cash flows from finance leases	5	1
Operating ROU assets obtained in exchange for new operating lease liabilities	\$ 46	\$ 62
Finance ROU assets obtained in exchange for new finance lease liabilities	46	31

### Leases

Seaboard's operating lease assets and liabilities are reported separately in the condensed consolidated balance sheets. The classification of Seaboard's finance leases in the condensed consolidated balance sheets was as follows:

		September 26,	December 31,
		2020	2019
<i>(Millions of dollars)</i>			
Finance lease ROU assets, net	Property, plant and equipment, net	\$ 90	\$ 50
Finance lease liabilities	Other current liabilities	10	5
Non-current finance lease liabilities	Other liabilities	77	40

### Accounting Standard Adopted During 2020

On January 1, 2020, Seaboard adopted guidance which requires the use of a new current expected credit loss model in order to determine the allowance for credit losses with respect to accounts receivable and notes receivable, among other financial instruments. This model estimates the lifetime of expected credit loss based on historical experience, current conditions and reasonable supportable forecasts and replaces the existing incurred loss model. As a result of this adoption, Seaboard recorded a cumulative-effect adjustment of \$3 million on January 1, 2020 that decreased retained earnings and increased the allowance for credit losses. The allowance for credit loss was \$29 million and \$28 million at September 26, 2020 and December 31, 2019, respectively. The activity within the allowance for credit losses on receivables was immaterial for the three and nine months ended September 26, 2020.

Seaboard used the loss-rate method in developing its allowance for credit losses, which involved identifying pools of assets with similar risk characteristics, reviewing historical losses within the last five years and consideration for any reasonable supportable forecasts of economic indicators. Seaboard endeavors to minimize credit risk by its credit granting policies, relationships established with customers and relatively short billing and collection cycles. Management monitors the credit quality of its different receivable types by frequent customer discussions, following economic and industry trends and specific customer data. Changes in estimates, developing trends and other new information can have a material effect on future evaluations.

### Recently Issued Accounting Standard Not Yet Adopted

In December 2019, the Financial Accounting Standards Board issued guidance which simplifies the accounting for income taxes by removing certain exceptions to the general principles and improves consistent application of GAAP for other areas by clarifying and amending existing guidance. This guidance is effective for Seaboard on January 1, 2021. Seaboard is evaluating the effect of adopting this new accounting guidance but does not expect adoption will have a material impact on its financial statements and disclosures.

### Note 2 – Investments

The following is a summary of the estimated fair value of short-term investments classified as trading securities:

	September 26,	December 31,
	2020	2019
<i>(Millions of dollars)</i>		
Domestic equity securities	\$ 613	\$ 706
Domestic debt securities	391	409
Foreign equity securities	107	189
Foreign debt securities	57	43
High yield securities	55	56
Collateralized loan obligations	16	15
Money market funds held in trading accounts	2	12
Other trading securities	4	4
<b>Total trading short-term investments</b>	<b>\$ 1,245</b>	<b>\$ 1,434</b>

The change in unrealized gains (losses) related to trading securities still held at the end of the respective reporting period was \$53 million and \$(45) million for the three and nine months ended September 26, 2020, respectively, and \$2 million and \$124 million for the three and nine months ended September 28, 2019, respectively.

As of September 26, 2020, Seaboard had \$1 million of equity securities denominated in foreign currencies all in Canadian dollars. As of December 31, 2019, Seaboard had \$62 million of equity securities denominated in foreign currencies, with \$32 million in euros, \$12 million in Japanese yen, \$8 million in British pounds and the remaining \$10 million in various

other currencies. Seaboard had \$21 million and \$13 million of debt securities denominated in euros as of September 26, 2020 and December 31, 2019, respectively.

### Note 3 – Inventories

The following is a summary of inventories:

<i>(Millions of dollars)</i>	September 26, 2020	December 31, 2019
At lower of last-in, first-out ("LIFO") cost or market:		
Hogs and materials	\$ 394	\$ 387
Fresh pork and materials	29	46
LIFO adjustment	(71)	(64)
Total inventories at lower of LIFO cost or market	352	369
At lower of first-in, first-out ("FIFO") cost and net realizable value ("NRV"):		
Grains, oilseeds and other commodities	424	353
Sugar produced and in process	26	17
Other	118	109
Total inventories at lower of FIFO cost and NRV	568	479
Grain, flour and feed at lower of weighted average cost and NRV	142	174
Total inventories	\$ 1,062	\$ 1,022

### Note 4 – Debt and Commitments and Contingencies

The outstanding balances under uncommitted and committed lines of credit were \$242 million and \$29 million, respectively, as of September 26, 2020. Of the aggregate outstanding balance, \$157 million was denominated in foreign currencies with \$122 million denominated in the South African rand, \$24 million denominated in the Canadian dollar and \$11 million denominated in various other currencies. The outstanding balances under uncommitted and committed lines of credit were \$246 million and \$0 million, respectively, as of December 31, 2019. The weighted average interest rates for outstanding lines of credit were 4.23% and 5.79% as of September 26, 2020 and December 31, 2019, respectively.

During the second quarter of 2020, Seaboard entered into an unsecured \$250 million short-term committed revolving line of credit agreement with a \$100 million accordion option maturing May 20, 2021. Draws bear interest based on LIBOR plus 1.63%. Seaboard incurs unused commitment fees of 0.20% per annum. During September of 2020, Seaboard renewed its \$100 million secured committed line of credit with Wells Fargo Bank, National Association through September 30, 2021. Pursuant to the amendment, interest is computed at LIBOR plus 0.75%, and Seaboard incurs an unused commitment fee of 0.15% per annum.

Long-term debt includes borrowings under term loans and other contractual obligations for payment, including notes payable. The following is a summary of long-term debt:

<i>(Millions of dollars)</i>	September 26, 2020	December 31, 2019
Term Loan due 2028	\$ 688	\$ 691
Foreign subsidiary obligations	52	102
Total long-term debt at face value	740	793
Current maturities of long-term debt and unamortized discount and costs	(57)	(63)
Long-term debt, less current maturities and unamortized discount and costs	\$ 683	\$ 730

The interest rate on the Term Loan due 2028 was 1.78% and 3.42% as of September 26, 2020 and December 31, 2019, respectively. The weighted average interest rate on Seaboard's foreign subsidiary obligations was 3.41% and 3.50% as of September 26, 2020 and December 31, 2019, respectively.

Seaboard was in compliance with all restrictive debt covenants as of September 26, 2020.

#### *Legal Proceedings*

On June 28, 2018, Wanda Duryea and eleven other indirect purchasers of pork products, acting on behalf of themselves and a putative class of indirect purchasers of pork products, filed a class action complaint in the U.S. District Court for the District of Minnesota (the "District Court") against several pork processors, including Seaboard Foods LLC and Agri Stats,

Inc., a company described in the complaint as a data sharing service. Subsequent to the filing of this initial complaint, additional class action complaints making similar claims on behalf of putative classes of direct and indirect purchasers were filed in the District Court. The complaints were amended and consolidated for pre-trial purposes, into three consolidated putative class actions brought on behalf of (a) direct purchasers, (b) consumer indirect purchasers and (c) commercial and institutional indirect purchasers. The amended complaints named Seaboard Corporation as an additional defendant. The consolidated actions are styled In re Pork Antitrust Litigation. Subsequent to the original filings, two additional actions making similar claims, including one by the Commonwealth of Puerto Rico, were brought in or transferred to the District Court. The complaints alleged, among other things, that beginning in January 2009, the defendants conspired and combined to fix, raise, maintain, and stabilize the price of pork products in violation of U.S. antitrust laws by coordinating their output and limiting production, allegedly facilitated by the exchange of non-public information about prices, capacity, sales volume and demand through Agri Stats, Inc. The complaints on behalf of the putative classes of indirect purchasers also included causes of action under various state laws, including state antitrust laws, unfair competition laws, consumer protection statutes and state common law claims for unjust enrichment. The complaints also alleged that the defendants concealed this conduct from the plaintiffs and the members of the putative classes. The relief sought in the respective complaints includes treble damages, injunctive relief, pre- and post-judgment interest, costs and attorneys' fees on behalf of the putative classes. On August 8, 2019, the District Court granted defendants' motion to dismiss the class action cases while giving the plaintiffs leave to amend. The classes and the other two plaintiffs filed amended complaints in November and December 2019. In addition to amending the original claims, the consumer indirect purchasers have asserted a new claim alleging that the exchange of information by defendants through Agri Stats Inc. unreasonably restrained trade. On October 16, 2020, the defendants' pending motion to dismiss the amended complaints was denied. Seaboard intends to defend these cases vigorously. It is impossible at this stage either to determine the probability of a favorable or unfavorable outcome resulting from these suits, or to reasonably estimate the amount of potential loss or range of potential loss, if any, resulting from the suits.

On March 20, 2018, the bankruptcy trustee (the "Trustee") for Cereoil Uruguay S.A. ("Cereoil") filed a suit in the Bankruptcy Court of First Instance in Uruguay that was served during the second quarter of 2018 naming as parties Seaboard and Seaboard's subsidiaries, Seaboard Overseas Limited ("SOL") and Seaboard Uruguay Holdings Ltd. ("Seaboard Uruguay"). Seaboard has a 45% indirect ownership of Cereoil. The suit seeks an order requiring Seaboard, SOL and Seaboard Uruguay to reimburse Cereoil the amount of \$22 million, contending that deliveries of soybeans to SOL pursuant to purchase agreements should be set aside as fraudulent conveyances. Seaboard intends to defend this case vigorously. It is impossible at this stage to determine the probability of a favorable or unfavorable outcome resulting from this suit. In the event of an adverse ruling, Seaboard and its two subsidiaries could be ordered to pay the amount of \$22 million. Any award in this case would offset against any award in the additional case described below filed by the Trustee on April 27, 2018.

On April 27, 2018, the Trustee for Cereoil filed another suit in the Bankruptcy Court of First Instance in Uruguay that was served during the second quarter of 2018 naming as parties Seaboard, SOL, Seaboard Uruguay, all directors of Cereoil, including two individuals employed by Seaboard who served as directors at the behest of Seaboard, and the Chief Financial Officer of Cereoil, an employee of Seaboard who also served at the behest of Seaboard (collectively, the "Cereoil Defendants"). The Trustee contends that the Cereoil Defendants acted with willful misconduct to cause Cereoil's insolvency, and thus should be ordered to pay all liabilities of Cereoil, net of assets. The bankruptcy filing lists total liabilities of \$53 million and assets of \$30 million. Seaboard intends to defend this case vigorously. It is impossible at this stage to determine the probability of a favorable or unfavorable outcome resulting from this suit. In the event of an adverse ruling, Seaboard and the other Cereoil Defendants could be ordered to pay the amount of the net indebtedness of Cereoil, which based on the bankruptcy schedules would total \$23 million. It is possible that the net indebtedness could be higher than this amount if Cereoil's liabilities are greater than \$53 million and/or Cereoil's assets are worth less than \$30 million.

In addition, in the event of an adverse ruling, the Bankruptcy Court of First Instance could order payment of the Trustee's professional fees, interest, and other expenses. Any award in this case would offset against any award in the case described above filed on March 20, 2018.

A creditor of Cereoil which has a claim in the bankruptcy proceeding pending in Uruguay of approximately \$10 million, plus accrued interest, has threatened to bring legal action in the U.S. against Seaboard alleging on various legal theories that Seaboard is responsible for this same indebtedness. Seaboard will vigorously defend this action should it be brought.

On May 15, 2018, the Trustee for Nolston S.A. ("Nolston") filed a suit in the Bankruptcy Court of First Instance in Uruguay that was served during the second quarter of 2018 naming as parties Seaboard and the other Cereoil Defendants. Seaboard

has a 45% indirect ownership of Nolston. The Trustee contends that the Cereoil Defendants acted with willful misconduct to cause Nolston's insolvency, and thus should be ordered to pay all liabilities of Nolston, net of assets. The bankruptcy filing lists total liabilities of \$29 million and assets of \$15 million. Seaboard intends to defend this case vigorously. It is impossible at this stage to determine the probability of a favorable or unfavorable outcome resulting from this suit. In the event of an adverse ruling, Seaboard and the other Cereoil Defendants could be ordered to pay the amount of the net indebtedness of Nolston, which based on the bankruptcy schedules would total \$14 million. It is possible that the net indebtedness could be higher than this amount if Nolston's liabilities are greater than \$29 million and/or Nolston's assets are worth less than \$15 million. In addition, in the event of an adverse ruling, the Bankruptcy Court of First Instance could order payment of the Trustee's professional fees, interest, and other expenses.

Seaboard is subject to various administrative and judicial proceedings and other legal matters related to the normal conduct of its business. In the opinion of management, the ultimate resolution of these items is not expected to have a material adverse effect on the condensed consolidated financial statements of Seaboard.

#### *Guarantees*

Certain of the non-consolidated affiliates and third-party contractors who perform services for Seaboard have bank debt supporting their underlying operations. From time to time, Seaboard will provide guarantees of that debt in order to further Seaboard's business objectives. Seaboard does not issue guarantees of third parties for compensation. As of September 26, 2020, guarantees outstanding to affiliates and third parties were not material. Seaboard has not accrued a liability for any of the affiliate or third-party guarantees as management considers the likelihood of loss to be remote.

#### **Note 5 – Employee Benefits**

Seaboard has a defined benefit pension plan for certain domestic salaried and clerical employees. At this time, no contributions are expected to be made to the plan in 2020. Seaboard also sponsors non-qualified, unfunded supplemental executive plans, and has certain individual, non-qualified, unfunded supplemental retirement agreements for certain retired employees. Management has no plans to provide funding for these supplemental plans in advance of when the benefits are paid.

During the third quarter of 2020, Seaboard made a lump sum \$32 million pension distribution, related to the passing of Mr. Steve Bresky. This distribution resulted in recognizing a \$9 million pension settlement charge in a non-qualified supplemental executive plan.

The net periodic benefit cost for all plans was as follows:

	Three Months Ended		Nine Months Ended	
	September 26, 2020	September 28, 2019	September 26, 2020	September 28, 2019
<i>(Millions of dollars)</i>				
<b>Components of net periodic benefit cost:</b>				
Service cost	\$ 2	\$ 2	\$ 7	\$ 6
Interest cost	2	3	8	9
Expected return on plan assets	(2)	(2)	(8)	(7)
Amortization	1	1	5	5
Settlement loss recognized	9	—	11	—
<b>Net periodic benefit cost</b>	<b>\$ 12</b>	<b>\$ 4</b>	<b>\$ 23</b>	<b>\$ 13</b>

In addition to the pension distribution, Seaboard paid \$32 million of deferred compensation, related to Mr. Bresky, which decreased deferred compensation plan assets and liabilities recorded in other current assets and liabilities, respectively, on the condensed consolidated balance sheet.

## Note 6 – Derivatives and Fair Value of Financial Instruments

The following tables shows assets and liabilities measured at fair value on a recurring basis as of September 26, 2020 and December 31, 2019, and also the level within the fair value hierarchy used to measure each category of assets and liabilities. The trading securities classified as other current assets below are assets held for Seaboard's deferred compensation plans.

<i>(Millions of dollars)</i>	Balance September 26, 2020	Level 1	Level 2	Level 3
<b>Assets:</b>				
Trading securities – short-term investments:				
Domestic equity securities	\$ 613	\$ 613	\$ —	\$ —
Domestic debt securities	391	122	269	—
Foreign equity securities	107	107	—	—
Foreign debt securities	57	—	57	—
High yield securities	55	7	48	—
Collateralized loan obligations	16	—	16	—
Money market funds held in trading accounts	2	2	—	—
Other trading securities	4	4	—	—
Trading securities – other current assets:				
Domestic equity securities	12	12	—	—
Money market fund held in trading accounts	6	6	—	—
Foreign equity securities	3	3	—	—
Fixed income securities	2	2	—	—
Long-term investment	31	—	—	31
<b>Derivatives:</b>				
Commodities	16	16	—	—
Foreign currencies	4	—	4	—
<b>Total Assets</b>	<b>\$ 1,319</b>	<b>\$ 894</b>	<b>\$ 394</b>	<b>\$ 31</b>
<b>Liabilities:</b>				
Contingent consideration	\$ 15	\$ —	\$ —	\$ 15
<b>Derivatives:</b>				
Commodities	15	15	—	—
Interest rate swaps	1	—	1	—
Foreign currencies	4	—	4	—
<b>Total Liabilities</b>	<b>\$ 35</b>	<b>\$ 15</b>	<b>\$ 5</b>	<b>\$ 15</b>

<i>(Millions of dollars)</i>	Balance December 31, 2019	Level 1	Level 2	Level 3
<b>Assets:</b>				
Trading securities – short-term investments:				
Domestic equity securities	\$ 706	\$ 706	\$ —	\$ —
Domestic debt securities	409	117	292	—
Foreign equity securities	189	189	—	—
High yield securities	56	10	46	—
Foreign debt securities	43	—	43	—
Collateralized loan obligations	15	—	15	—
Money market funds held in trading accounts	12	12	—	—
Other trading securities	4	4	—	—
Trading securities – other current assets:				
Domestic equity securities	40	40	—	—
Money market fund held in trading accounts	6	6	—	—
Foreign equity securities	3	3	—	—
Fixed income securities	2	2	—	—
Derivatives:				
Commodities	6	6	—	—
<b>Total Assets</b>	<b>\$ 1,491</b>	<b>\$ 1,095</b>	<b>\$ 396</b>	<b>\$ —</b>
<b>Liabilities:</b>				
Contingent consideration	\$ 13	\$ —	\$ —	\$ 13
Derivatives:				
Commodities	4	4	—	—
Foreign currencies	3	—	3	—
<b>Total Liabilities</b>	<b>\$ 20</b>	<b>\$ 4</b>	<b>\$ 3</b>	<b>\$ 13</b>

Financial instruments consisting of cash and cash equivalents, net receivables, lines of credit and accounts payable are carried at cost, which approximates fair value as a result of the short-term nature of the instruments. The fair value of short-term investments is measured using multiple levels. Domestic debt securities categorized as level 1 in the fair value hierarchy include debt securities held in mutual funds and ETFs. Domestic debt securities categorized as level 2 include corporate bonds, mortgage-backed securities, asset-backed securities and U.S. Treasuries. High yield securities categorized as level 1 in the fair value hierarchy include high yield securities held in mutual funds and ETFs and level 2 includes corporate bonds and bank loans.

