

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 10-K**

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the fiscal year ended December 31, 2021

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**

**04-2260388**

*(State or Other Jurisdiction of  
Incorporation or Organization)*

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

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

**66202**

*(Address of Principal Executive Offices)*

*(Zip Code)*

Registrant's telephone number, including area code **(913) 676-8928**

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

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

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes  No

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

Accelerated filer

Non-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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

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

The aggregate market value of the 253,056 shares of Seaboard common stock held by nonaffiliates was approximately \$1,004,614,606, based on the closing price of \$3,969.93 per share on July 3, 2021, the end of Seaboard's most recently completed second fiscal quarter. As of January 31, 2022, the number of shares of common stock outstanding was 1,160,779.

**DOCUMENTS INCORPORATED BY REFERENCE**

Part III incorporates information by reference to the registrant's definitive proxy statement, to be filed with the Securities and Exchange Commission within 120 days after the close of the fiscal year ended December 31, 2021.

**SEABOARD CORPORATION**  
**FORM 10-K**  
**YEAR ENDED DECEMBER 31, 2021**  
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## PART I

### **Forward-looking Statements**

This report, including information included or incorporated by reference in this report, contains certain “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including with respect to the financial condition, results of operations, plans, objectives, future performance and business of Seaboard Corporation and its subsidiaries (“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 the projection of revenues, income or loss, capital expenditures, capital structure or other financial items;
- 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 sale price or market conditions for pork, agricultural commodities, biodiesel, 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 Commodity Trading and Milling (“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. Forward-looking statements are based only on Seaboard’s current beliefs, expectations and assumptions regarding its future financial condition, results of operations, plans, objectives, performance and business. 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 Form 10-K and in other filings Seaboard makes with the Securities and Exchange Commission (the “SEC”), including without limitation, the information under the items “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this Form 10-K, identifies important factors which could cause such differences.

## **Item 1. Business**

### **General Development of Business**

Seaboard Corporation and its subsidiaries (collectively, “Seaboard”) together comprise a diverse group of integrated companies with a broad global presence. Seaboard is primarily engaged in hog production and pork processing in the United States (“U.S.”); commodity trading and grain processing in Africa and South America; cargo shipping services in the U.S., Caribbean and Central and South America; sugar and alcohol production in Argentina; and electric power generation in the Dominican Republic. Seaboard also has an equity method investment in Butterball, LLC (“Butterball”), a producer and processor of turkey products.

Approximately 77% of the outstanding common stock of Seaboard is collectively owned by Seaboard Flour LLC and SFC Preferred, LLC. Ellen Bresky, the Chairwoman of the Board of Directors, and other members of the Bresky family, including trusts created for their benefit, own the equity interests of Seaboard Flour LLC and SFC Preferred, LLC, which are Delaware limited liability companies.

Seaboard continues to encounter challenges resulting from the COVID-19 pandemic and the related variants, mostly with labor shortages at certain of its locations. There still remains uncertainty about the expected duration and severity of the impact that the COVID-19 pandemic, including variants, will have on Seaboard’s operations and the global economy.

### **Description of Business**

#### **Principal Products and Services and Any Dependency**

**Pork Segment** - Seaboard, through its subsidiary Seaboard Foods LLC, is a vertically integrated pork producer that primarily produces and sells fresh and frozen pork products to further processors, foodservice operators, distributors and grocery stores. This segment sells to U.S. customers and exports to Japan, Mexico, China and numerous other foreign markets. During 2021, Seaboard raised approximately 88% of the hogs processed at its processing plant in Oklahoma, with the remaining hog requirements purchased primarily under contracts from independent producers. Seaboard’s hog production facilities consist of genetic and commercial breeding, farrowing, nursery and finishing buildings.

Seaboard has a 50% noncontrolling interest in Seaboard Triumph Foods, LLC (“STF”), which operates a pork processing plant located in Iowa, with a capacity to process approximately six million market hogs annually. Seaboard has agreements with STF and Triumph Foods, LLC (“Triumph”), an independent pork processor, to market substantially all pork products produced at STF’s and Triumph’s pork processing plants. Seaboard and Triumph supply a portion of the hogs processed at the STF plant. Seaboard’s revenues for its pork products are primarily based on a margin sharing arrangement that considers the average sales price, standard costs and the mix of products sold from the Seaboard, Triumph and STF pork processing plants. The Pork segment also has a 50% noncontrolling interest in Daily’s Premium Meats, LLC, which produces and markets raw and pre-cooked bacon using pork bellies sourced from Seaboard, Triumph and STF, at its locations in Utah, Montana and Missouri. In early 2022, Seaboard’s Pork segment sold to Triumph a 50% interest in Seaboard de Mexico USA LLC, its ham-boning and processing plant in Mexico, that has the current capacity to process 96 million pounds of ham annually.

The Pork segment produces biodiesel at facilities in Oklahoma and Missouri and is expected to begin producing renewable diesel at a new facility in Kansas in 2022. These products are produced from pork fat supplied by the Oklahoma pork processing plant and other animal fats and vegetable oils purchased from third parties and sold to fuel blenders for distribution.

**CT&M Segment** - Seaboard’s CT&M segment, which is managed under the name of Seaboard Overseas and Trading Group, is an integrated agricultural commodity trading, processing and logistics company. Seaboard’s CT&M segment has ownership interests in several non-consolidated affiliates to further its business strategies and partner with others that have expertise. Overall, the CT&M segment, including its affiliates, has facilities in 29 countries, primarily in Africa and South America. This segment sources, transports and markets approximately 14 million metric tons per year of wheat, corn, soybeans, soybean meal and other commodities. Also, Seaboard and its affiliates produce approximately six million metric tons of wheat flour, maize meal, manufactured feed and oilseed crush commodities per year in addition to other related grain-based products. This segment owns three vessels, but the majority of the trading business is transacted with chartered ships.

**Marine Segment** - Seaboard, through its subsidiary, Seaboard Marine Ltd., and various foreign affiliated companies and third-party agents, provides cargo shipping services in the U.S. and 26 countries in the Caribbean and Central and South America. The Marine segment’s primary operations are in Miami, Florida, and include a marine terminal and an off-port warehouse for cargo consolidation and temporary storage. Seaboard also makes scheduled vessel calls in

Brooklyn, New York; Houston, Texas; New Orleans, Louisiana; Philadelphia, Pennsylvania; Savannah, Georgia and various foreign ports in the Caribbean and Central and South America. The Marine segment uses a network of offices and agents to sell freight services. Seaboard's Marine segment capabilities allow transport by truck or rail of import and export cargo to and from various U.S. and foreign ports. This segment's fleet consists of 20 chartered and four owned vessels as of December 31, 2021, as well as dry, refrigerated, and specialized containers.

Sugar and Alcohol Segment - Seaboard, through its subsidiary, Seaboard Energías Renovables y Alimentos S.R.L., operates a vertically integrated sugar and alcohol production facility in Argentina. Seaboard supplies most of the raw material processed in this facility with sugarcane grown on land that it owns. The sugar is primarily marketed locally, with some exports to other countries. The alcohol is marketed to industrial users and sold as dehydrated alcohol to certain oil companies under the Argentine governmental bioethanol program, which requires alcohol to be blended with gasoline. The Sugar and Alcohol segment had two bioethanol customers that collectively represented 35%-48% of its total sales in each of the last three years. This segment also owns a 51-megawatt cogeneration power plant, which is fueled by the burning of sugarcane by-products, natural gas and other biomass, like woodchips.

Power Segment - Seaboard, through its subsidiary, Transcontinental Capital Corp. (Bermuda) Ltd., is an independent power producer generating electricity for the Dominican Republic power grid. It is not directly involved in the transmission or distribution of electricity and is exempt from regulations under the Public Utility Holding Company Act of 1938, as amended. Seaboard's Power segment owns two power barges, one of which is still under construction. The barge that began operations in 2012, commonly referred to as Estrella Del Mar II ("EDM II"), is capable of using natural gas or heavy fuel oil to produce up to 108 megawatts of electricity. The barge expected to be completed in 2022, commonly referred to as Estrella Del Mar III ("EDM III"), will have capacity to generate approximately 146 megawatts of electricity using gaseous fuels, including natural gas. Commercial operations of the new barge are expected to begin in 2022. Seaboard continues to explore strategic alternatives for the other barge, including a sale or relocation.

Turkey Segment - Seaboard has a 50% noncontrolling interest in Butterball, LLC ("Butterball"), a vertically integrated producer and processor of conventional, antibiotic-free and organic turkey products. Butterball is a national supplier to retail stores, foodservice outlets and industrial entities, and to a lesser extent, exports products to Mexico and other foreign markets. The Turkey segment had two retail customers that collectively represented approximately 28% of its sales in each of the last three years.

Other Businesses - Seaboard, through its subsidiary, Mount Dora Farms Inc., processes jalapeño peppers at its plant in Honduras, which are primarily shipped to and sold in the U.S.

See Note 13 to the consolidated financial statements for total revenue contributed by any class of similar products or services.

### **Competitive Conditions**

Competition in Seaboard's Pork segment comes from a variety of regional, national and international producers and processors and is based primarily on product quality, customer service and price. According to the trade publications *Successful Farming* and *Informa Economics*, Seaboard was ranked number three in hog production (based on sows in production) and number four in pork processing in the U.S. in 2021 (based on daily processing capacity, including Triumph's and STF's capacity).

Seaboard's CT&M segment faces competition from numerous traders around the world and imported grain-processed products or other local producers in the same industries.

Seaboard's Marine segment faces competition based on price, reliable sailing frequencies and customer service.

Seaboard's Sugar and Alcohol segment owns one of the largest sugar mills in Argentina and faces significant competition for sugar and alcohol sales in the local Argentine market. Sugar and alcohol prices in Argentina can fluctuate compared to world markets due to Argentine government price controls and protection policies.

Seaboard's Power segment primarily sells the power it generates to Dominican government-owned distribution companies at spot market rates. The Dominican government sets a cap on the electricity spot market prices and establishes the dispatch order of who sells into the power grid based on a merit list. To sell to the power grid, Seaboard competes with producers utilizing various types of fuel and generation technologies, including hydro, solar, wind, natural gas, heavy fuel oil or coal. Renewable energy producers and producers who have lower variable costs to operate may receive dispatch preference from the Dominican government. EDM III is expected to be more efficient than Seaboard's existing dual-fueled barge, EDM II, due to the latest technologies and use of gas turbines instead of engines.

Competition for the Turkey segment comes from a variety of regional and national producers and processors and is based primarily on product quality, customer service and price.

### **Resources Material to Business**

The Power segment and Turkey segment utilize material amounts of raw materials that are dependent on purchases from one supplier or a small group of dominant suppliers. The Power segment has entered into a long-term fuel supply agreement to ensure natural gas is available for expected operations. The Turkey segment purchases a significant portion of its feed and grain used in the manufacturing of feed for its turkeys in North Carolina from Seaboard's 50% partner in Butterball.

Also, Seaboard believes there is significant recognition of the trademarks identified below in the various industries Seaboard serves and by many of its customers. The Pork segment uses registered trademarks including, but not limited to, Seaboard Foods®, Seaboard Farms®, Seaboard Energy™, Prairie Fresh®, Prairie Fresh USA Prime®, Our Farms, Our Commitment®, St. Joe Pork®, and Cook-in Bag®. The CT&M segment uses registered trademarks including, but not limited to, Mothers Pride® and Zambia's Pride® in Zambia, Thunderbolt Flour® and Maid Marian® in Guyana, GMA® and Top Pain® in Ivory Coast, GMD® and Jarga® in Senegal, and Wayne® in Ecuador. The Marine segment uses the registered trademarks of Seaboard Marine® and Seaboard Solutions®. The Sugar and Alcohol segment markets sugar under the Chango® brand. The Turkey segment uses registered trademarks including, but not limited to, Butterball®, Carolina Turkey® and Farm to Family Butterball®. While Seaboard considers all of its intellectual and proprietary rights important, Seaboard believes its business as a whole is not materially dependent on any particular patent, trademark, license or other intellectual property right.