During the first quarter of 2020, Seaboard invested \$30 million in a financial services company that primarily lends to and invests in debt securities of privately held companies. This long-term investment is classified in “Other non-current assets” on the condensed consolidated balance sheet and is valued at net asset value (“NAV”), adjusted for specific liquidity factors, resulting in level 3 classification.

The fair value of Seaboard’s contingent consideration related to a 2018 acquisition was classified as a level 3 in the fair value hierarchy since the calculation is dependent upon projected company specific inputs using a Monte Carlo simulation. Seaboard remeasures the estimated fair value of the contingent consideration liability until settled with adjustments included in net earnings (loss). The increase in the liability during 2020 was related to lower interest rates at the measurement date.

While management believes its derivatives are primarily economic hedges, Seaboard does not perform the extensive record-keeping required to account for these types of transactions as hedges for accounting purposes. As the derivatives discussed below are not accounted for as hedges, fluctuations in the related commodity prices, foreign currency exchange rates, interest rates and equity prices could have a material impact on earnings in any given period. The nature of Seaboard’s market risk exposure has not changed materially since December 31, 2019.

### *Commodity Instruments*

Seaboard uses various derivative futures and options to manage its risk of price fluctuations for raw materials and other inventories, finished product sales and firm sales commitments. As of September 26, 2020, Seaboard had open net derivative contracts to purchase 18 million bushels of grain and open net derivative contracts to sell 72 million pounds of soybean oil. As of December 31, 2019, Seaboard had open net derivative contracts to purchase 17 million bushels of grain and open net derivative contracts to sell 132 million pounds of soybean oil and 12 million gallons of heating oil. Commodity derivatives are recorded at fair value with any changes in fair value being marked-to-market as a component of cost of sales in the condensed consolidated statements of comprehensive income.

### *Foreign Currency Exchange Agreements*

Seaboard enters into foreign currency exchange agreements to manage the foreign currency exchange rate risk with respect to certain transactions denominated in foreign currencies. As of September 26, 2020 and December 31, 2019, Seaboard had foreign currency exchange agreements to cover a portion of its firm sales and purchase commitments and related trade receivables and payables with net notional amounts of \$55 million and \$78 million, respectively, primarily related to the euro and South African rand. From time to time, Seaboard is subject to counterparty credit risk related to its foreign currency exchange agreements should the counterparties fail to perform according to the terms of the contracts. As of September 26, 2020, Seaboard had a maximum aggregate amount of loss due to credit risk of \$4 million with three counterparties. Seaboard does not hold any collateral related to these agreements.

### *Interest Rate Swap Agreements*

Seaboard enters into interest rate swap agreements to manage the interest rate risk with respect to certain variable rate long-term debt. During mid-2020, Seaboard entered into three interest rate exchange agreements with an aggregate notional value of \$400 million that mature in mid-2025. Seaboard pays fixed-rate interest payments at a weighted-average interest rate of 0.26% over the life of the agreements and receives variable-rate interest payments based on the one-month LIBOR from the counterparty without the exchange of the underlying notional amounts. Interest rate exchange agreements are recorded at fair value with changes in value marked-to-market as a component of interest expense, net in the condensed consolidated statements of comprehensive income.

### *Equity Futures Contracts*

Seaboard enters into equity futures contracts to manage the equity price risk with respect to certain short-term investments. Equity futures contracts are recorded at fair value with changes in value marked-to-market as a component of other investment income (loss), net in the condensed consolidated statements of comprehensive income. The notional amounts of these equity futures contracts were \$6 million and \$0 million as of September 26, 2020 and December 31, 2019, respectively.

The following table provides the amount of gain or (loss) recognized in income for each type of derivative and where it was recognized in the condensed consolidated statements of comprehensive income:

		Three Months Ended		Nine Months Ended	
		September 26,	September 28,	September 26,	September 28,
		2020	2019	2020	2019
<i>(Millions of dollars)</i>					
Commodities	Cost of sales	\$ 10	\$ (17)	\$ 27	\$ (48)
Foreign currencies	Cost of sales	2	1	15	5
Foreign currencies	Foreign currency gains (losses), net	(3)	—	(2)	—
Equity	Other investment income (loss), net	(16)	—	7	(3)
Interest rate swaps	Interest expense	—	—	(1)	—

The following table provides the fair value of each type of derivative held and where each derivative is included in the condensed consolidated balance sheets:

		Asset Derivatives				Liability Derivatives			
		September 26, 2020		December 31, 2019		September 26, 2020		December 31, 2019	
<i>(Millions of dollars)</i>									
Commodities	Other current assets	\$ 16	\$ 6	Other current liabilities	\$ 15	\$ 4			
Foreign currencies	Other current assets	4	—	Other current liabilities	4	3			
Interest rate swaps	Other current assets	—	—	Other current liabilities	1	—			
Equity	Short-term investments	—	—	Short-term investments	—	—			

Seaboard's commodity derivative assets and liabilities are presented in the condensed consolidated balance sheets on a net basis, including netting the derivatives with the related margin accounts. As of September 26, 2020 and December 31, 2019, the commodity derivatives had a margin account balance of \$18 million and \$13 million, respectively, resulting in a net other current asset in the condensed consolidated balance sheets of \$19 million and \$15 million, respectively. Seaboard's equity future derivatives are also presented on a net basis, including netting the derivatives within short-term investments.

#### Note 7 – Stockholders' Equity and Accumulated Other Comprehensive Loss

Under Seaboard's share repurchase program, Seaboard is authorized to repurchase its common stock from time to time in open market or privately negotiated purchases, which may be above or below the traded market price. During the period that the share repurchase program remains in effect, Seaboard may enter into a 10b5-1 plan authorizing a third party to make such purchases on behalf of Seaboard. All stock repurchased will be made in compliance with applicable legal requirements and funded by cash on hand. The timing of the repurchases and the number of shares repurchased will depend upon market conditions, compliance with Securities and Exchange Commission regulations and other factors. The Board of Directors' stock repurchase authorization does not obligate Seaboard to acquire a specific amount of common stock, and the stock repurchase program may be suspended at any time at Seaboard's discretion. The share repurchase program expires on October 31, 2020, unless extended. As of September 26, 2020, \$65 million of common stock remained available for repurchase under this program. Seaboard repurchased 0 shares and 4,069 shares of common stock during the three and nine months ended September 26, 2020, respectively.

The changes in the components of other comprehensive income (loss), net of related taxes, are as follows:

	Three Months Ended		Nine Months Ended	
	September 26, 2020	September 28, 2019	September 26, 2020	September 28, 2019
<i>(Millions of dollars)</i>				
Foreign currency translation adjustment	\$ 5	\$ 2	\$ (11)	\$ (9)
Unrecognized pension cost <sup>(a)</sup>	5	1	7	7
Other comprehensive loss, net of tax	\$ 10	\$ 3	\$ (4)	\$ (2)

<sup>(a)</sup> Primarily represents amounts reclassified from accumulated other comprehensive loss to net periodic pension cost representing the amortization of actuarial losses (gains) and other adjustments.

The components of accumulated other comprehensive loss, net of related taxes, are as follows:

	September 26, 2020	December 31, 2019
<i>(Millions of dollars)</i>		
Cumulative foreign currency translation adjustment	\$ (380)	\$ (369)
Cumulative unrecognized pension cost	(64)	(71)
Total accumulated other comprehensive loss	\$ (444)	\$ (440)

## Note 8 – Revenue Recognition

Seaboard has multiple segments with diverse revenue streams. The following tables present Seaboard’s sales disaggregated by revenue source and segment:

	Three Months Ended September 26, 2020							
	Pork	CT&M	Marine	Sugar and Alcohol	Power	All Other	Consolidated Totals	
<i>(Millions of dollars)</i>								
<b>Major Products/Services Lines:</b>								
Products	\$ 391	\$ 877	\$ —	\$ 26	\$ —	\$ 3	\$ 1,297	
Transportation	2	—	244	—	—	—	246	
Energy	65	—	—	5	21	—	91	
Other	8	3	—	—	—	—	11	
<b>Segment/Consolidated Totals</b>	<b>\$ 466</b>	<b>\$ 880</b>	<b>\$ 244</b>	<b>\$ 31</b>	<b>\$ 21</b>	<b>\$ 3</b>	<b>\$ 1,645</b>	

	Three Months Ended September 28, 2019							
	Pork	CT&M	Marine	Sugar and Alcohol	Power	All Other	Consolidated Totals	
<i>(Millions of dollars)</i>								
<b>Major Products/Services Lines:</b>								
Products	\$ 381	\$ 906	\$ —	\$ 32	\$ —	\$ 5	\$ 1,324	
Transportation	—	—	256	—	—	—	256	
Energy	35	—	—	4	30	—	69	
Other	7	7	—	—	—	—	14	
<b>Segment/Consolidated Totals</b>	<b>\$ 423</b>	<b>\$ 913</b>	<b>\$ 256</b>	<b>\$ 36</b>	<b>\$ 30</b>	<b>\$ 5</b>	<b>\$ 1,663</b>	

	Nine Months Ended September 26, 2020							
	Pork	CT&M	Marine	Sugar and Alcohol	Power	All Other	Consolidated Totals	
<i>(Millions of dollars)</i>								
<b>Major Products/Services Lines:</b>								
Products	\$ 1,205	\$ 2,906	\$ —	\$ 65	\$ —	\$ 12	\$ 4,188	
Transportation	6	—	705	—	—	—	711	
Energy	145	—	—	6	51	—	202	
Other	24	11	—	—	—	—	35	
<b>Segment/Consolidated Totals</b>	<b>\$ 1,380</b>	<b>\$ 2,917</b>	<b>\$ 705</b>	<b>\$ 71</b>	<b>\$ 51</b>	<b>\$ 12</b>	<b>\$ 5,136</b>	

	Nine Months Ended September 28, 2019							
	Pork	CT&M	Marine	Sugar and Alcohol	Power	All Other	Consolidated Totals	
<i>(Millions of dollars)</i>								
<b>Major Products/Services Lines:</b>								
Products	\$ 1,165	\$ 2,731	\$ —	\$ 86	\$ —	\$ 13	\$ 3,995	
Transportation	7	—	769	—	—	1	777	
Energy	122	—	—	5	92	—	219	
Other	24	13	—	—	—	—	37	
<b>Segment/Consolidated Totals</b>	<b>\$ 1,318</b>	<b>\$ 2,744</b>	<b>\$ 769</b>	<b>\$ 91</b>	<b>\$ 92</b>	<b>\$ 14</b>	<b>\$ 5,028</b>	

Revenue from goods and services transferred to customers at a single point in time account for approximately 85% of Seaboard’s net sales. Substantially all of the sales in Seaboard’s Marine segment are recognized ratably over the transit time for each voyage as Seaboard believes this is a faithful depiction of the performance obligation to its customers. Seaboard’s contracts with its customers are short-term, defined as less than one year.

Deferred revenue represents cash payments received in advance of Seaboard's performance or revenue billed that is unearned. The CT&M segment requires certain customers to pay in advance or upon delivery to avoid collection risk. The Marine segment's deferred revenue balance primarily relates to the unearned portion of billed revenue when a ship is on the water and has not arrived at the designated port. Deferred revenue balances are reduced when revenue is recognized. The deferred revenue balance as of December 31, 2019 was fully recognized as revenue during the first quarter of 2020.

#### Note 9 – Income Taxes

Seaboard computes its year-to-date provision for income taxes by applying the estimated annual effective tax rate to year-to-date pre-tax income or loss and adjusts the provision for discrete tax items recorded in the period. Changes in the forecasted annual income (loss) projections, including changes due to the impacts of the coronavirus disease 2019 (“COVID-19”) pandemic, have resulted in significant adjustments to quarterly income tax expense (benefit).

#### Note 10 – Segment Information

Seaboard has six reportable segments: Pork, CT&M, Marine, Sugar and Alcohol, Power and Turkey, each offering a specific product or service. For details on the respective products or services, see Note 15 to the consolidated financial statements included in Seaboard's annual report for the year ended December 31, 2019. Below are segment updates from year-end.

During the first quarter of 2020, the CT&M segment finalized the purchase price allocation related to the October 2019 acquisition of ContiLatin del Peru S.A. resulting in the recording of \$1 million of intangible assets and no goodwill.

The Turkey segment, accounted for using the equity method, represents Seaboard's investment in Butterball, LLC (“Butterball”). As of September 26, 2020 and December 31, 2019, Butterball had total assets of \$1.2 billion and \$1.0 billion, respectively. Butterball's summarized income statement information was as follows:

	Three Months Ended		Nine Months Ended	
	September 26, 2020	September 28, 2019	September 26, 2020	September 28, 2019
<i>(Millions of dollars)</i>				
Net sales	\$ 407	\$ 416	\$ 1,052	\$ 1,062
Operating loss	\$ (3)	\$ (15)	\$ (34)	\$ (42)
Net loss	\$ (7)	\$ (22)	\$ (47)	\$ (59)

The following tables set forth specific financial information about each segment as reviewed by Seaboard's management. Operating income (loss) for segment reporting is prepared on the same basis as that used for consolidated operating income. Operating income (loss), along with income or loss from affiliates for the Pork, CT&M and Turkey segments, is used as the measure of evaluating segment performance because management does not consider interest, other investment income (loss) and income tax benefit (expense) on a segment basis.

Net Sales:	Three Months Ended		Nine Months Ended	
	September 26, 2020	September 28, 2019	September 26, 2020	September 28, 2019
<i>(Millions of dollars)</i>				
Pork	\$ 466	\$ 423	\$ 1,380	\$ 1,318
CT&M	880	913	2,917	2,744
Marine	244	256	705	769
Sugar and Alcohol	31	36	71	91
Power	21	30	51	92
All Other	3	5	12	14
Segment/Consolidated Totals	\$ 1,645	\$ 1,663	\$ 5,136	\$ 5,028

<b>Operating Income (Loss):</b>	Three Months Ended		Nine Months Ended	
	September 26, 2020	September 28, 2019	September 26, 2020	September 28, 2019
<i>(Millions of dollars)</i>				
Pork	\$ 4	\$ (22)	\$ 47	\$ (31)
CT&M	28	14	82	50
Marine	14	(2)	(3)	2
Sugar and Alcohol	(1)	(1)	(4)	(9)
Power	3	9	4	21
All Other	—	1	1	2
Segment Totals	48	(1)	127	35
Corporate	(19)	(5)	(24)	(22)
Consolidated Totals	\$ 29	\$ (6)	\$ 103	\$ 13

<b>Income (Loss) from Affiliates:</b>	Three Months Ended		Nine Months Ended	
	September 26, 2020	September 28, 2019	September 26, 2020	September 28, 2019
<i>(Millions of dollars)</i>				
Pork	\$ —	\$ (5)	\$ (3)	\$ (19)
CT&M	(3)	(1)	(2)	(6)
Marine	1	1	3	2
Sugar and Alcohol	—	—	—	1
Power	—	1	—	3
Turkey	(4)	(11)	(25)	(30)
Segment/Consolidated Totals	\$ (6)	\$ (15)	\$ (27)	\$ (49)

<b>Total Assets:</b>	September 26,	December 31,
	2020	2019
<i>(Millions of dollars)</i>		
Pork	\$ 1,765	\$ 1,802
CT&M	1,607	1,621
Marine	504	554
Sugar and Alcohol	147	139
Power	296	283
Turkey	250	275
All Other	5	10
Segment Totals	4,574	4,684
Corporate	1,402	1,601
Consolidated Totals	\$ 5,976	\$ 6,285

<b>Investments in and Advances to Affiliates:</b>	September 26,	December 31,
	2020	2019
<i>(Millions of dollars)</i>		
Pork	\$ 178	\$ 183
CT&M	230	237
Marine	32	32
Sugar and Alcohol	5	5
Power	3	3
Turkey	250	275
Segment/Consolidated Totals	\$ 698	\$ 735

Administrative services provided by the corporate office are allocated to the individual segments and represent corporate services rendered to and costs incurred for each specific segment, with no allocation to individual segments of general corporate management oversight costs. Corporate assets include cash and short-term investments, other current assets related to deferred compensation plans, long-term investments and other miscellaneous items. Corporate operating results represent certain operating costs not specifically allocated to individual segments and include costs related to Seaboard's deferred compensation plans, which are offset by the effect of the marked-to-market adjustments on these investments recorded in other investment income (loss), net.