### **Seasonal Business**

The Turkey business is seasonal for whole birds and related products, with the holiday season driving the majority of those sales. Seaboard's other segments are not seasonally dependent to any material extent.

### **Governmental Regulations**

#### *Environmental Matters*

Seaboard's Pork segment and Turkey segment are subject to numerous federal, state and local laws and regulations relating to the environment, such as treatment of wastewater and air emissions, that require the expenditure of funds in the ordinary course of business. Seaboard's Pork and Turkey segments do not anticipate making expenditures for these purposes that, in the aggregate, would have a material effect on Seaboard's financial condition or results of operations. Seaboard's Marine and CT&M segments' vessels are subject to environment regulations related to global sulfur emissions requirements that require either low-sulfur fuel or equipment on vessels to reduce emissions. These recent requirements have increased fuel costs and charter-hire rates but have not had a significant impact on financial results. Seaboard's Power segment must receive permits from local authorities to operate, including environmental licenses among others, and these permits may be canceled or not renewed. The environmental license for EDM II currently runs through September 2023 and the environmental license for EDM III is still pending, but generally environmental licenses are for 2-5 years.

#### *Other Regulations*

As a company with global operations, Seaboard is subject to complex foreign and U.S. laws and regulations, including trade regulations, tariffs, import and export regulations and anti-bribery and corruption laws. Seaboard has policies and procedures in place to promote compliance with these laws and regulations. To date, Seaboard's compliance actions and costs relating to these laws, rules and regulations have not resulted in a material effect on Seaboard's financial condition or results of operations. Governmental regulations are subject to change, and accordingly, Seaboard is unable to assess the possible effect of compliance with future requirements or whether compliance with such regulations will materially impact Seaboard's business in the future.

### **Human Capital Resources**

Generally, each of Seaboard's segments operate autonomously to implement the human capital strategies that best meet the diverse needs of the segment's workforce, industry, competitive environment and the legal requirements of the countries it operates in. This may include developing location-specific employee benefits and human capital policies and practices. Although individual programs and benefits may vary from segment to segment or location to location, all segments align with Seaboard's core principles which emphasize physical wellness and safety, financial wellness, learning and development and global diversity and acceptance.

As of December 31, 2021, Seaboard had approximately 13,200 total employees, of whom approximately 6,700 were in the U.S. The Pork segment, which operates primarily in the U.S., employs approximately 6,000 employees. Substantially all of the Pork segment's processing plant's hourly employees are covered by a collective bargaining agreement that expires in 2026. The CT&M segment employs approximately 3,000 employees, primarily in Africa and South America.

In the Marine segment, approximately 38% out of its approximately 2,400 employees are located in the U.S., primarily in Florida and Texas. The Sugar and Alcohol segment employs approximately 1,200 employees in Argentina and substantially all of its hourly mill employees are covered by a collective bargaining agreement that renews in April of each year. The Power segment has approximately 230 employees in the Dominican Republic. Seaboard believes its relationships with its employees and their representative labor organizations are good.

In all operations, employees are critical to the success of Seaboard. Recruitment and retention continue to be a challenge for some of Seaboard's locations, including in the Pork segment. Currently 24% of the Pork segment's workforce is dependent upon employment visas in different production areas. In the CT&M segment, which has operations in developing countries, challenges associated with safety and political stability may exist from time to time, presenting challenges to identifying and retaining qualified expatriate personnel.

Physical wellness and safety of Seaboard's workforce at all locations is a top priority. Seaboard's decentralized management approach provides flexibility to adapt to the needs of the workforce at each location, including providing specialized protective gear or tools, worker safety trainings, education on healthy habits, exercise facilities on site, discounted gym memberships and offering health insurance and preventive care.

Flexible compensation and benefit strategies are developed by Seaboard's segments to attract and retain employees and reduce turnover and associated costs. Seaboard provides competitive pay, paid time off, holidays and other benefits depending upon location. In the Power segment, the company provides support for an employee co-op that offers savings accounts and loans to employees. The Pork and Power segments provide employee discounts on products produced such as meat and sugar.

Seaboard's companies also provide on-the-job training and various professional development opportunities. For example, employees in the Pork segment are eligible for tuition reimbursement and the segment has developed a comprehensive training program to promote internal employees to management positions.

Because Seaboard operates around the world, global diversity and acceptance at all of Seaboard companies is critical for continued success, including at the highest levels, where two of Seaboard's board of directors are female, including the chairperson.

#### **Available Information**

Seaboard's annual reports on Form 10-K, quarterly reports on 10-Q, current reports on 8-K and all amendments to those reports are available, free of charge, on its website at [www.seaboardcorp.com](http://www.seaboardcorp.com) as soon as reasonably practicable after such material is electronically filed with, or furnished to, the Securities and Exchange Commission ("SEC"). In addition, copies of Seaboard's SEC filings will be made available, free of charge, on written request. Seaboard does not intend for information contained in its website to be part of this Form 10-K.

### **Information About Seaboard's Executive Officers**

The following table lists the executive officers of Seaboard. Generally, executive officers are elected at the annual meeting of the Board of Directors following the Annual Meeting of Stockholders and hold office until the next such annual meeting or until their respective successors are duly chosen and qualified. There are no arrangements or understandings pursuant to which any executive officer was elected.

<u>Name (Age)</u>	<u>Positions and Offices</u>
Robert L. Steer (62)	President and Chief Executive Officer
David M. Becker (60)	Executive Vice President, General Counsel and Secretary
David H. Rankin (50)	Executive Vice President, Chief Financial Officer
Michael D. Trollinger (53)	Senior Vice President, Corporate Controller and Chief Accounting Officer
Ty A. Tywater (52)	Senior Vice President, Audit Services
Jacob A. Bresky (34)	Vice President, International
Benjamin R. Hodes (36)	Vice President, Finance
Adriana N. Hoskins (52)	Vice President and Treasurer
Elizabeth A. Loudon (57)	Vice President, Tax
John B. ("Brad") Warner (54)	Vice President, Human Resources
James T. Hubler (43)	Assistant Secretary
Zachery J. Holden (54)	Assistant Secretary
Emma A. Vacas Jacques (44)	Assistant Treasurer
Peter B. Brown (59)	President, Seaboard Foods LLC
David M. Dannov (60)	President, Seaboard Overseas and Trading Group
Edward A. Gonzalez (56)	President, Seaboard Marine Ltd.

Mr. Steer has served as President and Chief Executive Officer since July 2020. Prior to that, he served as Executive Vice President, Chief Financial Officer from April 2011 to December 2020.

Mr. Becker has served as Executive Vice President, General Counsel and Secretary since December 2020 and previously as Senior Vice President, General Counsel and Secretary since April 2011.

Mr. Rankin has served as Executive Vice President, Chief Financial Officer since December 2020. Prior to that, he served as Senior Vice President, Taxation and Business Development since April 2015.

Mr. Trollinger has served as Senior Vice President, Corporate Controller and Chief Accounting Officer since December 2020 and previously as Vice President, Corporate Controller and Chief Accounting Officer since March 2015.

Mr. Tywater has served as Senior Vice President, Audit Services since December 2020 and previously as Vice President, Audit Services since November 2008.

Mr. Bresky has served as Vice President, International since July 2020. Prior to that, he served in various roles with the Seaboard Overseas and Trading Group for more than seven years.

Mr. Hodes has served as Vice President, Finance since December 2020 and previously as Finance Director since December 2019. Prior to that, he served as Finance Manager since 2015.

Ms. Hoskins has served as Vice President and Treasurer since December 2020 and previously as Assistant Treasurer since 2006.

Ms. Loudon has served as Vice President, Tax since December 2020 and previously as Tax Director since January 2017. Prior to that, she served as Tax Manager since 2006.

Mr. Warner has served as Vice President, Human Resources since December 2020 and previously as Director of Human Resources since April 2019. Prior to that, he served as Director of Human Resources with the Seaboard Overseas and Trading Group for more than 12 years.

Mr. Hubler has served as Assistant Secretary since April 2019, and also serves as Vice President and General Counsel with Seaboard Foods LLC. He was the Associate General Counsel at Seaboard Corporation from October 2018 until January 2022 when he was named General Counsel of Seaboard Foods LLC. Prior to joining Seaboard Corporation, Mr. Hubler was Assistant Vice President, Legal at Dairy Farmers of America, Inc.

Mr. Holden has served as Assistant Secretary since June 2010, and also serves as Vice President and General Counsel with the Seaboard Overseas and Trading Group.



Ms. Vacas Jacques has served as Assistant Treasurer since January 2021 and previously as Treasury Director since July 2014.

Mr. Brown has served as President of Seaboard Foods LLC since January 2021. Prior to joining Seaboard Foods LLC, Mr. Brown was the Chief Operating Officer of Butterball, LLC for almost two years and President and Chief Operating Officer at High Liner Foods from 2014 to 2018.

Mr. Dannov has served as President of Seaboard Overseas and Trading Group since August 2006.

Mr. Gonzalez has served as President of Seaboard Marine Ltd. since January 2005.

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

### **Business and Operational Risks**

(1) International Operations May Present Certain Risks. Seaboard's international activities, some of which are in lesser-developed countries, pose risks not faced by companies that limit themselves to U.S. markets. These risks include:

- changes in foreign currency exchange rates, currency inconvertibility and devaluation;
- foreign currency exchange or retail price controls;
- hyperinflation;
- heightened customer credit and execution risk;
- border restrictions, tariffs, bilateral trade disputes, quotas, trade barriers, import or export licensing requirements and other trade protection measures;
- closing of borders by foreign countries to the import of products or other limitations on Seaboard's ability to access materials or ports, including due to animal disease or other perceived health or safety issues;
- changes in tax laws;
- legal and regulatory structures and unexpected changes in legal and regulatory requirements and any lawsuits that may arise;
- negative perception within a foreign country of a U.S. company doing business in that foreign country;
- compliance with laws and regulations for conducting international business such as Foreign Account Tax Compliance Act, Foreign Corrupt Practices Act and Office of Foreign Assets Control regulations;
- government instability, expropriation, confiscation, war, civil unrest, and corruption; and
- enforcement and compliance of local laws and remedies in foreign jurisdictions, including inconsistent application or enforcement, including tax laws.

Accordingly, revenues, operating income and cash flows from international operations could fluctuate significantly from year to year. In addition, border restrictions and foreign government policies and regulations could restrict the purchase of various commodities, reducing Seaboard's ability to access materials or ports, or limiting sales prices for products sold in local markets.