## **Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

### **LIQUIDITY AND CAPITAL RESOURCES**

#### ***Summary of Sources and Uses of Cash***

As of September 26, 2020, Seaboard had cash and short-term investments of \$1.3 billion and additional total net working capital of \$668 million. Cash and short-term investments as of September 26, 2020 decreased \$222 million to \$1.3 billion from December 31, 2019. The decrease was primarily the result of the sale of short-term investments for working capital purposes. Cash from operating activities decreased \$36 million for the nine months ended September 26, 2020 compared to the same period in 2019.

As of September 26, 2020, \$77 million of the \$1.3 billion of cash and short-term investments were held by Seaboard's foreign subsidiaries. Historically, Seaboard has considered substantially all foreign profits as being permanently invested in its foreign operations, including all cash and short-term investments held by foreign subsidiaries. Seaboard intends to continue permanently reinvesting the majority of these funds outside the U.S. as current plans do not demonstrate a need to repatriate them to fund Seaboard's U.S. operations. For any planned repatriation to the U.S., Seaboard would record applicable deferred taxes for state or foreign withholding taxes.

#### ***Capital Expenditures and Other Investing Activities***

During the nine months ended September 26, 2020, Seaboard invested \$160 million in property, plant and equipment, of which \$117 million was in the Pork segment, \$23 million in the Power segment and the remaining amount in other segments. The Pork segment expenditures were primarily for completing the expansion of the Guymon pork processing plant and the modifications to the idle ethanol plant in Hugoton, Kansas. The Power segment expenditures were for its power generating barge under construction. All other capital expenditures were primarily of a normal recurring nature such as replacements of machinery and equipment and general facility modernizations and upgrades.

For the remainder of 2020, management has budgeted capital expenditures totaling \$91 million. The Pork segment budgeted \$70 million primarily for modifications to convert the Hugoton, Kansas plant to a renewable diesel production facility, with operations expected to begin in 2022. The remaining amount is planned to be spent in all other businesses. Management anticipates paying for these capital expenditures from a combination of available cash, the use of available short-term investments and Seaboard's available borrowing capacity.

From time to time, Seaboard may fund capital calls and issue borrowings for its equity method investments based on the specific facts and circumstances. During 2020, Seaboard contributed an aggregate of \$7 million to two affiliates for working capital needs.

#### ***Financing Activities and Debt***

As of September 26, 2020, Seaboard had short-term uncommitted lines of credit totaling \$643 million and committed lines of credit totaling \$350 million. During the second quarter of 2020, Seaboard entered into a committed line of credit agreement for \$250 million of additional liquidity for working capital and general corporate purposes. There was \$242 million and \$29 million borrowed under the uncommitted and committed lines of credit, respectively, as of September 26, 2020. As of September 26, 2020, Seaboard had an unsecured term loan, which matures in 2028, with a balance of \$688 million and \$52 million of foreign subsidiary debt, denominated primarily in U.S. dollars and euros.

Management intends to continue seeking opportunities for expansion in the industries in which Seaboard operates, utilizing existing liquidity, available borrowing capacity and other financing alternatives. The terms and availability of such financing may be impacted by economic and financial market conditions, as well as Seaboard's financial condition and results of operations at the time Seaboard seeks such financing, and there can be no assurances that Seaboard will be able to obtain such financing on terms that will be acceptable or advantageous. Accordingly, management believes Seaboard's combination of internally generated cash, liquidity, capital resources and borrowing capabilities will be adequate for its existing operations and any currently known potential plans for expansion of existing operations.

## RESULTS OF OPERATIONS

Net sales for the three and nine month periods of 2020 decreased \$18 million and increased \$108 million, respectively, compared to the same periods in 2019. The decrease for the three month period was primarily the result of lower volumes and prices for certain commodities in the CT&M segment, lower cargo volumes in the Marine segment, lower spot market rates and production in the Power segment and lower volumes and prices of alcohol sold in the Sugar and Alcohol segment, partially offset by higher volumes of pork products sold and biodiesel in the Pork segment. The increase for the nine month period was primarily the result of higher volumes for certain commodities in the CT&M segment and higher volumes of biodiesel, pork products and market hogs sold in the Pork segment, partially offset by lower cargo volumes in the Marine segment, lower spot market rates and production in the Power segment and lower volumes and prices of alcohol sold in the Sugar and Alcohol segment.

Operating income increased \$35 million and \$90 million for the three and nine month periods of 2020, respectively, compared to the same periods in 2019. The increase for the three month period primarily reflected federal blender's credits recognized in the Pork segment, lower fuel and other voyage costs in the Marine segment and higher margins in the CT&M segment, partially offset by higher SG&A costs in the Corporate office. The increase for the nine month period primarily reflected lower derivative contract losses and the federal blender's credits recognized in the Pork segment and higher margins on third-party sales in the CT&M segment, partially offset by lower revenues in the Power segment.

All of Seaboard's operations are considered "essential businesses" as defined by the respective governments and have continued to operate during the COVID-19 pandemic. While some of Seaboard's operations have seen recovery in their results in the third quarter of 2020, challenges remain. Seaboard continues to encounter partially staffed shifts, lock downs or curfews in some geographic regions, and the impacts from commodity market volatility. There still remains uncertainty about the expected length and impact that the COVID-19 pandemic will have on Seaboard's operations and the global economy. Seaboard continues to promote the safety and security of all of its employees.

### Pork Segment

	Three Months Ended		Nine Months Ended	
	September 26, 2020	September 28, 2019	September 26, 2020	September 28, 2019
<i>(Millions of dollars)</i>				
Net sales	\$ 466	\$ 423	\$ 1,380	\$ 1,318
Operating income (loss)	\$ 4	\$ (22)	\$ 47	\$ (31)
Loss from affiliates	\$ —	\$ (5)	\$ (3)	\$ (19)

Net sales for the Pork segment increased \$43 million and \$62 million for the three and nine month periods of 2020, respectively, compared to the same periods in 2019. The increase for the three month period was primarily the result of recognition of \$22 million in federal blender's credits for biodiesel production in the third quarter of 2020 and higher volumes of biodiesel and pork products sold, partially offset by lower prices on biodiesel and pork products sold. For the nine month period, the increase was primarily the result of the recognition of \$55 million in federal blender's credits for biodiesel production in 2020, higher volumes and prices for market hogs and higher volumes of pork products sold, partially offset by lower prices of biodiesel and pork products, primarily in the foreign markets. In December 2019, the President of the U.S. signed into law the Further Consolidated Appropriations Act that extended the federal blender's credits through 2022. There were no federal blenders' credits recognized in the first nine months of 2019.

Operating income for the Pork segment increased \$26 million and \$78 million for the three and nine month periods of 2020, respectively, compared to the same periods in 2019. The increase for the three month period was primarily due to revenue recognized associated with the federal blender's credits, lower costs for feed and third-party hogs and a \$14 million multi-employer pension withdrawal liability expense recorded during the third quarter of 2019. The increase for the nine month period was primarily due to revenue recognized associated with the federal blender's credits for the first nine months of 2020 and no derivative contract losses or expense related to the pension withdrawal liability discussed above, partially offset by lower biodiesel margins. Higher pork product sales and lower costs for feed and third-party hogs were offset by higher plant processing costs. Management is unable to predict future market prices for pork products, the cost of feed or third-party hogs, the prices of biodiesel or the ongoing impacts of the COVID-19 pandemic; however, management anticipates this segment will be profitable for the remainder of 2020.

Loss from affiliates decreased \$5 million and \$16 million for the three and nine month periods of 2020, respectively, compared to the same periods in 2019. The decrease was primarily the result of Seaboard Triumph Foods, LLC ("STF") processing more hogs and utilizing more capacity. Seaboard has a 50% noncontrolling interest in STF, which operates a

pork processing plant located in Iowa. STF's operations began in September 2017 with the second shift commencing in October 2018.

### CT&M Segment

<i>(Millions of dollars)</i>	Three Months Ended		Nine Months Ended	
	September 26, 2020	September 28, 2019	September 26, 2020	September 28, 2019
Net sales	\$ 880	\$ 913	\$ 2,917	\$ 2,744
Operating income as reported	\$ 28	\$ 14	\$ 82	\$ 50
Marked-to-market adjustments	(5)	2	(7)	(2)
Operating income excluding marked-to-market adjustments	\$ 23	\$ 16	\$ 75	\$ 48
Loss from affiliates	\$ (3)	\$ (1)	\$ (2)	\$ (6)

Net sales for the CT&M segment decreased \$33 million and increased \$173 million for the three and nine month periods of 2020, respectively, compared to the same periods in 2019. The decrease for the three month period primarily reflected lower affiliate volumes and lower sales prices of certain commodities sold, partially offset by higher volumes of corn and other commodities sold to third-party customers. The increase for the nine month period primarily reflected higher volumes of certain commodities sold to third-party customers and higher soybean prices, partially offset by lower affiliate volumes and lower wheat and other commodity prices. Seaboard's CT&M segment acquired a business in October 2019, which overall increased third-party sales for the three and nine month periods of 2020.

Operating income for this segment increased \$14 million and \$32 million for the three and nine month periods of 2020, respectively, compared to the same periods in 2019, primarily due to higher margins on third-party sales, including from the business acquired in October 2019. Due to worldwide commodity price fluctuations, the uncertain political and economic conditions in the countries in which this segment operates, the volatility in the commodity markets and the ongoing impacts of the COVID-19 pandemic, management is unable to predict future sales and operating results; however, management anticipates this segment will be profitable for the remainder of 2020.

Had Seaboard not applied mark-to-market accounting to its derivative instruments, operating income for this segment would have been lower by \$5 million and \$7 million for the three and nine month periods of 2020, respectively. Operating income for this segment would have been higher by \$2 million and lower by \$2 million for the three and nine month periods of 2019, respectively. While management believes its commodity futures, options and foreign exchange contracts are primarily economic hedges of its firm purchase and sales contracts and anticipated sales contracts, Seaboard does not perform the extensive record-keeping required to account for these transactions as hedges for accounting purposes. Accordingly, while the changes in value of the derivative instruments were marked-to-market, the changes in value of the firm purchase or sales contracts were not. As products are delivered to customers, these existing marked-to-market adjustments should be primarily offset by realized margins or losses as revenue is recognized over time, and these marked-to-market adjustments could reverse in 2020. Management believes eliminating these marked-to-market adjustments provides a more reasonable presentation to compare and evaluate period-to-period financial results for this segment.

### Marine Segment

<i>(Millions of dollars)</i>	Three Months Ended		Nine Months Ended	
	September 26, 2020	September 28, 2019	September 26, 2020	September 28, 2019
Net sales	\$ 244	\$ 256	\$ 705	\$ 769
Operating income (loss)	\$ 14	\$ (2)	\$ (3)	\$ 2
Income from affiliates	\$ 1	\$ 1	\$ 3	\$ 2

Net sales for the Marine segment decreased \$12 million and \$64 million for the three and nine month periods of 2020, respectively, compared to the same periods in 2019. The decrease for the three and nine month periods of 2020 was primarily the result of lower cargo volumes, partially offset by slightly higher freight rates due to a change in cargo mix with more refrigerated cargo volumes that generally have a higher freight rate. Seaboard's Marine segment results were significantly impacted in the second quarter of 2020 with a decrease of \$67 million in sales compared to the same period in 2019 due to less demand with many of Marine's customers temporarily shut down due to government orders associated with COVID-19.

Operating income increased \$16 million and decreased \$5 million for the three and nine month periods of 2020, respectively, compared to the same periods in 2019. The increase for the three month period was primarily related to lower fuel costs due to the decrease in price and consumption and lower other voyage costs with fewer vessels in service. The decrease for the nine month period was primarily the result of lower revenues, partially offset by lower fuel costs due to the decrease in price and consumption, and lower voyage, terminal and intermodal trucking costs as a result of the overall decrease in cargo volumes. Management cannot predict changes in fuel costs, future cargo volumes and cargo rates or the ongoing impacts of the COVID-19 pandemic. Based on market conditions, management anticipates this segment will be profitable for the remainder of 2020.

### Sugar and Alcohol Segment

<i>(Millions of dollars)</i>	Three Months Ended		Nine Months Ended	
	September 26, 2020	September 28, 2019	September 26, 2020	September 28, 2019
Net sales	\$ 31	\$ 36	\$ 71	\$ 91
Operating loss	\$ (1)	\$ (1)	\$ (4)	\$ (9)
Income from affiliates	\$ —	\$ —	\$ —	\$ 1

Net sales for the Sugar and Alcohol segment decreased \$5 million and \$20 million for the three and nine month periods of 2020, respectively, compared to the same periods in 2019. The decrease for the three and nine month periods primarily reflected lower volumes and prices of alcohol sold due to lower demand. Higher sugar selling prices were offset by lower sales volumes of sugar sold. Sugar and alcohol sales are denominated in Argentine pesos, and an increase in local sales prices may be offset by exchange rate changes in the Argentine peso against the U.S. dollar.

Operating loss for the Sugar and Alcohol segment remained the same and decreased \$5 million for the three and nine month periods of 2020, respectively, compared to the same periods in 2019. For the three month period, higher cogeneration margins and sugar prices were offset by lower margins on alcohol sales. The decrease for the nine month period primarily reflected lower selling, general and administrative expenses, higher sugar selling prices and higher margins on cogeneration sales, partially offset by lower margins on alcohol sales. Management cannot predict local sugar and alcohol prices, the volatility in the currency exchange rate or the ongoing impacts of the COVID-19 pandemic. Based on market conditions, management currently cannot predict if this segment will be profitable for the remainder of 2020.

### Power Segment

<i>(Millions of dollars)</i>	Three Months Ended		Nine Months Ended	
	September 26, 2020	September 28, 2019	September 26, 2020	September 28, 2019
Net sales	\$ 21	\$ 30	\$ 51	\$ 92
Operating income	\$ 3	\$ 9	\$ 4	\$ 21
Income from affiliates	\$ —	\$ 1	\$ —	\$ 3

Net sales for the Power segment decreased \$9 million and \$41 million for the three and nine month periods of 2020, respectively, compared to the same periods in 2019. The decrease for the three and nine month periods primarily reflected lower spot market rates and lower production.

Operating income for the Power segment decreased \$6 million and \$17 million for the three and nine month periods of 2020, respectively, compared to the same periods in 2019. The decrease for the three and nine month periods was due to lower revenues and higher maintenance costs, partially offset by lower fuel costs and consumption. Management cannot predict future fuel costs, the extent that spot market rates will fluctuate compared to fuel costs or other power producers or the ongoing impacts of the COVID-19 pandemic. Based on market conditions, management currently cannot predict if this segment will be profitable for the remainder of 2020.

Income from affiliates is lower as the Power segment sold its 29.9% noncontrolling interest in a Dominican Republic electricity generation facility during the third quarter of 2019.

## Turkey Segment

<i>(Millions of dollars)</i>	Three Months Ended		Nine Months Ended	
	September 26, 2020	September 28, 2019	September 26, 2020	September 28, 2019
Loss from affiliates	\$ (4)	\$ (11)	\$ (25)	\$ (30)

The Turkey segment, accounted for using the equity method, represents Seaboard's investment in Butterball. The decrease in loss from affiliates for the three month period of 2020 compared to the same period in 2019 was primarily the result of lower other operating costs, including reduced interest. The decrease in loss from affiliates for the nine month period of 2020 compared to the same period in 2019 was primarily due to higher margins primarily due to lower feed and other live turkey operation growing costs and slightly higher selling prices with more value-added turkey products sold, partially offset by lower volumes of turkey products sold related to a decline in food service demand and higher plant costs primarily related to labor. Management is unable to predict future market prices for turkey products, the cost of feed or the ongoing impacts of the COVID-19 pandemic. Based on market conditions, management currently cannot predict if this segment will be profitable for the remainder of 2020.

### Selling, General and Administrative Expenses

Selling, general and administrative ("SG&A") expenses increased \$9 million and decreased \$6 million for the three and nine month periods of 2020, respectively, compared to the same periods in 2019. The increase for the three month period was primarily due to higher personnel costs, including pension settlement expense as discussed in Note 5 to the condensed consolidated financial statements, and higher deferred compensation plan costs due to capital market volatility. The decrease for the nine month period was primarily due to lower deferred compensation plan costs, partially offset a pension settlement expense. The deferred compensation plan costs are offset by the effect of the marked-to-market adjustments on investments recorded in other investment income (loss).

### Interest Expense

Interest expense decreased \$3 million and \$10 million for the three and nine month periods of 2020, respectively, compared to the same periods in 2019. The decrease was primarily due to lower interest rates on outstanding debt and increased capitalized interest related to ongoing capital expenditure investments.

### Other Investment Income (Loss), Net

Other investment income, net increased \$54 million for the three month period of 2020 compared to the same period in 2019 primarily due to unrealized gains on short-term investments due to capital market volatility. Other investment income, net decreased \$193 million for the nine month period of 2020 compared to the same period in 2019 primarily due to unrealized losses on short-term investments, partially offset by \$36 million of net realized gains.