(2) Deterioration of Economic Conditions Could Adversely Affect the Business. Seaboard's business may be adversely affected by changes in national or global economic conditions, including inflation, interest rates (including the LIBOR phase-out in June 2023), availability of capital markets, consumer spending rates, energy availability and costs, supply chain and labor market disruptions, impacts caused by highly pathogenic disease outbreaks and other public health emergencies, including the COVID-19 pandemic and related variants, 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, or workforce availability, thereby negatively affecting Seaboard's business, financial condition and results of operations. For example, Seaboard is monitoring the continued impact of the COVID-19 pandemic and related variants, which has caused significant disruption to global financial markets, supply chains and labor markets. The significance of the operational and financial impact of COVID-19 and related variants to Seaboard will depend on future developments, which are uncertain and cannot be predicted. The 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 short-term investments used for liquidity and pension plan assets, causing losses that would adversely impact Seaboard’s net earnings; and
  - impair the financial viability of Seaboard’s insurers.
- (3) Seaboard’s Common Stock Is Thinly Traded and Subject to Daily Price Fluctuations. The common stock of Seaboard is closely held and thinly traded on a daily basis on the NYSE American. Seaboard Flour LLC and SFC Preferred, LLC, which are beneficially owned by the Bresky family, hold approximately 77% of Seaboard’s outstanding common stock. Accordingly, the price of a share of Seaboard common stock could fluctuate more significantly from day-to-day than that of a share of more widely held stock that is actively traded on a daily basis.
- (4) Decentralization May Present Certain Risks. Seaboard’s operations are relatively decentralized in comparison with its peers. While Seaboard executive management believes this practice enables it to remain responsive to risks, opportunities and to customers’ needs, it necessarily places significant control and decision-making powers in the hands of local management. This presents various risks, including the risk that executive management may be slower or less able to identify or react to problems affecting a key business than in a more centralized environment. In addition, it means that Seaboard may be slower to detect compliance related problems (e.g., a rogue employee undertaking activities that are prohibited by applicable law or Seaboard’s internal policies) and that “company-wide” business initiatives, such as the integration of disparate information technology systems, are often more challenging and costly to implement, and their risk of failure higher, than they would be in a more centralized environment. Depending on the nature of the problem or initiative in question, such failure could materially adversely affect Seaboard’s business, financial condition or results of operations.
- (5) Investments in Non-Consolidated Affiliates May Present Certain Risks. Seaboard has several equity method investments in which it owns 50% or less, with various third-party business partners owning the remaining equity. Due to the ownership structure of these affiliates, Seaboard participates in board of director’s or comparable governing body’s decisions, but does not control the decision-making processes and could be exposed to various business risks if the business partners’ business decisions do not align with Seaboard’s best interests, which could adversely impact the results for Seaboard’s income (loss) from affiliates.
- (6) Cyber-Attacks or Cybersecurity Breaches Could Adversely Affect the Business. Seaboard may be adversely impacted if it is unable to protect its information technology systems against, or effectively respond to, cyber-attacks or cybersecurity breaches. Seaboard may also be adversely impacted if third parties on whom Seaboard relies are unable to similarly protect their information technology systems. Attempted cyber-attacks and other cyber incidents are occurring more frequently and are being made by groups and individuals with a wide range of motives and expertise. Any significant penetration, invasion, destruction, or interruption of these systems could negatively impact operations and there is a risk of business interruption and reputational damage from the unauthorized disclosure of confidential information and a risk of loss to financial assets related to manipulated electronic communications. This includes additional costs for increased security, system remediation and breach detection. If Seaboard is unable to prevent such breaches or failures or if a third party on whom Seaboard relies is unable to prevent such breaches or failures, Seaboard’s operations could be disrupted or it could negatively impact Seaboard’s financial condition, results of operations and the market price of its common stock.

### **Industry Risks**

- (1) The Food Industry May Present Certain Risks. The food products manufacturing industry is subject to the risks posed by:
- food spoilage;
  - food contamination, including contamination caused by disease-producing organisms or pathogens, such as *Listeria monocytogenes*, *Salmonella*, *E coli* and *aflatoxin*;
  - food allergens;
  - adverse weather;
  - evolving consumer preferences and nutritional and health-related concerns;
  - international, federal, state and local food processing regulations;
  - consumer product liability claims;
  - product recall;
  - product tampering; and
  - public perception of food production practices, including handling of production and live animals.

Pathogens that may cause food contamination are found generally in livestock and in the environment and therefore may be present in Seaboard's products. These pathogens also can be introduced to Seaboard's products as a result of improper handling by customers or consumers. Seaboard does not have control over handling procedures once products have been shipped for distribution. If one or more of these risks were to materialize, Seaboard's brand reputation could be harmed, revenues could decrease, costs of doing business could increase, and Seaboard's operating results could be adversely affected.

- (2) Fluctuations in Commodity Prices May Present Certain Risks. Sales prices for many of Seaboard's products are directly affected by both domestic and worldwide supply and demand for commodities for products which it sells and competing products, all of which are determined by constantly changing market forces, as well as other factors, over which Seaboard has little to no control.
- In the Pork and Turkey segments, commodity pork prices demonstrate a cyclical nature over periods of years, reflecting changes in the supply of fresh meat and competing proteins on the market.
  - In the CT&M segment, fluctuating worldwide prices for wheat, corn, soybeans, soybean meal and, to a lesser degree, various other agricultural commodity products could also be caused by European flour exports, donated food aid, flour dumping practices and worldwide and local crop production.

These fluctuating market conditions could have a significant impact on Seaboard's sales, value of commodities held in inventory and operating income.

- (3) Difficulties Obtaining and Retaining Appropriate Personnel. Seaboard is dependent on having a sufficient number of properly trained operations personnel.
- In the Pork and Turkey segments, the nature of the work and remote locations at some processing plants and production operations, along with restrictive national policy on immigration, have affected and could continue to negatively affect the availability and cost of labor.
  - In the CT&M segment, the loss of a key employee such as a commodity trader could have a negative impact resulting from the loss of revenues as personal customer relationships can be vital to obtaining and retaining business with various foreign customers. Also, employing and retaining qualified expatriate personnel at the mills and other operating facilities are key elements to success given the difficult living conditions, the unique operating environments and the reliance on a relatively small number of executives to manage individual locations.

The geographic areas in which Seaboard operates have also experienced labor shortages resulting in higher labor costs. The inability to acquire and retain the services of such personnel, or increased costs associated with the acquisition and retention of such personnel, could have a material adverse effect on Seaboard's operations.

- (4) Disruption of Operations at Co-packers or Other Suppliers Could Adversely Affect the Business. Disruption of operations at co-packers or other suppliers may impact Seaboard's product or raw material supply. Additionally, actions taken to mitigate the impact of any potential disruption, including increasing inventory in anticipation of a potential production or supply interruption, may also adversely affect Seaboard's financial results.
- (5) Ocean Transportation May Present Certain Risks. Seaboard's owned and chartered vessels along with related cargoes are at risk of being damaged, lost or incurring excess cost because of events such as:
- inclement weather;
  - mechanical failures;
  - grounding, fire, explosions and collisions;
  - human error;
  - war, piracy and terrorism; and
  - port access and congestion.