### Foreign Currency Gains (Losses), Net

Foreign currency losses, net increased \$6 million and \$24 million for the three and nine month periods of 2020, respectively, compared to the same periods in 2019 primarily due to fluctuations in the euro, Zambian kwacha, South African rand and Argentine peso among fluctuations of other currency exchange rates in several foreign countries.

### Income Tax Expense/Benefit

The effective tax rate for the three month period of 2020 decreased compared to the three month period of 2019 primarily due to a change in forecasted annual results and actual year-to-date results changing from a loss to profit. The effective tax rate for the nine month period of 2020 decreased compared to the nine month period of 2019 primarily due to increased tax exempt income from the federal blender's credits reinstated by Congress at the end of 2019 and lower forecasted earnings.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

Seaboard is exposed to various types of market risks in its day-to-day operations. Primary market risk exposures result from changing commodity prices, foreign currency exchange rates, interest rates and equity prices. Occasionally, Seaboard utilizes derivative instruments to manage these overall market risks. The nature of Seaboard's market risk exposure has not changed materially since December 31, 2019. Seaboard entered into interest rate swap agreements during 2020 with interest rates at historic lows reducing its exposure to interest rate risk. See Note 6 to the condensed consolidated financial statements for further discussion.

### **Item 4. Controls and Procedures**

**Evaluation of Disclosure Controls and Procedures** — Seaboard's management evaluated, under the direction of the Chief Executive and Chief Financial Officer, the effectiveness of Seaboard's disclosure controls and procedures as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") as of September 26, 2020. Based upon and as of the date of that evaluation, Seaboard's Chief Executive and Chief Financial Officer concluded that Seaboard's disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the reports it files and submits under the Exchange Act is recorded, processed, summarized and reported as and when required. It should be noted that any system of disclosure controls and procedures, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system are met. In addition, the design of any system of disclosure controls and procedures is based in part upon assumptions about the likelihood of future events. Due to these and other inherent limitations of any such system, there can be no assurance that any design will always succeed in achieving its stated goals under all potential future conditions.

**Change in Internal Controls** — There has been no change in Seaboard's internal control over financial reporting required by Exchange Act Rule 13a-15(f) that occurred during the fiscal quarter ended September 26, 2020 that has materially affected, or is reasonably likely to materially affect, Seaboard's internal control over financial reporting.

## **PART II - OTHER INFORMATION**

### **Item 1. Legal Proceedings**

For information related to Seaboard's legal proceedings, see Note 4 to the condensed consolidated financial statements.

### **Item 1A. Risk Factors**

Except for the update to the risk factors set forth below, there have been no material changes in the risk factors as previously disclosed in Seaboard's annual report on Form 10-K for the year ended December 31, 2019.

(a)(3) Deterioration of Economic Conditions Could Negatively Impact Seaboard's Business. Seaboard's business may be adversely affected by changes in national or global economic conditions, including inflation, interest rates, availability of capital markets, consumer spending rates, energy availability and costs, impacts caused by pandemics and other public health emergencies, including the COVID-19 pandemic, and the effects of governmental initiatives to manage economic conditions. Any such changes could adversely affect the demand for and production of Seaboard's meat products, grains, shipping services and other products, or the cost and availability of needed raw materials and packaging materials, thereby negatively affecting Seaboard's financial results. For example, Seaboard is monitoring the impact of the COVID-19 pandemic, which has already caused a significant disruption to global financial markets and supply chains. The significance of the operational and financial impact to Seaboard will depend on how long and widespread this disruption proves to be. The extent to which the COVID-19 pandemic impacts Seaboard's results will depend on future developments, which are uncertain and cannot be predicted, including new information which may emerge concerning the severity of the pandemic and the actions that are being taken to contain and treat it. If economic or market conditions in key global markets deteriorate, Seaboard may experience material adverse effects on its business, financial condition and results of operations. The current national and global economic conditions, could, among other things:

- impair the financial condition of some of Seaboard's customers and suppliers, thereby increasing customer bad debts or non-performance by customers and suppliers;
- negatively impact global demand for protein and grain-based products, which could result in a reduction of revenues, operating income and cash flows;
- decrease the value of Seaboard's investments in equity and debt securities, including pension plan assets, causing losses that would adversely impact Seaboard's net earnings; and

- impair the financial viability of Seaboard’s insurers.

(b)(4) The Loss of This Segment’s Oklahoma Pork Processing Plant and the STF Plant Could Adversely Affect the Business. This segment is largely dependent on the continued operation of its Oklahoma pork processing plant and the STF plant. Seaboard provides approximately one-third of STF’s hogs for processing and also markets substantially all pork products produced. The closure, loss of, or damage to these plants for any reason, including pandemic, fire, tornado, earthquake, or the occurrence of adverse governmental action could adversely affect the business of this segment. The closure, even temporarily, of these plants could have a material adverse effect on Seaboard’s liquidity and financial results.

(b)(5) This Segment is Subject to Complex Laws and Regulations That May Adversely Affect the Revenues, Costs, Manner or Feasibility of Doing Business. Federal, state and local laws, and domestic and international regulations governing worker health and safety, environmental protection, food safety and animal health and welfare significantly affect this segment’s operations. Some requirements applicable to this segment may also be enforced by citizen groups.

For example, operations and properties are subject to extensive and increasingly stringent laws and regulations pertaining to, among other things, odors, the discharge of materials into the environment and the handling and disposition of wastes (including solid and hazardous wastes) or otherwise relating to protection of the environment. In another example, the State of California enacted Proposition 12, the Farm Animal Confinement Initiative (“Proposition 12”), which will prohibit, after December 31, 2021, the sale within the State of California of uncooked pork produced from breeding sows or its offspring which have been confined in less than 24 square feet of usable floor space. The constitutionality of Proposition 12 is being challenged in two separate lawsuits pending in California. This segment is assessing Proposition 12 and the related costs of compliance, such as the additional capital expenditures that would be needed for construction of barns and pens provided for the requisite expanded animal spacing, in the event the constitutionality of Proposition 12 is upheld. If this segment is unable to comply with Proposition 12, Seaboard would not be able to sell uncooked pork products in California, which accounted for approximately 10% of its direct sales for the year ended December 31, 2019, in addition to indirect sales through further processor customers. If other pork processors similarly are unable to comply with Proposition 12 and cannot sell uncooked pork products in California, this could result in a significant oversupply of uncooked pork products being sold in locations other than California, which could result in a significant decline in the sales prices of such products.

Failure to comply with these laws and regulations and any future changes to them could result in significant consequences to Seaboard, including civil and criminal penalties, liability for damages, negative publicity and the inability to do business in certain locales.

## **Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

There were no purchases of Seaboard’s common stock made by or on behalf of Seaboard or any “affiliated purchaser” (as defined by applicable rules of the Securities and Exchange Commission) during the fiscal quarter ended September 26, 2020. See Note 7 to the condensed consolidated financial statements for further discussion of Seaboard’s share repurchase program.

**Item 6. Exhibits**

Exhibit No.	Description
10.1	<a href="#">Amendment No. One to the Seaboard Corporation Pension Plan as Restated as of January 1, 2017</a>
10.2	<a href="#">Restated Employment Agreement between Seaboard Corporation and Robert L. Steer dated August 27, 2020</a>
10.3	<a href="#">Seaboard Corporation Cash Balance Executive Retirement Plan Amended and Restated Effective August 1, 2020</a>
10.4	<a href="#">Summary of Perquisite for Personal Use of Seaboard Airplane</a>
31.1	<a href="#">Certification of the Chief Executive and Chief Financial Officer Pursuant to Exchange Act Rules 13a-14(a)/15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>
32.1	<a href="#">Certification of the Chief Executive and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

### ***Forward-looking Statements***

This Form 10-Q contains forward-looking statements with respect to the financial condition, results of operations, plans, objectives, future performance and business of Seaboard. Forward-looking statements generally may be identified as statements that are not historical in nature and statements preceded by, followed by or that include the words “believes,” “expects,” “may,” “will,” “should,” “could,” “anticipates,” “estimates,” “intends,” or similar expressions. In more specific terms, forward-looking statements, include without limitation: statements concerning projection of revenues, income or loss, adequate liquidity levels, capital expenditures, capital structure or other financial items, including the impact of mark-to-market accounting on operating income; statements regarding the plans and objectives of management for future operations; statements of future economic performance; statements regarding the intent, belief or current expectations of Seaboard and its management with respect to: (i) Seaboard’s ability to obtain adequate financing and liquidity; (ii) the price of feed stocks and other materials used by Seaboard; (iii) the sales price or market conditions for pork, agricultural commodities, sugar, alcohol, turkey and other products and services; (iv) the recorded tax effects under certain circumstances and changes in tax laws; (v) the volume of business and working capital requirements associated with the competitive trading environment for the CT&M segment; (vi) the charter hire rates and fuel prices for vessels; (vii) the fuel costs and related spot market prices for electricity in the Dominican Republic; (viii) the effect of the fluctuation in foreign currency exchange rates, (ix) the profitability or sales volume of any of Seaboard’s segments; (x) the anticipated costs and completion timetables for Seaboard’s scheduled capital improvements, acquisitions and dispositions; (xi) the productive capacity of facilities that are planned or under construction, and the timing of the commencement of operations at such facilities; (xii) the impact of pandemics or other public health emergencies, such as the COVID-19 pandemic; (xiii) potential future impact on Seaboard’s business of new legislation, rules or policies; (xiv) adverse results in pending litigation matters; or (xv) other trends affecting Seaboard’s financial condition or results of operations, and statements of the assumptions underlying or relating to any of the foregoing statements.

This list of forward-looking statements is not exclusive. Seaboard undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changes in assumptions or otherwise, except as required by law. Forward-looking statements are not guarantees of future performance or results. They involve risks, uncertainties and assumptions. Actual results may differ materially from those contemplated by the forward-looking statements due to a variety of factors. The information contained in this report, including without limitation the information under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” as well as the information included under the caption “Risk Factors” in Seaboard’s latest annual report on Form 10-K, as supplemented in this Form 10-Q, identifies important factors that could cause such differences.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Seaboard Corporation  
(Registrant)

by: /s/ Robert L. Steer  
Robert L. Steer  
President, Chief Executive Officer  
and Chief Financial Officer

*(principal executive officer and principal financial officer)*

Date: October 27, 2020

by: /s/ Michael D. Trollinger  
Michael D. Trollinger  
Vice President, Corporate Controller  
and Chief Accounting Officer

*(principal accounting officer)*

Date: October 27, 2020

**AMENDMENT NO. ONE  
TO THE  
SEABOARD CORPORATION PENSION PLAN  
AS RESTATED AS OF JANUARY 1, 2017**

**THIS AMENDMENT** is made this 31st day of August, 2020, by Seaboard Corporation, a Delaware corporation, with principal offices in Merriam, Kansas, herein referred to as the "Company."

**WHEREAS**, the Company maintains the Seaboard Corporation Pension Plan, which was last restated, effective January 1, 2017, herein referred to as the "Plan";

**WHEREAS**, the Company has reserved the right to amend the Plan in Article IX of the Plan; and

**WHEREAS**, the Company desires to amend the Plan to authorize the commencement of benefit payments in order to satisfy the limitations on benefits under Code section 415 and other applicable qualified retirement plan requirements.

**NOW, THEREFORE**, the Company hereby amends the Plan as follows effective as of the day and year first written above, except as otherwise noted herein:

1. Section 13.1(f) is added to the Plan document to follow the present Section 13.1(e), reading as follows:

"(f) If as a result of actuarial increases to the benefit of a Participant who delays commencement of benefits beyond Normal Retirement Age the Accrued Benefit of such Participant would exceed the limitations under this Section 13.1 for the limitation year, payment of benefits to such Participant will be suspended in accordance with Section 4.7 of the Plan, if applicable; otherwise, immediately before the actuarial increase to the Participant's benefit that would cause such Participant's benefit to exceed the limitations of this Section 13.1, distribution of the Participant's benefit will commence."

**IN WITNESS WHEREOF**, Seaboard Corporation has executed this Amendment No. One to the Seaboard Corporation Pension Plan on the 31st day of August, 2020.

SEABOARD CORPORATION

ATTEST:

/s/ David M. Becker  
David M. Becker

(SEAL)

By: /s/ Robert L. Steer  
Name: Robert L. Steer  
Title: President and Chief Executive Officer

**RESTATED EMPLOYMENT AGREEMENT**

This **EMPLOYMENT AGREEMENT** (this “Agreement”) is entered into as of August 27, 2020 by and between **SEABOARD CORPORATION**, a Delaware corporation (together with any Successor thereto, the “Company”), and Robert L. Steer (“Executive”).

WITNESSETH:

WHEREAS, the Company has promoted Executive to the office of President and Chief Executive Officer and desires to employ and secure the exclusive services of Executive on the terms and conditions set forth in this Agreement; and

WHEREAS, Executive desires to accept such employment on such terms and conditions;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and promises contained herein and for other good and valuable consideration, the Company and Executive hereby agree as follows:

1. Agreement to Employ. Upon the terms and subject to the conditions of this Agreement, the Company hereby agrees to continue to employ Executive, and Executive hereby accepts such continued employment with the Company.

2. Term; Position and Responsibilities; and Location.

(a) Term of Employment. Unless Executive’s employment shall sooner terminate pursuant to Section 8, the Company shall continue to employ Executive on the terms and subject to the conditions of this Agreement for a term commencing as of the date of this Agreement (the “Commencement Date”) and ending December 31, 2021; provided, however, on December 31, 2021 and on each annual anniversary date of December 31, 2021 (an “Annual Anniversary Date”) through December 31, 2024, Executive’s employment hereunder shall be deemed to be automatically extended, upon the same terms and conditions for one (1) year after such Annual Anniversary Date, unless the Company shall have given written notice to Executive (a “Non-Renewal Notice”), at least thirty (30) days prior to the expiration of such Annual Anniversary Date, of its intention not to extend the Employment Period (as defined below) hereunder. Notwithstanding the foregoing, unless mutually agreed to by the Company and the Executive, Executive’s employment hereunder shall not extend beyond December 31, 2025. The period during which Executive is employed by the Company pursuant to this Agreement, including any extension thereof in accordance with the preceding sentence, shall be referred to as the “Employment Period.”

(b) Position and Responsibilities. During the Employment Period, Executive shall serve as President and Chief Executive Officer of the Company, and shall have such duties and responsibilities as are customarily assigned to individuals serving in such position and such other duties consistent with Executive’s title and position as the Board of Directors of the Company specifies

from time to time. Executive shall devote all of his skill, knowledge, commercial efforts and business time to the conscientious and good faith performance of his duties and responsibilities for the Company to the best of his ability.

(c) Location. During the Employment Period, Executive's services shall be performed primarily in the Kansas City metropolitan area. However, Executive may be required to travel in and outside of Kansas City as the needs of the Company's business dictate.

3. Base Salary. Effective July 20, 2020, the Company shall pay Executive a base salary at an annualized rate of one million dollars (\$1,000,000), payable in installments on the Company's regular payroll dates. Beginning January 1, 2022, the Board shall review Executive's base salary annually during the Employment Period and may increase (but not decrease without the prior written consent of Executive) such base salary from time to time, based on its periodic review of Executive's performance in accordance with the Company's regular policies and procedures. Any increase in Executive's salary effective January 1, 2022 shall consider that the increase covers the period July 20, 2020 – December 31, 2021. The annual base salary payable to Executive from time to time under this Section 3 shall hereinafter be referred to as the "Base Salary."

4. Annual Bonus Compensation.

(a) Executive shall be eligible to receive an annual bonus ("Annual Bonus") with respect to each calendar year ending during the Employment Period. The Annual Bonus shall be determined under the Company's Executive Officers' Bonus Plan or such other annual bonus plan maintained by the Company for similarly situated Executives that the Company designates, in its sole discretion (any such plan, the "Bonus Plan"), in accordance with the terms of such plan as in effect from time to time. The Annual Bonus is earned pro-rata throughout each year, unless Executive's employment is terminated by the Company pursuant to Section 8(b) for Cause, in which case, the Annual Bonus shall not be earned or paid for service during the year of the Date of Termination.

(b) Subject to Subsection (d) below of this Section 4 below, Executive's 2020 Annual Bonus shall be a minimum of \$1,740,000.

(c) Subject to Subsection (d) below of this Section 4 below, Executive's Annual Bonus for the calendar year 2021 and each calendar year thereafter shall be a minimum of \$2,275,000.

(d) Not less than \$1,000,000 of Executive's Annual Bonus for each calendar year will be paid to Executive in cash on or before March 1 of the following calendar year. In lieu of paying Executive the portion of the Annual Bonus over \$1,000,000 in cash, the Company may elect to make a 162(m) Contribution pursuant to the Seaboard Corporation Post-2018 Non-Qualified Deferred Compensation Plan (the "Deferred Compensation Plan") to the Account of the Executive thereunder. Executive has been furnished a copy of the Deferred Compensation Plan and understands that payment to him of any Company 162(m) Contribution contributed to Executive's Account under Deferred Compensation Plan thereunder may be delayed until up to the sixth year after Executive's separation from service from the Company. The Company retains the right to modify the terms of the Deferred Compensation Plan from time to time as permitted by Code Section 409A.

5. Car Allowance. During Executive's Employment Period, Executive will be entitled to receive an annual car allowance and gasoline charge privileges in accordance with the Company's car allowance policy.