Any of these hazards could result in death or injury to persons, loss of property, environmental damages, delays or rerouting. If one of Seaboard's vessels were involved in an incident, the resulting negative public perception could have a material adverse effect on Seaboard's business, financial condition and results of operations. Also, many aspects of the shipping industry are subject to extensive governmental regulations. Compliance with applicable laws, regulations and standards may require installation of costly equipment or operational changes, while the failure to comply may result in administrative and civil penalties, criminal sanctions, the suspension or termination of Seaboard's operations or detention of its vessels.

- (6) Fluctuations in Fuel Costs Could Adversely Affect the Business. Fuel expenses are a large expense for the Marine segment and also impact the CT&M segment's results. Fuel prices can vary greatly from year to year. While such fluctuations may be offset through fuel surcharges or other mechanisms, such mechanisms do not act with precision in terms of timing and amount and may not adjust revenues enough to offset the increase in costs.

## Legal and Regulatory Risks

- (1) Operations Are Subject to General Risks of Litigation. Seaboard is involved on an ongoing basis in litigation arising in the ordinary course of business. Trends in litigation may include class actions involving employees, consumers, competitors, suppliers, shareholders, or injured persons, and claims relating to product liability, contract disputes, antitrust regulations, intellectual property, advertising, labeling, wage and hour laws, employment practices or environmental matters. Litigation in certain countries carries additional risk due to lack of transparency in judiciaries. Neither litigation trends nor the outcomes of litigation can be predicted with certainty and adverse litigation trends and outcomes could negatively affect Seaboard's financial results.
- (2) Operations Are Subject to Complex Laws and Regulations. Federal, state and local laws, and domestic and international regulations governing worker health and safety, food safety and animal health and welfare, port and terminal security and the operation of vessels, including fuel regulations, significantly affect revenues, costs and the manner or feasibility of doing business. Some requirements applicable to Seaboard may also be enforced by citizen groups.
  - In the Pork segment, select states have implemented varying standards related to the required living conditions for breeding sows. Some laws apply to animals grown in the state of enactment while, more recently, several states have enacted laws that prohibit the sale of meat from non-compliant animals grown in any of the fifty states or foreign countries. Diversity of standards for housing sows requires each producer to implement separate record keeping to track compliant animals through the growing process to the processing plant, and finished products from the processing plant to third-party purchasers. Such laws can also impose civil and criminal penalties for failing to comply. Animal production assets have long expected useful lives. The enactment of more stringent standards can impair the value of existing assets, increase the cost of production and distribution, lower the value of non-compliant products and/or disrupt the market for pork which could result in a reduction in the sales prices of pork products. Incrementally, strict growing standards could cause the creation of regional markets of compliant products or require the industry to build compliant assets for each market. For example, the state of California enacted the Farm Animal Confinement Initiative ("Proposition 12") which became fully effective January 1, 2022. Proposition 12 prohibits the sale within the state of certain uncooked pork produced from breeding sows or its offspring unless certain conditions are met, which Seaboard currently does not expect to meet until later in 2022. However, the ultimate impact of Proposition 12 to Seaboard is unknown, since the constitutionality of Proposition 12 has been challenged in lawsuits and the California Superior Court has issued a judgment declaring that Proposition 12 is not enforceable until 180 days after final regulations are issued, which has not occurred at the time of this filing. The volume of such pork sold into California accounted for approximately 5% of Seaboard's direct sales for the year ended December 31, 2021, in addition to indirect sales through further processor customers.
  - In the Marine segment, many aspects of the shipping industry, including rate agreements and vessel cost sharing agreements, are subject to extensive governmental regulation by the Federal Maritime Commission, the U.S. Coast Guard, and U.S. Customs and Border Protection, as well as regulation by private industry organizations. Compliance with applicable laws, regulations and standards may require the installation of costly equipment or operational changes. As an example, this segment may be adversely impacted by changes in vessel fuel consumption efficiency requirements. Certain ships, based on their capacity and other factors, may have to meet certain energy usage standards while sailing. The net effect could be that ships, particularly small ones which are less efficient on a twenty-foot equivalent unit basis, might need to reduce speed to consume less fuel.
  - In the Sugar and Alcohol segment, Seaboard's alcohol production facility is affected by Argentine government regulations regarding production quotas, fuel blends and sales prices in the bioethanol market.

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. In addition, future changes in laws, regulations and standards may result in additional costs or a reduction in revenues.

- (3) Operations Are Subject to Stringent Environmental Regulation and Potentially Subject to Environmental Litigation, Proceedings, and Investigations. Seaboard 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 the protection of the environment. Compliance with these laws and regulations, as well as any modifications, may be material to Seaboard's business.

### **Specific Pork Segment Risks**

- (1) Increases in Costs of This Segment's Feed Components and Third-Party Hog Purchases Could Adversely Affect Costs and Operating Margins. Feed costs are the most significant single component of the cost of raising hogs and could be materially affected by commodity price fluctuations for corn and soybean meal. The costs may also be impacted by inflation. The results of this segment could be negatively affected by increased costs of its feed components. Approximately 12% of this segment's slaughtered hogs were purchased from third parties during 2021, and commodity price fluctuations for hogs could have an impact on this segment's total costs. The cost and supply of feed components and the third-party hogs that this segment purchases are determined by constantly changing market forces of supply and demand, which are driven by matters over which this segment has no control, including inflation, weather, current and projected worldwide grain stocks and prices, grain export prices, subsidies and tariffs, and governmental agricultural policies. This segment attempts to manage certain of these risks through the use of commodity derivatives; however, this may also limit its ability to participate in gains from favorable commodity fluctuations. Unless wholesale pork prices correspondingly increase, increases in the prices of this segment's feed components or the cost of third-party hogs purchased would adversely affect this segment's operating margins.
- (2) The Loss or Closure of This Segment's Oklahoma Pork Processing Plant or the STF Plant Could Adversely Affect the Business. This segment is largely dependent on the continued operation at full capacity of its Oklahoma pork processing plant and the STF plant. The loss of or damage to either of these plants for any reason, including highly pathogenic disease outbreaks, fire, tornado or earthquake, or the occurrence of adverse governmental action could adversely affect the business of this segment and have a material adverse effect on Seaboard's liquidity and financial results. This segment provided approximately one-third of STF's hogs for processing during 2021 and also markets substantially all pork products produced.
- (3) Health Risk to Livestock Could Adversely Affect Production and the Supply of Raw Materials. Seaboard is subject to risks relating to its ability to maintain animal health and control diseases. The general health of the hogs and the reproductive performance of the sows could have an adverse impact on production and production costs, the supply of raw material to this segment's pork processing operations and consumer confidence. If this segment's hogs are affected by disease, Seaboard could be required to destroy infected livestock, which could adversely affect this segment's production or ability to sell or export its products. Moreover, the herd health of third-party suppliers could adversely affect the supply and cost of hogs available for purchase. Adverse publicity concerning any disease or health concern could also cause customers to lose confidence in the safety and quality of this segment's food products.
- (4) The Operating Profit of the Biodiesel and Renewable Diesel Production Facilities Could Be Adversely Impacted by Various Factors. The profitability of this segment's biodiesel and renewable diesel plants could be adversely affected by various factors, including the market price of pork fat, other animal fats and vegetable oils, all of which are utilized to produce biodiesel and renewable diesel, and the market price for biodiesel and renewable diesel, which is influenced by inflation, world oil prices and government mandates and incentives to use biofuels. Unfavorable changes in these prices over extended periods of time or adverse changes in government mandates and incentives to use biofuels could adversely affect this segment's results of operations and could result in the potential impairment of the recorded value of the property, plant and equipment related to these facilities. Also, the federal blender's credits are not permanent and may not be renewed beyond 2022.
- (5) Difficulties Could Be Experienced in the Start-up of the New Renewable Diesel Production Facility. Commercial operations at this segment's new renewable diesel production facility are expected to commence in the first quarter of 2022, but the timing could be delayed further, and full capacity expectations could take longer than planned. Difficulties encountered in the start-up of operations could have adverse effects on results of operations.

### **Specific Commodity Trading and Milling Segment Risks**

- (1) This Segment Uses a Material Amount of Derivative Products to Manage Certain Market Risks. The commodity trading portion of this segment enters into various commodity derivative and foreign exchange derivative transactions to create what management believes is an economic hedge for commodity trades it executes or intends to execute with its customers. Failure to execute or improper execution of a derivative position, or a firmly committed sale or purchase contract, or a speculative transaction that closes without the desired result or exposure to counter party risk could have an adverse impact on the results of operations and liquidity.

- (2) This Segment Faces Increasing Competition from Several Sources. This segment is experiencing increasing competition in certain foreign markets by well-capitalized originators, traders of commodities making sales directly to end-use customers and industrial-asset owners that compete in the same markets as this segment. If various competing raw-material originators refuse to sell commodities to Seaboard for sale in these foreign markets, it could be more challenging for this segment to purchase commodities for sale to its customers at competitive prices. Also, competition with imported products or other local producers impact this segment's industrial operations. This segment's sales volume and sale prices for commodities to customers, as well as results of operations, could be adversely impacted by such increased competition.

#### **Specific Marine Segment Risks**

- (1) This Segment's Services Are Affected by International Trade and Fluctuating Freight Rates. This segment provides cargo shipping services in the U.S. and in many different countries in the Caribbean and Central and South America. In addition to the risks of overseas operations, fluctuations in economic conditions, inflation and unstable or hostile local political situations in the countries in which this segment operates could affect trade volumes and cargo freight rates, as well as adversely affect this segment's results of operations.
- (2) Chartered Ships Are Subject to Fluctuating Rates and Availability. Time-charter expenses are one of this segment's largest expenses. These costs, and availability of ships, can vary greatly due to a number of factors including the worldwide supply and demand for shipping. It is not possible to determine in advance whether a long-term charter contract will be favorable to this segment's business. Accordingly, entering into either long-term charter hire contracts during periods of decreasing charter hire costs or short-term charter hire contracts during periods of increasing charter hire costs could have an adverse effect on this segment's results of operations. To improve cargo services on higher frequency routes and generate more capacity, this segment purchases space, also known as slots, on certain third-party operated vessels. It is expected that this segment will continue purchasing slots in the future, but these ship providers may not be reliable and cause shipment delays or other challenges.
- (3) Hurricanes or Other Adverse Weather Conditions May Disrupt Operations. This segment's port operations can be subject to disruption due to hurricanes or other adverse weather conditions, which could have an adverse effect on this segment's results of operations.

#### **Specific Sugar and Alcohol Segment Risks**

- (1) This Segment Depends on the Condition of the Argentine Economy, Currency and Political Climate. This segment operates a sugar mill, alcohol production and power generation facility in Argentina. Fluctuations in economic conditions or changes in the Argentine political climate could have an impact on the costs of operations, the sales prices of products, export opportunities and the exchange rate of the Argentine peso to the U.S. dollar. Local sales prices for retail sugar and bioethanol are affected by government price controls, and domestic prices for sugar are affected by import duties imposed by the Argentine government, impacting local volume sold, as well as imported and exported volumes to and from international markets. If import duties are changed, this could have a negative impact on the sales prices of this segment's products. In addition, the majority of this segment's sales are within Argentina, and any Argentine government attempts to control inflation through retail price controls on mass consumption products, including sugar, could adversely impact the local sales prices of this segment's products and the results of operations for this segment. In the second quarter of 2018, Argentina was determined to be a highly inflationary economy.
- (2) This Segment Is Subject to Weather, Crop Disease and Pests Risks. This segment may be adversely affected by numerous factors over which this segment has little or no control, including adverse weather and growing conditions, pest and disease problems. Of these risks, weather particularly could adversely affect the amount and quality of the sugarcane produced by this segment and its competitors located in other regions of Argentina.
- (3) The Loss or Closure of This Segment's Sole Processing Facility Would Adversely Affect the Business. This segment is largely dependent on the continued operation of a single sugar mill. The loss of or damage to this mill for any reason, including highly pathogenic disease outbreaks, fire, tornado or earthquake, or the occurrence of adverse governmental action or labor unrest resulting in labor strikes could adversely affect the business of this segment.
- (4) Labor Relations Challenges Could Adversely Affect Operations. This segment is dependent on unionized labor at its single sugar mill in Argentina. The political and economic environment in Argentina makes labor relations very challenging. Contributing to the situation are the historical policies of Argentina's government and the failure of the Argentine courts to enforce contractual obligations with unions and basic property rights. Interruptions in production as a result of labor unrest could adversely impact the quantity of sugarcane harvested