6. Executive Benefits.

(a) During the Employment Period and thereafter for so long as Executive continues to be employed by the Company or affiliate, Executive will be eligible to participate in the employee and executive benefit plans and programs maintained by the Company from time to time in which executives of the Company at Executive's grade level are eligible to participate, including medical, dental, disability, hospitalization, life insurance, and retirement (i.e., 401K, pension and executive retirement plans), deferred compensation and savings plans, on the terms and subject to the conditions set forth in such plans; as may be amended from time to time.

(b) Executive shall continue to be a participant in the Seaboard Corporation 409A Executive Retirement Plan, Amended and Restated Effective January 1, 2009, as amended and restated by that Seaboard Corporation 409A Executive Retirement Plan Amended and Restated Effective January 1, 2013 ("SERP"), and shall be paid his "frozen" benefit under the SERP pursuant to the terms thereof.

7. Indemnification; Expenses; Paid Time Off.

(a) Indemnification. Except to the extent, if any, prohibited by law, the Company shall indemnify Executive against expenses (including attorneys' fees of counsel selected by Executive), judgments, fines and amounts paid in settlement actually and reasonably incurred by Executive in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, to which Executive was, is, or is threatened to be, made a party by reason of facts which include Executive's being or having been an employee, officer, director or agent of the Company or any Affiliates. Except to the extent, if any, prohibited by law, the Company shall pay expenses (including attorneys' fees of counsel selected by Executive) actually and reasonably incurred by Executive in defending any such action, suit or proceeding in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by Executive to repay such amounts so paid on Executive's behalf if it shall ultimately be determined that Executive is not entitled to be indemnified by the Company for such expenses under applicable law. The provisions of this Section 7(a) shall (i) survive termination of this Agreement; and (ii) not be deemed exclusive of any other indemnification or expense rights to which Executive may be entitled.

(b) Business Expenses. During the Employment Period, the Company will reimburse Executive for all reasonable and necessary business-related expenses incurred by Executive at the request of and on behalf of the Company in accordance with the Company's normal expense reimbursement policies.

(c) Paid Time Off. During the Employment Period, Executive shall be entitled to paid time off on an annualized basis in accordance with the Company's paid time off policy. Executive shall also be entitled to Company-designated holidays.

8. Termination of Employment.

(a) Termination Due to Death or Disability. Executive's employment shall automatically terminate upon Executive's death and may be terminated by the Company due to Executive's Disability (as defined below in this subsection (a)). In the event that Executive's employment is terminated due to his Disability or death, no termination benefits shall be payable to or in respect of Executive except as provided in Section 8(f)(ii). For purposes of this Agreement, "Disability" means a physical or mental disability that prevents or would prevent the performance by Executive of his duties hereunder for a continuous period of six months or longer. The determination of Executive's Disability will be made by an independent physician agreed to by the parties. If the parties are unable to agree within ten (10) days after a request for designation by a party, then the Company and the Executive shall each select a physician, and the two (2) physicians selected shall select a third physician. The three (3) physicians so selected shall make a determination of the Executive's Disability, as determined by at least two (2) of the three (3) physicians selected. Such determination shall be final and binding on the parties hereto, and shall be based on such competent medical evidence as shall be presented to such physicians by Executive and/or the Company or by any physician or group of physicians or other competent medical experts employed by Executive and/or the Company to advise such physicians.

(b) Termination by the Company for Cause. Executive's employment may be terminated by the Company for Cause (as defined below in this subsection (b)). In the event of a termination of Executive's employment by the Company for Cause, Executive shall be paid the termination benefits, as provided in clauses (x) and (z) of Section 8(f)(i). For purposes of this Agreement, "Cause" means (i) a material breach by Executive of any provision of this Agreement; (ii) a material violation by Executive of any Policy (as defined in Section 14), resulting in material injury to the Company; (iii) Executive's willful misconduct or gross negligence that has caused or is reasonably expected to result in material injury to the business, reputation or prospects of the Company or any of its Affiliates; (iv) Executive's material fraud or misappropriation of funds; or (v) the commission by Executive of a felony involving moral turpitude; provided that no termination under clauses (i) or (ii) shall be effective unless Company shall have given Executive notice of the event or events constituting Cause and Executive shall have failed to cure such event or events within thirty (30) business days after receipt of such notice.

(c) Termination Without Cause. Executive's employment may be terminated by the Company Without Cause (as defined below in this subsection (c)) at any time. In the event of a termination of Executive's employment by the Company Without Cause, the Executive shall be paid the termination benefits as provided in Section 8(f)(i). For purposes of this Agreement, a termination "Without Cause" shall mean a termination of Executive's employment by the Company other than due to Executive's death or Disability as described in Section 8(a) and other than for Cause as described in Section 8(b).

(d) Termination by Executive. Executive may resign from his employment for any reason, including for Good Reason (as defined below in this subsection (d)). In the event of a termination of Executive's employment by Executive's resignation other than for Good Reason, no termination benefits shall be payable to or in respect of Executive except as provided in Section 8(f)(ii) and in the event of a termination of Executive's employment by Executive for Good Reason, no

termination benefits shall be payable to or in respect of Executive except as provided in Section 8(f)(i). For purposes of this Agreement, a termination of employment by Executive for “Good Reason” shall mean a resignation by Executive from his employment with the Company within thirty (30) days following the initial occurrence, without Executive’s consent, of any one or more of the following events: (i) the Company gives a Non-Renewal Notice pursuant to Section 2(a) above before December 31, 2024, (ii) a material diminution in the Executive’s authority, duties or responsibilities; (iii) a material change in the geographic location where Executive primarily performs his services; or (iv) any other material breach by the Company of any material provision of this Agreement; provided that with respect to events (ii), (iii) and (iv), the Executive shall have given the Company notice of the occurrence of the event or events constituting Good Reason within ninety (30) days following the initial occurrence of such event or such events and the Company shall have failed to cure such event or events (to the extent capable of being cured) within thirty (30) business days after receipt of such notice.

(e) Notice of Termination; Date of Termination.

(i) Notice of Termination. Any termination of Executive’s employment by the Company or by Executive (other than as a result of Executive’s death) shall be communicated by a written Notice of Termination addressed to the other party to this Agreement. A “Notice of Termination” shall mean a notice stating that Executive or the Company, as the case may be, is electing to terminate Executive’s employment with the Company (and thereby terminating the Employment Period), stating the proposed effective date of such termination, indicating the specific provision of this Section 8 under which such termination is being effected and, if applicable, setting forth in reasonable detail the circumstances claimed to provide the basis for such termination. Any Notice of Termination given by an Executive must specify an effective date of termination which is at least thirty (30) days after the giving of the Notice of Termination.

(ii) Date of Termination. The term “Date of Termination” shall mean (i) if Executive’s employment is terminated by his death, the date of his death; and (ii) if Executive’s employment is terminated for any other reason, the effective date of termination specified in such Notice of Termination. The Employment Period shall expire on the Date of Termination.

(f) Payments Upon Certain Terminations.

(i) In the event of a termination of Executive’s employment by the Company Without Cause or by Executive’s resignation from employment during the Employment Period, the Company shall pay to Executive (or, following his death, to Executive’s estate), within thirty (30) days of the Date of Termination, (x) his Base Salary through the Date of Termination, to the extent not previously paid; (y) the pro-rata amount of the Annual Bonus (based on the amount paid or awarded for the previous year) which is accrued through the Date of Termination; and (z) reimbursement for any unreimbursed business expenses incurred by Executive prior to the Date of Termination that are subject to reimbursement pursuant to the terms hereof, and payment for paid time off accrued as of the Date of Termination but unused (such amounts under clauses (x), (y) and (z), collectively the “Accrued Obligations”). In addition, in the event of any such termination of Executive’s

employment, if Executive executes and delivers to the Company a Release and Discharge of All Claims substantially in the form attached hereto (“Release”) within thirty (30) days after the Date of Termination, Executive shall be entitled to the following payments and benefits (provided, however, in the event of Executive’s death following the Date of Termination but prior to delivery of the executed Release, the following payments shall be paid to Executive’s estate, notwithstanding that the Release has not been executed):

(A) the Executive’s Base Salary (at the Base Salary being paid on the Date of Termination), for one (1) year (the “Severance Period”), payable in installments in accordance with the Company’s regular payroll policies for one year after the Date of Termination; and

(B) a lump sum payment of \$1,500,000 payable on the one-year anniversary date of the Date of Termination; and

(C) the Executive shall automatically vest in all employee welfare and benefit plans in which the Executive was participating as of the Date of Termination and such benefits shall be paid to Executive in accordance with the terms of such plans; and

(D) The Company and Executive agree that each payment made by the Company to Executive pursuant to subsections (A) and (B) of this Section 8(f)(i) shall be deemed to be a separate and distinct payment for purposes of Internal Revenue Code Section 409A and the related regulations, as opposed to an annuity or other collective series of payments.

(E) Notwithstanding anything to the contrary contained herein, to the extent the aggregate amount to be paid to the Executive pursuant to Subsections (A) and (B) of this Section 8(f)(i) during the six (6) months following the Date of Termination exceeds two (2) times the maximum amount that may be taken into account under a qualified retirement plan pursuant to Section 401(a)(17) of the Internal Revenue Code of 1986, as amended (“Code”), for the calendar year of such Date of Termination (the “401(a)(17) Limit”), then payment of such amount that is in excess of two (2) times the 401(a)(17) Limit shall not be paid during the sixth (6) months following the Date of Termination but instead shall be paid in a lump sum payment on the next day after the date which is six (6) months following the Date of Termination.

Executive shall not have a duty to mitigate the costs to the Company under this Section 8(f)(i), nor shall any payments from the Company to Executive hereunder be reduced, offset or canceled by any compensation or fees earned by (whether or not paid currently) or offered to Executive during the remainder of the fiscal year of the Company that includes the Date of Termination by a subsequent employer or other Person (as defined below in Section 18(k) below) for which Executive performs services, including, but not limited to, consulting services. The foregoing shall not relieve Executive of the non-competition prohibitions provided in Section 10 below.

(ii) If Executive's employment shall terminate upon his death or due to Executive's Disability or Executive shall resign from his employment without Good Reason, in any such case during the Employment Period, the Company shall pay to Executive (or, in the event of Executive's death, to his estate) the Accrued Obligations within thirty (30) days following the Date of Termination. If the Company shall terminate Executive's employment for Cause, the Company shall pay Executive the termination benefits, as provided in clauses (x) and (z) of Section 8(f)(i).

(iii) Except as specifically set forth in this Section 8(f), no termination benefits shall be payable to or in respect of Executive's employment with the Company or its Affiliates.

(iv) The Company shall have the right to apply and set off against the Accrued Obligations or any other amounts owing to Executive hereunder, any amounts owing by the Executive to the Company, whether pursuant to this Agreement or otherwise. Notwithstanding the foregoing, such set off shall not accelerate the time or schedule of a payment of Deferred Compensation except as permitted under Treasury Regulation Section 1.409A-3(j)(4)(xiii).

(g) Resignation upon Termination. Effective as of any Date of Termination under this Section 8 or otherwise as of the date of Executive's termination of employment with the Company, Executive shall resign, in writing, from all Board memberships and other positions then held by him, or to which he has been appointed, designated or nominated, with the Company and its Affiliates.

## 9. Confidentiality.

(a) Executive acknowledges and agrees that the terms of this Agreement, including all addendums and attachments hereto, are confidential. Executive agrees not to disclose any information contained in this Agreement, or the fact of this Agreement, to anyone, other than to Executive's lawyer, financial advisor or immediate family members. If Executive discloses any information contained in this Agreement to his lawyer, financial advisor or immediate family members as permitted herein, Executive agrees to immediately tell each such individual that he or she must abide by the confidentiality restrictions contained herein and keep such information confidential as well.

(b) Executive agrees that during his employment with the Company and thereafter, Executive will not, directly or indirectly (i) disclose any Confidential Information to any Person (other than, only with respect to the period that Executive is employed by the Company, to an Executive of the Company who requires such information to perform his or her duties for the Company); or (ii) use any Confidential Information for Executive's own benefit or the benefit of any third party. "Confidential Information" means confidential, proprietary or commercially sensitive information relating to (i) the Company or its Affiliates, or members of their management or boards; or (ii) any third parties who do business with the Company or its Affiliates, including customers and suppliers. Confidential Information includes, without limitation, marketing plans, business plans, financial information and records, intellectual property, operation methods, personnel information, drawings, designs, information regarding product development, other commercial or business information and

any other information not available to the public generally. The foregoing obligation shall not apply to any Confidential Information that has been previously disclosed to the public or is in the public domain (other than by reason of a breach of Executive's obligations to hold such Confidential Information confidential). If Executive is required or requested by a court or governmental agency to disclose Confidential Information, Executive must notify the General Counsel of the Company in writing of such disclosure obligation or request no later than three business days after Executive learns of such obligation or request, and permit the Company to take all lawful steps it deems appropriate to prevent or limit the required disclosure. The foregoing provisions of this Section 9(b) are in addition to the provisions set forth in the Company's Code of Ethics Policy.

10. Partial Restraint on Post-Termination Competition.

(a) Definitions. For the purposes of this Section 10, the following definitions shall apply:

"Competitor" means any business, individual, partnership, joint venture, association, firm, corporation or other entity, other than the Company and its affiliates, that is engaging or actively planning to engage, wholly or partly, in activities ("Competitive Activities") that directly compete or would compete with the Company or its affiliates in the Company Activities (as hereinafter defined) in the Territory (as hereinafter defined).

"Competitive Position" means (i) the direct or indirect ownership or control of all or any portion of a Competitor; or (ii) any employment or independent contractor arrangement with any Competitor whereby Executive will serve such Competitor in any managerial, sales, executive or consultant capacity with respect to Competitive Activities in the Territory.

"The Company Activities" means the businesses conducted by Seaboard Corporation, including, without limitation, (i) animal production (hogs and turkeys) and meat processing (pork and turkey); (ii) cargo transportation, whether over land or water and all related business, including, without limitation, logistics, freight forwarding, agency representation and stevedoring; (iii) commodity trading; (iv) flour milling; (v) generation and sale of electricity; and (vi) sugar production and processing.

"Non-Compete Period" or "Non-Solicitation Period" means the period beginning with the Commencement Date and ending one (1) year after the Date of Termination, no matter whether terminated by the Company or by the Executive for any reason or no reason.

"Territory" means the states, provinces and territories in the countries in which Seaboard Corporation operates with respect to each of the Company Activities.

(b) Non-Competition.

(i) The parties hereto acknowledge that Executive, by virtue of his position with and responsibilities to the Company, is engaging and is expected to continue to engage during the Term in the Company Activities throughout the Territory and has executive management responsibilities with respect to the Company responsibilities which extend

throughout the Territory. Executive acknowledges that to protect adequately the interest of the Company in the business of the Company it is essential that any non-compete covenant with respect thereto cover all the Company Activities and the entire Territory.

(ii) Executive hereby agrees that, during the Non-compete Period, Executive will not, either directly or indirectly, alone or in conjunction with any other party, accept or enter into a Competitive Position. Executive shall notify the Company promptly in writing if Executive receives an offer of a Competitive Position during the Non-compete Period, and such notice shall describe all material terms of such offer.

Nothing contained in this Section 10 shall prohibit Executive from acquiring not more than five percent (5%) of any company whose common stock is publicly traded on a national securities exchange or in the over-the-counter market.

(c) Severability. If a judicial or arbitral determination is made that any of the provisions of this Section 10 constitutes an unreasonable or otherwise unenforceable restriction against Executive the provisions of this Section 10 shall be rendered void only to the extent that such judicial or arbitral determination finds such provisions to be unreasonable or otherwise unenforceable with respect to Executive. In this regard, Executive hereby agrees that any judicial or arbitral authority construing this Agreement shall sever or reform any portion of the Territory, any prohibited business activity or any time period from the coverage of this Agreement to allow the covenants in this Section 10 to be enforced to the maximum extent authorized by law, and shall then enforce the covenants in this Section 10 as so severed or reformed.

(d) Reasonable Restrictions. Executive acknowledges that the restrictions and covenants contained in this Agreement are reasonably necessary to protect the goodwill and legitimate business interests of the Company, are not overbroad, overlong, or unfair (including in duration and scope), and will not curtail Executive's ability to earn a livelihood upon Executive's termination of employment with the Company.

11. Non-Solicitation of Employees and Customers. During the period of Executive's employment with the Company and for the one-year period following the termination of his employment, Executive shall not, directly or indirectly, by himself or through any third party, whether on Executive's own behalf or on behalf of any other Person or entity, (i) solicit or endeavor to solicit, employ or retain; (ii) interfere with the relationship of the Company or any of its Affiliates with; or (iii) attempt to establish a business relationship with (A) any natural person who is or was (during Executive's employment with the Company) an employee or engaged by the Company or any Affiliate to provide services to it, or (B) any customer of the Company or any of its Affiliates who was a customer at any time during which Executive was an employee of the Company.

12. Work Product. Executive agrees that all of Executive's work product (created solely or jointly with others, and including any intellectual property or moral rights in such work product), given, disclosed, created, developed or prepared in connection with Executive's employment with the Company ("Work Product") shall exclusively vest in and be the sole and exclusive property of the Company and shall constitute "work made for hire" (as that term is defined under Section 101 of the U.S. Copyright Act, 17 U.S.C. § 101) with the Company being the person for whom the work was

prepared. In the event that any such Work Product is deemed not to be a “work made for hire” or does not vest by operation of law in the Company, Executive hereby irrevocably assigns, transfers and conveys to the Company, exclusively and perpetually, all right, title and interest which Executive may have or acquire in and to such Work Product throughout the world, including without limitation any copyrights and patents, and the right to secure registrations, renewals, reissues, and extensions thereof. The Company and its Affiliates or their designees shall have the exclusive right to make full and complete use of, and make changes to all Work Product without restrictions or liabilities of any kind, and Executive shall not have the right to use any such materials, other than within the legitimate scope and purpose of Executive’s employment with the Company. Executive shall promptly disclose to the Company the creation or existence of any Work Product and shall take whatever additional lawful action may be necessary, and sign whatever documents the Company may require, in order to secure and vest in the Company or its designee all right, title and interest in and to all Work Product and any intellectual property rights therein (including full cooperation in support of any Company applications for patents and copyright or trademark registrations).

13. Return of Company Property. In the event of termination of Executive’s employment for any reason, Executive shall return to the Company all of the property of the Company and its Affiliates, including without limitation all materials or documents containing or pertaining to Confidential Information, and including without limitation, any company car, all computers (including laptops and I-Pads), cell phones, keys, PDAs, I-Phones, credit cards, facsimile machines, card access to any Company building, customer lists, computer disks, reports, files, e-mails, work papers, Work Product, documents, memoranda, records and software, computer access codes or disks and instructional manuals, internal policies, and other similar materials or documents which Executive used, received or prepared, helped prepare or supervised the preparation of in connection with Executive’s employment with the Company. Executive agrees not to retain any copies, duplicates, reproductions or excerpts of such material or documents.

14. Compliance With Company Policies. During Executive’s employment with the Company, Executive shall be governed by and be subject to, and Executive hereby agrees to comply with, all Company policies applicable to employees generally or to employees at Executive’s grade level, including without limitation, the Company’s Code of Business Ethics and Conduct, in each case, as any such policies may be amended from time to time in the Company’s sole discretion (collectively, the “Policies”).

15. Injunctive Relief with Respect to Covenants; Forum, Venue and Jurisdiction. Executive acknowledges and agrees that a breach by Executive of any of Section 9, 10, 11, 12, 13 or 14 is a material breach of this Agreement and that remedies at law may be inadequate to protect the Company and its Affiliates in the event of such breach, and, without prejudice to any other rights and remedies otherwise available to the Company, Executive agrees to the granting of injunctive relief in the Company’s favor in connection with any such breach or violation without proof of irreparable harm, plus attorneys’ fees and costs to enforce these provisions. Executive further acknowledges and agrees that the Company’s obligations to pay Executive any amount or provide Executive with any benefit or right pursuant to Section 8 is subject to Executive’s compliance with Executive’s obligations under Sections 9 through 14 inclusive, and that in the event of a breach by Executive of any of Section 9, 10, 11, 12, 13 or 14, the Company shall immediately cease paying such benefits and Executive shall be obligated to immediately repay to the Company all amounts theretofore paid to

Executive pursuant to Section 8. In addition, if not repaid, the Company shall have the right to set off from any amounts otherwise due to Executive any amounts previously paid pursuant to Section 8(f) (other than the Accrued Obligations). Executive further agrees that the foregoing is appropriate for any such breach inasmuch as actual damages cannot be readily calculated, the amount is fair and reasonable under the circumstances, and the Company would suffer irreparable harm if any of these Sections were breached. All disputes not relating to any request or application for injunctive relief in accordance with this Section 15 shall be resolved by arbitration in accordance with Section 18(b).

16. Assumption of Agreement. The Company shall require any Successor thereto, by agreement in form and substance reasonably satisfactory to Executive, to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of the Company to obtain such agreement prior to the effectiveness of any such succession shall be a breach of this Agreement and shall entitle Executive to compensation from the Company in the same amount and on the same terms as Executive would be entitled hereunder if the Company had terminated Executive's employment Without Cause as described in Section 8, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the Date of Termination.

17. Entire Agreement; Survival. This Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof, and supersedes and replaces the Employment Agreement of Executive dated December 21, 2012, as amended. All prior correspondence and proposals (including, but not limited to, summaries of proposed terms) and all prior promises, representations, understandings, arrangements and agreements relating to such subject matter are merged herein and superseded hereby. The covenants and agreements set forth in Sections 6, 7, 8, 9, 12, 13, 14, 15, 16, 17 and 18 of this Agreement shall survive any termination of this Agreement or expiration of the term of this Agreement.

18. Miscellaneous.

(a) Binding Effect; Assignment. This Agreement shall be binding on and inure to the benefit of the Company and its Successors and permitted assigns. This Agreement shall also be binding on and inure to the benefit of Executive and his heirs, executors, administrators and legal representatives. This Agreement shall not be assignable by any party hereto without the prior written consent of the other parties hereto. The Company may effect such an assignment without prior written approval of Executive upon the transfer of all or substantially all of its business and/or assets (by whatever means), provided that the Successor to the Company shall expressly assume and agree to perform this Agreement in accordance with the provisions of Section 16.

(b) Arbitration. The Company and Executive agree that any dispute or controversy arising under or in connection with this Agreement shall be resolved by final and binding arbitration before the American Arbitration Association ("AAA"). The arbitration shall be conducted in accordance with AAA's National Rules for the Resolution of Employment Disputes then in effect at the time of the arbitration. The arbitration shall be held in the general Kansas City, Kansas metropolitan area. The dispute shall be heard and determined by one arbitrator selected from a list of arbitrators who are members of AAA's Regional Employment Dispute Resolution roster. If the parties cannot agree upon a mutually acceptable arbitrator from the list, each party shall number the names in

order of preference and return the list to AAA within ten (10) days from the date of the list. A party may strike a name from the list only for good cause. The arbitrator receiving the highest ranking by the parties shall be selected. Depositions, if permitted by the arbitrator, shall be limited to a maximum of two (2) per party and to a maximum of four (4) hours in duration. The arbitration shall not impair either party's right to request injunctive or other equitable relief in accordance with Section 15 of this Agreement.

(c) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Kansas without reference to principles of conflicts of laws.

(d) Taxes. The Company may withhold from any payments made under this Agreement all applicable taxes, including, but not limited to, income, employment and social insurance taxes, as shall be required by law.

(e) Amendments. No provision of this Agreement may be modified, waived or discharged unless such modification, waiver or discharge is approved by the Company and is agreed to in writing by Executive. No waiver by any party hereto at any time of any breach by any other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No waiver of any provision of this Agreement shall be implied from any course of dealing between or among the parties hereto or from any failure by any party hereto to assert its rights hereunder on any occasion or series of occasions.

(f) Severability. In the event that any one or more of the provisions of this Agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not be affected thereby.

(g) Notices. Any notice or other communication required or permitted to be delivered under this Agreement shall be (i) in writing; (ii) delivered personally, by courier service or by certified or registered mail, first-class postage prepaid and return receipt requested; (iii) deemed to have been received on the date of delivery or, if mailed, on the third business day after the mailing thereof; and (iv) addressed as follows (or to such other address as the party entitled to notice shall hereafter designate in accordance with the terms hereof):

(i) If to the Company, to it at:

Seaboard Corporation  
9000 West 67<sup>th</sup> Street  
Shawnee Mission, Kansas 66202  
Attention: General Counsel  
Telephone: (913) 676-8925  
Facsimile: (913) 676-8978

(ii) if to Executive, to his residential address as currently on file with the Company.

(h) Voluntary Agreement; No Conflicts. Executive represents that he is entering into this Agreement voluntarily and that Executive's employment hereunder and compliance with the terms and conditions of this Agreement will not conflict with or result in the breach by Executive of any agreement to which he is a party or by which he or his properties or assets may be bound.

(i) Counterparts/Facsimile. This Agreement may be executed in counterparts (including by facsimile), each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

(j) Headings. The section and other headings contained in this Agreement are for the convenience of the parties only and are not intended to be a part hereof or to affect the meaning or interpretation hereof.

(k) Certain Other Definitions.

"Affiliate" with respect to any Person, means any other Person that, directly or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with the first Person, including, but not limited to, a Subsidiary of any such Person.

"Control" (including, with correlative meanings, the terms "Controlling," "Controlled by" and "under common Control with"): with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Person" any natural person, firm, partnership, limited liability company, association, corporation, company, trust, business trust, governmental authority or other entity.

"Subsidiary" with respect to any Person, each corporation or other Person in which the first Person owns or Controls, directly or indirectly, capital stock or other ownership interests representing fifty percent (50%) or more of the combined voting power of the outstanding voting stock or other ownership interests of such corporation or other Person.

"Successor" of a Person means a Person that succeeds to the assets and liabilities of Seaboard Corporation by merger, liquidation, dissolution or otherwise by operation of law, or a Person to which all or substantially all the assets and/or business of Seaboard Corporation are transferred.

(l) The Employment Agreement is intended to comply with, or otherwise be exempt from, Section 409A. The Company shall undertake to administer, interpret, and construe the Employment Agreement in a manner that does not result in the imposition to the Executive of additional taxes or interest under Section 409A.

(m) With respect to any reimbursement of expenses of, or any provision of in-kind benefits to, the Executive, as specified under the Employment Agreement, such reimbursement any expenses or provision of in-kind benefits that are Deferred Compensation shall be subject to the following conditions: (A) the expenses eligible for reimbursement or the amount of in-kind benefits

provided in one taxable year shall not affect the expenses eligible for reimbursement or the amount of in-kind benefits provided in any other taxable year, except for any medical reimbursement arrangement providing for the reimbursement of expenses referred to in Section 105(b) of the Internal Revenue Code of 1986 and related regulations; (B) the reimbursement of an eligible expense shall be made no later than the end of the year after the year in which such expense was incurred; and (C) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

(n) “Termination of employment,” “termination,” “resignation” or words of similar import, as used in the Employment Agreement mean, for purposes of any payments of Deferred Compensation under the Employment Agreement, the Executive’s “separation from service” as defined in Section 409A; provided that for this purpose, a “separation from service” is deemed to occur on the date that the Company and the Executive reasonably anticipate that the level of bona fide services the Executive would perform after that date (whether as an employee or independent contractor) would permanently decrease to no more than twenty percent (20%) of the average level of bona fide services provided in the immediately preceding thirty-six (36) months.

IN WITNESS WHEREOF, the Company has duly executed this Agreement by its authorized representatives, and Executive has hereunto set his hand, in each case effective as of the date first above written.

**THIS AGREEMENT CONTAINS A PROVISION REQUIRING THAT ARBITRATION PURSUANT TO THE AMERICAN ARBITRATION ASSOCIATION NATIONAL RULES FOR THE RESOLUTION OF EMPLOYMENT DISPUTES IS THE EXCLUSIVE MEANS FOR RESOLVING ANY DISPUTE BETWEEN THE PARTIES HERETO AS TO THIS AGREEMENT.**

**(SIGNATURES ON NEXT PAGE)**

**SEABOARD CORPORATION**

By: /s/ David M. Becker  
David M. Becker  
Senior Vice President and General Counsel

Executive:

By: /s/ Robert L. Steer  
Robert L. Steer

## RELEASE AND DISCHARGE OF ALL CLAIMS

This Release and Discharge of All Claims (“Release”) is made and entered into by and between \_\_\_\_\_ (hereinafter “You”), and Seaboard Corporation, a Delaware corporation (“Seaboard”).

For and in consideration of the following promises, the parties agree to the following:

1. You acknowledge that your employment with Seaboard has ended effective \_\_\_\_\_ in accordance with the terms of the Employment Agreement between You and Seaboard (“Employment Agreement”).
2. Subject to the conditions set forth in Section 8(f)8(f)(i) of the Employment Agreement, Seaboard agreed to pay You the amounts described in said Section 8(f)(i) (“Severance”) and take certain actions. The effectiveness of this Release is conditioned on Seaboard making the payments and taking the actions provided in Section 8(f)(i). If such payments are not made or such actions are not taken, this Release shall be of no effect.
3. You agree to, and do, hereby remiss, release and forever discharge Seaboard, and any and all companies affiliated with Seaboard, and their respective agents, officers, employees, successors and assigns (hereinafter collectively the “Released Parties”), from and against any and all matters, claims, demands, damages, causes of action, debts, liabilities, controversies, judgments, and suits of every kind and nature whatsoever, foreseen, unforeseen, known or unknown, which You now have, or hereinafter may have against Seaboard based on any and all aspects of your employment with Seaboard or the termination of You prior to the date hereof. This release of claims includes, but is not limited to, any rights or claims You may have under Title VII of the Civil Rights Act of 1964, as amended; the Equal Pay Act; the Age Discrimination in Employment Act of 1967, as amended; the Employment Retirement Income Security Act; the Omnibus Budget Reconciliation Act; the Americans With Disabilities Act; the Family and Medical Leave Act of 1993; the Kansas Acts Against Discrimination; the Kansas Age Discrimination in Employment Act; the Fair Labor Standard Act; any claims for wrongful discharge or breach of contract; severance; claims under worker’s compensation laws; or any other federal, state or local laws or regulations relating to employment and wages arising from events occurring prior to the date of execution of this Agreement. You agree that this Agreement includes a release of all claims based on theories of contract or tort (e.g., negligent or intentional infliction of emotional distress, defamation, assault, battery, false imprisonment, wrongful termination, etc.), whether based on common law or otherwise. The foregoing list is meant to be illustrative rather than exhaustive. Further, You declare that as of the date of this Agreement, You have not suffered any on the job or work-related accident, injury, occupational disease or disability whether temporary, permanent, partial or total.

YOU ACKNOWLEDGE AND AGREE THAT THIS RELEASE IS A FULL AND FINAL BAR TO ANY AND ALL CLAIMS OF ANY TYPE THAT YOU MAY NOW HAVE AGAINST ANY OF THE RELEASED PARTIES.

4. You waive the rights and claims set forth above, and also agree not to institute, or have instituted, a lawsuit against any of the Released Parties on any such claims or rights or to submit or file any charges, claims, complaints or actions with any agency, court, organization, or judicial forum. You further acknowledge and agree that with respect to the rights and claims You are waiving, You are waiving not only your right to recover money or any other relief action You might commence, but also your rights to recover any action brought on your behalf by any other party, including, but not limited to the United States Equal Employment Opportunity Commission or any other federal, state, or local governmental agency or department.
5. Notwithstanding the foregoing, this Release shall not constitute any release or waiver of any claims for retirement benefits, insurance or welfare benefits or any other benefits of employment with Seaboard which accrued or arose prior to the date your employment ended and in which You are vested.
6. The parties to this Agreement agree that nothing in this Agreement is an admission by any party hereto of any wrongdoing, either in violation of an applicable law or otherwise, and that nothing in this Agreement is to be construed as such by any person.
7. You and Seaboard agree that neither will publicize this Agreement either directly or indirectly, either in specific or as to general content, to either the public generally, to any employee of Seaboard or to any other person.
8. You hereby acknowledge that You have been advised to consult an attorney, and that You fully understand the Agreement and the effect of signing the Agreement. You further represent, declare and agree that You voluntarily accept the payment described above for the purposes of making a full and final compromise, adjustment and settlement of all claims hereinabove described.
9. The foregoing Agreement, together with your Employment Agreement, constitutes the entire agreement among the parties and there are no other understandings or agreements, written or oral, between them on the subject. Separate copies of this document shall constitute original documents which may be signed separately, but which together will constitute one single agreement.
10. You covenant and agree as follows:
  - a. You shall protect and safeguard the trade secrets and confidential and proprietary information of Seaboard and its parent and subsidiaries and affiliate companies, including, but not limited to, the identity of its customers and suppliers, its arrangements with customers and suppliers, and its technical and financial data, records, compilations of information, processes and specification relating to its

customers, suppliers, products and services;

- b. You shall not disclose any of such trade secrets and confidential and proprietary information;
  - c. You shall not use, directly or indirectly, for your own benefit or for the benefit of another, any of such trade secrets and confidential and proprietary information; and
  - d. You agree not to make any disparaging comment in any format, whether written, electronic or oral, to any customer, employee, the press or any other individual or entity regarding Seaboard that relates to Seaboard's business or related activities or the relationship between the parties.
11. All files, records, documents, drawings, specifications, memoranda, notes, or other documents relating to the business of Seaboard, whether prepared by You or otherwise coming into your possession, shall be the exclusive property of Seaboard, and shall be delivered to Seaboard and not retained by You for any reason whatsoever. It is expressly agreed that the remedy at law for the breach of any such covenant is inadequate and injunctive relief shall be available to prevent the breach or any threatened breach thereof.
12. You acknowledge that You have been given at least twenty-one (21) days within which to consider this Agreement before its execution. You agree that any changes made to this Release (whether material or not) must be made in writing, be signed and dated by both parties, and does not restart the running of the twenty-one (21) day period. This Agreement shall not become effective until seven (7) calendar days after the date of execution. During this seven (7) day period, You may revoke the Agreement. After said seven (7) day period, You acknowledge that this Agreement becomes final and binding.
13. This Agreement shall be construed and governed by the laws of the State of Kansas.

THE PARTIES HAVE READ, UNDERSTOOD AND FULLY CONSIDERED THIS RELEASE AND DISCHARGE OF ALL CLAIMS, AND ARE MUTUALLY DESIROUS OF ENTERING INTO SUCH RELEASE AND DISCHARGE OF ALL CLAIMS. THE TERMS OF THIS RELEASE AND DISCHARGE OF ALL CLAIMS ARE THE PRODUCT OF MUTUAL NEGOTIATION AND COMPROMISE BETWEEN THE PARTIES, HAVING ELECTED TO EXECUTE THIS RELEASE AND DISCHARGE OF ALL CLAIMS, TO FULFILL THE PROMISES SET FORTH HEREIN, AND TO RECEIVE THEREBY THE COMPENSATION SET FORTH IN THE EMPLOYMENT AGREEMENT. THE PARTIES FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, VOLUNTARILY ENTER INTO THIS RELEASE AND DISCHARGE OF ALL CLAIMS.



**SEABOARD CORPORATION  
CASH BALANCE EXECUTIVE RETIREMENT PLAN  
AMENDED AND RESTATED  
EFFECTIVE AUGUST 1, 2020**

**SEABOARD CORPORATION  
CASH BALANCE EXECUTIVE RETIREMENT PLAN  
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**TABLE OF CONTENTS**

ARTICLE I. HISTORY AND PURPOSE	1
ARTICLE II. DEFINITIONS	1
2.1.    Accrued Benefit	1
2.2.    Board	1
2.3.    Change of Control	1
2.4.    Code	2
2.5.    Committee	2
2.6.    Company	2
2.7.    Disability	2
2.8.    Effective Date	2
2.9.    Eligible Spouse	3
2.10.   Event Payment Date	3
2.11.   Market Interest Rate	3
2.12.   Normal Retirement Date	3
2.13.   Participant	3
2.14.   Participation Date	3
2.15.   Plan	3
2.16.   Plan Administrator	3
2.17.   Plan Year or Year	3
2.18.   Related Company	3
2.19.   Separation Date	3
2.20.   Separation from Service	3
2.21.   SERP Actuarial Value	4
2.23.   Year	4
2.24.   Years of Service	4
ARTICLE III. PARTICIPATION	4
3.1.    Participation Date	4
3.2.    Cessation of Participation	5
3.3.    Participation not Contract of Employment	5
3.4.    SERP Plan	5
ARTICLE IV. RETIREMENT BENEFITS	5
4.1.    Determination of Accrued Benefit	5
4.2.    Annual Allocation to Cash Balance Account	5
4.3.    Final Cash Balance Account Allocation	5
4.4.    Interest Allocation to Cash Balance Account	6

4.5.	Tax Distributions	6
ARTICLE V. PAYMENT OF BENEFITS		6
5.1.	Fully Vested Benefits	6
5.2.	Forfeitures	7
5.3.	Payment of Lump Sum	7
5.4.	Death Benefit	7
5.5.	Determination of Beneficiary	7
ARTICLE VI. FUNDING		8
6.1.	Unfunded Plan	8
ARTICLE VII. WITHHOLDING OF TAXES		8
7.1.	Tax Reporting	8
7.2.	Tax Withholding	8
ARTICLE VIII. PLAN ADMINISTRATOR		8
8.1.	Membership and Authority	8
8.2.	Delegation	9
8.3.	Information to be Furnished	9
8.4.	Plan Administrator's Decision Final	9
8.5.	Remuneration and Expenses	9
8.6.	Indemnification of Committee Member	9
8.7.	Resignation or Removal of Committee Member	9
8.8.	Interested Committee Member	10
ARTICLE IX. CLAIMS PROCEDURE		10
9.1.	Claim	10
9.2.	Denial of Claim	10
9.3.	Review of Claim	10
9.4.	Final Decision	10
ARTICLE X. AMENDMENTS OR TERMINATION OF THE PLAN		10
10.1.	General	10
10.2.	Amendments for Compliance with Laws	11
10.3.	Automatic Changes in Interest Rate and Mortality Assumptions	11
ARTICLE XI. MISCELLANEOUS		11
11.1.	Captions	11
11.2.	Company Action	11
11.3.	Company Records	11
11.4.	Evidence	12
11.5.	Gender and Number	12
11.6.	Governing Law	12

11.7.	Non-Assignability	12
11.8.	Participant Cooperation	12
11.9.	Successors	12
11.10.	Unsecured General Creditor	13
11.11.	Validity	13
11.12.	Waiver of Notice	13

**SEABOARD CORPORATION  
CASH BALANCE EXECUTIVE RETIREMENT PLAN  
AMENDED AND RESTATED  
EFFECTIVE AUGUST 1, 2020**

**ARTICLE I.  
HISTORY AND PURPOSE**

Seaboard Corporation (the “Company”) adopted the Cash Balance Executive Retirement Plan (the “Plan”) effective as of January 1, 2009. The Company previously adopted the Seaboard Corporation 409A Executive Retirement Plan (the “SERP Plan”), amended and restated effective January 1, 2009. The SERP Plan was further amended and restated effective January 1, 2013. Section 457A of the Internal Revenue Code of 1986, as amended (the “Code”) provides for adverse tax consequences to the employees of certain foreign affiliates of the Company participating in the SERP Plan. Accordingly, the Participants in the SERP Plan listed on the Addendum A attached hereto were removed as Participants from the SERP Plan, and became Participants under this Plan. The purpose of this Plan is to provide a supplemental retirement benefit to the Participants which is substantially similar to the benefits that would have been provided to said Participants under the SERP Plan.

The Plan was Amended and Restated effective January 1, 2013. The Plan is now further amended and restated as provided herein, effective August 1, 2020.

The Plan is intended to satisfy the requirements of Code Section 457A. The Plan shall be interpreted and administered in a manner consistent with this intent.

**ARTICLE II.  
DEFINITIONS**

For the purpose of this Plan, the following words and phrases shall have the meaning indicated, unless the context clearly indicates otherwise:

**2.1. Accrued Benefit** means a Participant’s benefit determined as of a particular time under the provisions of this Plan.

**2.2 Board** means the Board of Directors of Seaboard Corporation.

**2.3. Change of Control** means an event or transaction described below; provided, however, an event or transaction described below will not be a Change of Control for purposes of a payment event under the Plan unless it constitutes a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the assets of the Company, within the meaning of Code Section 409A(a)(2)(A)(v):

- (a) The acquisition by any unrelated person or entity of more than fifty percent (50%) of either the outstanding shares of common stock or the combined voting power of the Company’s then outstanding voting securities entitled to vote generally in the election of directors;

- (b) The sale to an unrelated person or entity of Company assets that have a total gross fair market value of more than eighty-five percent (85%) of the total gross fair market value of all of the assets of the Company immediately prior to such sale;
- (c) The acquisition, whether by reorganization, merger, consolidation, purchase or similar transaction, by any person or entity or more than one person or entity acting as a group of more than fifty percent (50%) of the outstanding shares of stock of the Company or the combined voting power entitled to vote generally in the election of directors of the Company or the entity in which the Company was reorganized, merged or consolidated into;
- (d) The acquisition by any person or entity (other than by any descendant of Otto Bresky, Senior or any trust established primarily for the benefit of any descendant of Otto Bresky, Senior or any other related person (including spouses) or entity) of more than fifty percent (50%) of either the membership interests or the combined voting power of Seaboard Flour, LLC and SFC Preferred LLC (or any successor-related companies) at any time when Seaboard Flour, LLC and/or SFC Preferred LLC or any successor-related companies collectively own fifty percent (50%) or more of the Company.

For purposes of determining whether there has been a Change of Control under this Section 2.3, the attribution of ownership rules under Code Section 318(a) shall apply. Also for purposes of determining whether there has been a Change of Control, “Company” means only Seaboard Corporation and any successors to the business of Seaboard Corporation.

**2.4. Code** means the Internal Revenue Code of 1986, as amended from time to time. References to any Section of the Internal Revenue Code shall include any successor provision thereto.

**2.5. Committee** means the committee, if any, appointed to administer this Plan pursuant to ARTICLE VIII.

**2.6. Company** means Seaboard Corporation, a Delaware corporation, and any of its subsidiaries or affiliates that are participating in this Plan, and any successors to the business of Seaboard Corporation and such participating subsidiaries or affiliates.

**2.7. Disability** means a period in which the Participant is (a) unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than six (6) months; or (b) by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than six (6) months, receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan sponsored by the Company.

**2.8. Effective Date** means the effective date of this Plan, which is August 1, 2020.

**2.9. Eligible Spouse** means the spouse of a Participant to whom the Participant was married on the date payment of the Participant's vested Accrued Benefit commences, or, if earlier, on the date of the Participant's death. The length of the marriage prior to either of such dates shall not be taken into consideration.

**2.10. Event Payment Date** has the meaning given to such term in Section 4.3.

**2.11. Market Interest Rate** shall mean for each Year the equivalent annual rate of the Moody's AA Long Term Corporate Bond Yield Index, as of the first day of such Year in which the index is published, or such other rate which is established by the Committee from time to time.

**2.12. Normal Retirement Date** means the first day of the calendar month coinciding with or next following date the Participant attains age sixty-two (62).

**2.13. Participant** means any individual who is designated as a Participant in the Plan as provided in Section 3.1 and who has not ceased to be a Participant under Section 3.2.

**2.14. Participation Date** means the date an employee becomes a Participant, as provided in Section 3.1. The Participation Date of each Participant shall be stated on Addendum A.

**2.15. Plan** means the Seaboard Corporation Cash Balance Executive Retirement Plan as set forth herein and as amended from time to time.

**2.16. Plan Administrator** means the Committee, if any, but if at any time there is no Committee acting hereunder then the Plan Administrator will be Seaboard Corporation.

**2.17. Plan Year or Year** means the twelve (12) month period beginning January 1 and ending December 31.

**2.18. Related Company** means any corporation which is a member of a controlled group of corporations (as defined in Code Section 414(b)) that includes the Company or any corporation or other entity with whom the Company is considered a single employer under Code Section 414(c).

**2.19. Separation Date** means the date the Participant has a Separation from Service.

**2.20. Separation from Service** means the Participant's termination of employment with the Company. Whether a termination of employment has occurred shall be determined based on whether the facts and circumstances indicate the Participant and Company reasonably anticipate that no further services will be performed by the Participant for the Company; provided, however, that a Participant shall be deemed to have a termination of employment if the level of services he or she would perform for the Company after a certain date permanently decreases to no more than twenty percent (20%) of the average level of bona fide services performed for the Company (whether as an employee or independent contractor) over the immediately preceding thirty-six (36) month period (or the full period of services to the Company if the Participant has been providing services to the Company for less than 36 months). For this purpose, a Participant is not treated as having a Separation from Service while he or she is on a military leave, sick leave, or other bona fide leave of absence, if the period of such leave does not exceed six (6) months, or if longer, so

long as the Participant has a right to reemployment with the Company under an applicable statute or by contract. Where used in this Section 2.21, the term Company includes any Related Company.

**2.21. SERP Actuarial Value** means, with respect to each Participant, the amount which would have been such Participant's Actuarial Value under the SERP Plan if Participant had remained a Participant in such SERP Plan through the date as of which the SERP Actuarial Value is being determined pursuant to this Plan, but with the following revisions:

- (a) Final Average Earnings shall, unless otherwise provided in an agreement between the Participant and the Company, not exceed: (i) for Edward Gonzalez, one hundred percent (100%) of his 2011 Earnings; and (ii) with respect to any other Participant, one hundred fifty percent (150%) of such Participant's 2011 Earnings.
- (b) Years of Accrual Service, with respect to post-Participation Date Accrual Service, shall, unless otherwise provided in an agreement between a Participant and the Company, be limited to twenty (20) Years of Accrual Service from the Participation Date with respect to each respective Participant.
- (c) Actuarial Value shall mean the lump sum equivalent value as of the date a Participant's Accrued Benefit is being determined by using (i) the average annual interest rate on 30-year Treasury securities, as specified by the Commissioner of the Internal Revenue Service (the "Commissioner") for the thirty-six (36) month period ending on November immediately preceding the Plan Year in which such lump sum is being calculated; and (ii) the applicable mortality table used for purposes of satisfying the requirements of Code Section 417(e).
- (d) The Actuarial Value of each Tax Distribution pursuant to Section 4.5 below already made for such Participant shall be subtracted from the SERP Actuarial Value.

**2.22. SERP Plan** means the Seaboard Corporation 409A Executive Retirement Plan, adopted by Seaboard Corporation effective January 1, 1999, as amended and restated effective January 1, 2009, but not including the amendments made which are effective January 1, 2013.

**2.23. Year** means a calendar year.

**2.24. Years of Service** at any particular time means the Years of Service as defined in the SERP Plan.

### **ARTICLE III. PARTICIPATION**

**3.1. Participation Date.** Those persons who are set forth on Addendum A shall be Participants in the Plan on the Effective Date. There will be no other Participants in the Plan.

Such employee's Participation Date will be the date specified by the President of Seaboard Corporation.

**3.2. Cessation of Participation.** A Participant will cease to be a Participant when he no longer has an Accrued Benefit.

**3.3. Participation not Contract of Employment.** The Plan does not constitute a contract of employment, and participation in the Plan will not give any Participant the right to continue in the employ of or provide services to the Company, or interfere in any way with the right of the Company to terminate the employment of the Participant or give any right or claim to any benefit under the terms of the Plan unless such right or claim is specifically vested under the terms of the Plan.

**3.4. SERP Plan.** This Plan is provided to the Participants in lieu of any benefit under the SERP Plan. On the Effective Date, the Participants shall no longer have any benefit under the SERP Plan, whether or not accrued or vested, and in consideration of this Plan, such benefit and Participant's rights under said SERP Plan shall be terminated and void.

#### **ARTICLE IV. RETIREMENT BENEFITS**

**4.1. Determination of Accrued Benefit.** A Participant's Accrued Benefit is a benefit payable in the form of a lump sum payment made on the date described in Section 5.3 or Section 5.4 below, in an amount equal to the balance in the Cash Balance Account as of the Event Payment Date (as defined in Section 4.3 below). The Cash Balance Account for each Participant shall equal: (a) the SERP Lump Sum Actuarial Value, as shown on Addendum B attached hereto; plus/minus (b) the cumulative amount of all Annual Cash Balance Allocations made pursuant to Section 4.2 below; plus/minus (c) the Final Cash Balance Account Allocation made pursuant to Section 4.3 below; plus (d) the Interest Allocation made pursuant to Section 4.4 below; less (e) the sum of all Tax Distributions made pursuant to Section 4.5 below.

**4.2. Annual Allocation to Cash Balance Account.** Approximately thirty (30) days prior to the end of each Year, the Company shall cause its actuary to calculate the SERP Actuarial Value as of the year. To the extent the SERP Actuarial Value is more than the then Cash Balance Account (taking into account the Interest Allocation and the Tax Distribution to be made pursuant to Sections 4.4 and 4.5 below) (the "Deficiency"), there shall be added to the Cash Balance Account an amount equal to the Deficiency. To the extent the SERP Actuarial Value is less than the then Cash Balance Account (taking into account the Interest Allocation and the Tax Distribution, if any, to be made pursuant to Sections 4.4 and 4.5 below) (the "Surplus"), there shall be deducted from the Cash Balance Account an amount equal to the Surplus (the amount added to or deducted from the Cash Balance Account pursuant to this Section 4.2 being hereinafter referred to as the "Annual Cash Balance Allocation").

**4.3. Final Cash Balance Account Allocation.** As soon as practicable after the earliest to occur of: (a) the date for payment of the Accrued Benefit set forth on Addendum A attached hereto; (b) a Participant's Separation of Service; (c) a Participant's Disability; (d) a Participant's death; or (e) a Change of Control (each, an "Event Payment Date"), the Company shall cause its

actuary to calculate the SERP Actuarial Value as of the Event Payment Date. To the extent the SERP Actuarial Value is more than the then Cash Balance Account (taking into account the Interest Allocation to be made pursuant to Section 4.4 below) (the "Final Deficiency"), there shall be added to the Cash Balance Account an amount equal to the Final Deficiency. To the extent the SERP Actuarial Value is less than the then Cash Balance Account (taking into account the Interest Allocation to be made pursuant to Section 4.4 below) (the "Final Surplus"), there shall be deducted from the Cash Balance Account an amount equal to the Final Surplus (the amount being added to or deducted from the Cash Balance Account pursuant to this Section 4.3 being hereinafter referred to as the "Final Cash Balance Allocation").

**4.4. Interest Allocation to Cash Balance Account.** Simple interest shall accrue on the amount of the Cash Balance Account at the Market Interest Rate. Such interest shall be allocated to the account as of the end of each Year and as of the Event Payment Date in connection with the Final Cash Balance Allocation (the "Interest Allocation").

**4.5. Tax Distributions.** To the extent there is an amount includible in income by reason of Section 457A of the Code, the Company shall pay to each Participant before the end of each Year an amount equal to the product of: (a) the Tax Distribution Percentage (as defined below); and (b) the sum of the Annual Cash Balance Allocation and the Interest Allocation for such Year included in income under Section 457A of the Code, provided such sum is positive, representing the estimated federal and state taxes the Participant will incur as a result of said allocations (the "Annual Tax Distribution").

In connection with any reporting of the SERP Lump Sum Actuarial Value as income on the W-2 of a Participant pursuant to Section 7.1 below, the Company shall pay to such Participant a payment of the Tax Distribution Percentage of the amount of the SERP Lump Sum Actuarial Value, representing the estimated federal and state income taxes the Participant will incur as a result of said reporting (the "SERP Tax Distribution") (the sum of the Annual Tax Distributions and the SERP Tax Distribution are collectively referred to as the "Tax Distributions"). The SERP Tax Distribution shall be made from Annual Cash Balance Allocations made for Years of Accrual Service accruing after 2008.

For purposes of this Agreement, the Tax Distribution Percentage for each Participant shall initially be as set forth on Addendum B. The Company may increase or decrease the Tax Distribution Percentage for any Year and participant by a notice to each Participant.

## **ARTICLE V. PAYMENT OF BENEFITS**

**5.1. Fully Vested Benefits.** A Participant will be fully vested in the Participant's Accrued Benefit upon the first to occur of:

- (a) The Participant's Normal Retirement Date if the Participant is an employee of the Company or a Related Company on the Participant's Normal Retirement Date; or

- (b) The Participant's Disability as determined by the Committee if such disability occurs while the Participant is an employee of the Company or a Related Company; or
- (c) The Participant's death while the Participant is an employee of the Company or a Related Company; or
- (d) The Participant's completion of five Years of Service; or
- (e) A Change of Control.

**5.2. Forfeitures.** If the Participant does not have a vested Accrued Benefit under the provisions of Section 5.1 upon the Participant's Separation Date, then the Participant's Accrued Benefit will be forfeited.

**5.3. Payment of Lump Sum.** The Participant's vested Accrued Benefit shall be paid in a lump sum payment as soon as administratively feasible in accordance with then applicable provisions of the Code upon the earlier of: (a) the date for payment of the Accrued Benefit set forth on Addendum A attached hereto; (b) the Participant has a Separation from Service; (c) there has been a Change of Control which occurs prior to the date the Participant has a Separation from Service; or (d) the Participant incurs a Disability prior to the date the Participant has a Separation from Service. Payment of all or a portion of the Accrued Benefit may be delayed by up to six (6) months in accordance with the then applicable provisions of the Code.

**5.4. Death Benefit.** If the Participant dies prior to the lump sum payment of Participant's Accrued Benefit, then the Participant's vested Accrued Benefit will be paid to the Participant's beneficiary as determined under Section 5.5 as soon as practical after the Participant's death in the form of a lump sum payment.

**5.5. Determination of Beneficiary.** Each Participant from time to time may designate any person or persons, trust, estate or charitable institution (who may be designated concurrently or contingently) to whom the Participant's vested Accrued Benefit under the Plan will be paid if the Participant dies prior to the lump sum payment of the Participant's Accrued Benefit. A beneficiary designation will be effective only if filed in writing with the Plan Administrator while the Participant is alive. The Participant's beneficiary will be the beneficiary designated on the last such written designation filed by the Participant prior to the Participant's death.

If a Participant fails to validly designate a beneficiary, then the Participant's beneficiary will be the Participant's Eligible Spouse, but if the Participant is not survived by an Eligible Spouse then the Participant's beneficiary will be the personal representative of the Participant's estate; provided, however, if the Participant does not otherwise have a probate estate, the Plan Administrator may pay the Participant's vested Accrued Benefit to such person or persons whom the Plan Administrator determines, in the Plan Administrator's sole and absolute discretion, would be the beneficiaries in a probate proceeding, and the Plan Administrator shall have no liability to any person for any such determination.

**ARTICLE VI.  
FUNDING**

**6.1. Unfunded Plan.** This Plan is an unfunded plan for income tax purposes and for purposes of Title I of ERISA. With the approval of the President or the Board, the Company may from time to time deposit assets in a trust established by the Company that is subject to the creditors of the Company but which assets must otherwise be used for the purpose of paying Accrued Benefits hereunder. In the event of a Change of Control, the Company will, as soon as practical following such Change of Control, deposit or cause to be deposited in such trust an amount sufficient (as determined by the Company's actuary for its Pension Plan) to pay all vested Accrued Benefits of the Participants as determined as of the first day following such Change of Control, to the extent such amounts are not payable within ninety (90) days of the Change in Control.

**ARTICLE VII.  
WITHHOLDING OF TAXES**

**7.1. Tax Reporting.** The W-2 prepared by the Company for Participants for each Year (and after the Event Payment Date) shall report the Annual Cash Balance Allocation (Final Cash Balance Allocation) and the Interest Allocation pursuant to Section 4.4 above, provided the net amount of said allocations is positive, to the extent such inclusion in income is required by Section 457A of the Code or otherwise. Notwithstanding the foregoing, a W-2 will not include any allocation pursuant to this Plan as income for a Participant until the Participant is fully vested in the Plan, and the W-2 for the Year in which the Participant becomes vested shall report all income through the end of the Year in which the Participant becomes vested.

In the event a Participant's Accrued Benefit has not been paid to such Participant before December 31, 2017, then the W-2 for such Participant for the year ended December 31, 2017 shall report as income the SERP Lump Sum Actuarial Value, to the extent such reporting is required by Section 457A of the Code.

**7.2. Tax Withholding.** The Company has the right to retain and withhold from any payment of benefits hereunder the amount of taxes required by any government to be withheld or otherwise be deducted and paid with respect to such payment.

**ARTICLE VIII.  
PLAN ADMINISTRATOR**

**8.1. Membership and Authority.** The Board will appoint, or delegate the appointment of, a Committee to act as Plan Administrator. In the event a Committee is acting as Plan Administrator, the Committee shall act by a majority of its members uninterested except to the extent it has delegated responsibilities hereunder. The Plan Administrator shall have the following powers, rights and duties in addition to those vested in it elsewhere in the Plan:

- (a) To adopt such rules of procedure and regulations as, in its opinion, may be necessary for the proper and efficient administration of the Plan and as are consistent with the provisions of the Plan.

- (b) To enforce the Plan in accordance with its terms and with such applicable rules and regulations as may be adopted.
- (c) To construe and interpret the Plan in the Plan Administrator's sole discretion, and to determine all questions arising under the Plan, including the power to determine the rights of Participants and their beneficiaries and the amount of their respective benefits.
- (d) To maintain and keep adequate records concerning the Plan and concerning its proceedings and acts in such form and detail as the Plan Administrator may decide.
- (e) To direct all payments of benefits under the Plan.

**8.2. Delegation.** In exercising its authority to control and manage the operation and administration of the Plan, the Plan Administrator may employ agents and counsel (who may also be employed by the Company) and delegate to them such powers as the Plan Administrator deems desirable.

**8.3. Information to be Furnished.** The Company shall furnish the Plan Administrator or its delegees such data and information as may be required. The records of the Company as to an employee's or Participant's period of employment, Separation from Service and the reason therefore, leave of absence and compensation will be conclusive on all persons unless determined to be incorrect.

**8.4. Plan Administrator's Decision Final.** Any interpretation of the Plan and any decision on any matter within the discretion of the Plan Administrator made in good faith is binding on all persons. A misstatement or other mistake of fact shall be corrected when it becomes known, and the Plan Administrator shall make such adjustment on account thereof as it considers equitable and practicable.

**8.5. Remuneration and Expenses.** No remuneration shall be paid to the Plan Administrator (or any Committee member) for services hereunder. All expenses of the Plan Administrator (or a Committee member) incurred in the performance of the administration of the Plan shall be reimbursed by the Company.

**8.6. Indemnification of Committee Member.** The Committee and the individual members thereof shall be indemnified by the Company against any and all liabilities, losses, costs, and expenses (including fees and expenses) of whatsoever kind and nature which may be imposed on, incurred by or asserted against the Committee or the members by reason of the performance of a Committee function if the Committee or such members did not act dishonestly or in willful or negligent violation of the law or regulations under which such liability, loss, cost or expense arises.

**8.7. Resignation or Removal of Committee Member.** A Committee member may resign at any time by giving ten (10) days' advance written notice to the Company and the other Committee members. The Company may remove a Committee member by giving advance written notice to him or her, and the other Committee members.

**8.8. Interested Committee Member.** A member of the Committee may not decide or determine any matter or question concerning his or her own benefits under the Plan.

## **ARTICLE IX. CLAIMS PROCEDURE**

**9.1. Claim.** Any person claiming a benefit, requesting an interpretation or ruling under the Plan, or requesting information under the Plan shall present the request in writing to the Committee which shall respond in writing as soon as practicable.

**9.2. Denial of Claim.** If the claim or request is denied, the written notice of denial shall be made within ninety (90) days of the date of receipt of such claim or request by the Committee and shall state:

- (a) The reason for denial, with specific reference to the Plan provisions on which the denial is based.
- (b) A description of any additional material or information required and an explanation of why it is necessary.
- (c) An explanation of the Plan's claim review procedure.

**9.3. Review of Claim.** Any person whose claim or request is denied or who has not received a response within ninety (90) days may request review by notice given in writing to the Committee within sixty (60) days of receiving a response or one hundred fifty (150) days from the date the claim was received by the Committee. The claim or request shall be reviewed by the Committee who may, but shall not be required to, grant the claimant a hearing. On review, the claimant may have representation, examine pertinent documents, and submit issues and comments in writing.

**9.4. Final Decision.** The decision on review shall normally be made within sixty (60) days after the Committee's receipt of a request for review. If an extension of time is required for a hearing or other special circumstances, the claimant shall be notified and the time limit shall be one hundred twenty (120) days after the Committee's receipt of a request for review. The decision shall be in writing and shall state the reasons and relevant plan provisions. All decisions on review shall be final and bind all parties concerned.

## **ARTICLE X. AMENDMENTS OR TERMINATION OF THE PLAN**

**10.1. General.** The Board may, at any time or times, amend the Plan, pursuant to written resolution adopted by the Board; provided, however, no amendment shall be effective to decrease or adversely affect the (i) amount of any Participant's Accrued Benefit as of January 1, 2013; (ii) the benefit that will accrue or be paid to such Participant; or (iii) subject to the last sentence of Section 10.3, the lump sum value of any Accrued Benefit under the Plan, unless the Participant agrees to such amendment, and no amendment may relieve the Company of its obligations under ARTICLE IV unless all of the Participants agree to such amendment. If, without a Participant's

consent, any amendment adversely affects or reduces a Participant's Accrued Benefit as of January 1, 2013, or in any way reduces the benefit that will accrue or be paid to the Participant under the Plan, then such purported amendment shall not apply to such Participant and the Plan provisions as in effect immediately before such amendment shall remain in effect for such Participant.

**10.2. Amendments for Compliance with Laws.** In addition to the preceding amendment authority of the Board, the appropriate officers of the Company are authorized to amend the Plan from time to time as they deem advisable for purposes of complying with any provisions of the Internal Revenue Code and Treasury Regulations and any other guidance issued by the Secretary of the Treasury; provided, however, in the event an amendment is made by the Board, the Committee or an authorized officer in order to conform the Plan to applicable changes in law which amendment results in a reduction to the Accrued Benefit or the benefit that will accrue or be paid to any Participant, the Company shall establish an alternative provision or plan that will provide benefits to such Participants that are substantially equal to the benefits reduced in this Plan as a result of such amendment. To be certain, if any such amendment to the Plan is made to conform the Plan to applicable law and this results in an increase in the federal, state or local income taxes payable upon receipt of the Accrued Benefit, the Company shall not establish an alternative provision or plan that will pay or reimburse Participants for such taxes.

**10.3. Automatic Changes in Interest Rate and Mortality Assumptions.** Notwithstanding any of the foregoing provisions in this ARTICLE X, it is understood that, as the formula to calculate a benefit under the SERP Plan and thus hereunder contains certain interest rate and mortality assumptions, which change from time to time, changes to such interest rate (such as an increase in the 30-year Treasury securities rate) or mortality assumptions which are otherwise in accordance with the SERP Plan as of January 1, 2013 but which may result in a reduction in absolute (but not actuarial) benefits are not considered to decrease or adversely affect the amount of a Participant's Accrued Benefit.

## **ARTICLE XI. MISCELLANEOUS**

**11.1. Captions.** The captions of articles, sections, paragraphs and subparagraphs of this Plan are for convenience only and shall not control or affect the meaning or construction of any of its provisions.

**11.2. Company Action.** Except as may be specifically provided herein, any action required or permitted to be taken by the Company may be taken on behalf of the Company by the President of the Company.

**11.3. Company Records.** Records of the Company as to an employee's or Participant's period of employment, Separation from Service and the reason therefore, leaves of absence, reemployment and compensation will be conclusive on all persons, unless determined by the Plan Administrator to be incorrect.

**11.4. Evidence.** Evidence required of anyone under the Plan may be by certificate, affidavit, document or other information which the person acting on it considers pertinent and reliable, and may be signed, made or presented by the proper party or parties.

**11.5. Gender and Number.** Where the context permits, words in the masculine gender shall include the feminine and neuter genders, the plural shall include the singular, and the singular shall include the plural.

**11.6. Governing Law.** Except to the extent governed by ERISA, the provisions of this Plan shall be construed and interpreted according to the laws of the state of Delaware.

**11.7. Non-Assignability.** Neither a Participant nor any other person shall have any right to commute, sell, assign, transfer, pledge, anticipate, mortgage or otherwise encumber, hypothecate or convey in advance of actual receipt the amounts, if any, payable hereunder, or any part thereof, which are, and all rights to which are, expressly hereby declared to be unassignable and nontransferable. No part of the amounts payable shall, prior to actual payment, be subject to seizure or separation for the payment of any debts, judgments, alimony or separate maintenance owed by a Participant or any other person, nor be transferable by operation of law in the event of a Participant's or another person's bankruptcy or insolvency.

**11.8. Participant Cooperation.** A Participant will cooperate with the Company by furnishing any and all information requested by the Company in order to facilitate the payment of benefits hereunder and such other action as may be requested by the Company.

**11.9. Successors.** The provisions of this Plan shall bind and inure to the benefit of the Company and its successors and assigns. The term successors as used herein shall include any corporate or other business entity which shall, whether by merger, consolidation, purchase or otherwise acquire all or substantially all of the business and assets of the Company, and successors of any such corporation or other business entity.

**11.10. Unsecured General Creditor.** Participants and their beneficiaries, heirs, successors, and assigns will have no secured interest or claim in any property or assets of the Company whether or not such assets are held in a trust that may be used for the purpose of paying benefits hereunder. For purposes of the Plan, any and all of the Company's assets shall be, and remain, the general, unpledged, assets of the Company. The Company's obligation under the Plan shall be merely that of an unfunded and unsecured promise of the Company to pay money in the future. No Company shall have any obligation under this Plan with respect to individuals other than that Company's employees.

**11.11. Validity.** In case any provision of this Plan shall be held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts hereof, but this Plan shall be construed and enforced as if such illegal and invalid provision had never been inserted herein.

**11.12. Waiver of Notice.** Any notice required under the Plan may be waived by the person entitled to notice.

The Company hereby agrees to the provisions of this Plan, and, in Witness Whereof, the Company causes this Agreement to be executed on this 22nd day of September, 2020.

**SEABOARD CORPORATION**

By: /s/ Robert L. Steer  
President

**ADDENDA**  
**TO**  
**SEABOARD CORPORATION**  
**CASH BALANCE EXECUTIVE RETIREMENT PLAN,**  
**AMENDED AND RESTATED**  
**EFFECTIVE AUGUST 1, 2020**

Following is a list of the Addenda to the Seaboard Corporation Cash Balance Executive Retirement Plan, Amended and Restated Effective August 1, 2020, which is filed with the Securities and Exchange Commission (“SEC”). Seaboard Corporation (“Seaboard”) undertakes to provide to the SEC the Addenda, as requested, subject to Seaboard’s right to request confidential treatment under the Freedom of Information Act.

Addendum A – Participants

Addendum B – Lump Sum Actuarial Value (as of January 1, 2009)

Seaboard Corporation

Summary of Perquisite for Personal Use of Seaboard Airplane  
(Effective September 22, 2020)

The Board of Directors of Seaboard Corporation has approved for the Chairwoman of the Board and each of the Named Executive Officers the right to use Seaboard's airplane for personal use. Ellen Bresky, Chairwoman of the Board, and Robert L. Steer, President, each have been allotted up to 20 hours of flight time per year for personal use. Each of the other Named Executive Officers has been allotted up to 10 hours of flight time per year for personal use.

For each recipient of this benefit, Seaboard will also pay the incidental fees and expenses incurred related to the flights, including ground transportation, as well as a "tax gross-up" of the estimated federal and state income taxes each will incur as a consequence of this benefit.

CERTIFICATIONS

I, Robert L. Steer, certify that:

1. I have reviewed this report on Form 10-Q of Seaboard Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 27, 2020

/s/ Robert L. Steer

Robert L. Steer  
President, Chief Executive Officer  
and Chief Financial Officer

*(principal executive officer and principal financial officer)*

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the filing of the Quarterly Report on Form 10-Q for the fiscal quarter ended September 26, 2020 (the Report) by Seaboard Corporation (the Company), the undersigned, as the Chief Executive and Chief Financial Officer of the Company, hereby certifies pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
- The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: October 27, 2020

/s/ Robert L. Steer  
Robert L. Steer  
President, Chief Executive Officer  
and Chief Financial Officer

*(principal executive officer and principal financial officer)*