and the amount of sugar, alcohol and power produced and could interfere with the distribution of products stored at the facility.

### **Specific Power Segment Risks**

- (1) This Segment's Services Are Affected by Competition from More Efficient Energy Producers. This segment sells the power it generates primarily to government-owned distribution companies, and the government can decide which power units will be able to operate. Typically, dispatch is done based on a merit list with lower-cost power plants dispatched before those with higher costs. More efficient power producer competitors, such as from renewable energy, including hydro, solar, and wind, or other nonrenewable energy sources like coal, are less costly to operate, and could cause the demand for this segment's energy to decline and the spot market rates to decline as well, which will adversely affect this segment's results of operations.
- (2) Difficulties Could Be Experienced in the Start-up of the New Power Generating Barge. Commercial operations at this segment's new power generating barge, EDM III, are expected to commence in 2022, but not at full capacity. Timing could be delayed further, and full capacity expectations could take longer than planned. Difficulties encountered in the start-up of operations could have adverse effects on this segment's results of operations.
- (3) Supply of Natural Gas Is Limited in the Dominican Republic. Supply of natural gas in the Dominican Republic is limited to one primary supplier. EDM III will only operate on natural gas, but EDM II can run on other types of fuel. Supply disruptions of natural gas could have an adverse impact on this segment's operating income.
- (4) This Segment Depends on the Condition of the Dominican Republic Economy, Currency and Political Climate. Fluctuations in economic conditions or changes in the Dominican Republic political climate could have an impact on the costs of operations, the sales prices of products and the exchange rate of the Dominican peso to the U.S. dollar. In addition to significant currency fluctuations and the other risks of overseas operations, this segment could experience difficulty in obtaining timely collections of trade receivables from the government-owned distribution companies or other companies that must also collect from the government in order to make payments on their accounts. Currently, the Dominican Republic does not allow a free market to enable prices to rise with demand as the supply is restricted due to insufficient cash flow from electric distributors and the subsidy the government provides, which could limit this segment's profitability. As a result, the government has the ability to arbitrarily decide which power units will be able to operate, which can ultimately determine spot market prices for electricity generated and sold into the power grid and, therefore, could have adverse effects on this segment's results of operations.
- (5) This Segment May Be Unable to Renew Certain Permits. This segment's barges are subject to various permitting requirements imposed by the Dominican government. A major risk inherent in this segment's operations is the need to renew permits, and any delay or failure to obtain a renewal permit could have a significant impact on this segment's operations.

### **Specific Turkey Segment Risks**

- (1) Increases in Costs of Butterball's Feed Components Could Adversely Affect Costs and Operating Margins. Feed costs are the most significant single component of the cost of raising turkeys and could be materially affected by commodity price fluctuations for corn, soybean meal and other commodity inputs, as well as inflation. Butterball's results may be negatively affected by increased costs of the feed components. Butterball attempts to manage some of these risks through the use of commodity derivatives; however, this may also limit its ability to participate in gains from favorable commodity fluctuations. Unless wholesale turkey prices correspondingly increase, increases in the prices of Butterball's feed components would adversely affect Butterball's results of operations and the value of Seaboard's investment in Butterball.
- (2) Adverse Operating Results or Inability to Renew Financing Could Result in Need for Raising Additional Capital. Butterball has third-party bank loan facilities that are secured by substantially all of the assets of Butterball. Adverse operating results could cause Butterball to default on such loan facilities or cause lenders to not renew or extend existing financing, which could result in a significant adverse impact on Butterball's financial position. As a result, Seaboard or other investors may need to make additional capital investment or provide financing to Butterball, which could adversely impact Butterball's results of operations, liquidity position or negatively impact the value, or cause dilution, of Seaboard's investment in Butterball.
- (3) Decreased Perception of Value in the Butterball Brand and Changes in Consumer Preferences Could Adversely Affect Sales Quantity and Price of Butterball Products. Butterball is a premium brand name, built on a long history of offering quality products that has been differentiated in the market. The value of the Butterball brand allows for sales of a higher unit price for certain products compared to other turkey providers. In order to maintain

this advantage, Butterball must continue to support the brand with successful marketing efforts and develop new products. Consumer product preferences continue to evolve as a result of, among other things, shifting consumer demographics; changes in consumer lifestyles; digital shopping patterns; and competitive product and pricing pressures. If Butterball's products fail to meet consumer preferences, or Butterball fails to introduce new products or product extensions on a timely basis, the brand value could diminish significantly. In addition, negative news reports for any reason related to Butterball or the turkey/poultry industry could negatively impact this brand perception, Butterball's results of operations and the value of Seaboard's investment in Butterball.

- (4) The Loss of Closure of Butterball's Primary Further Processing Facility Could Adversely Affect Butterball's Business. Although Butterball has three processing plants and three further processing plants, Butterball is disproportionately dependent on the continued operation of the processing plant in North Carolina, that handles a significant volume of the production of further processed turkey products. The closure, even temporarily, loss of or damage to this plant for any reason, including highly pathogenic disease outbreaks, fire, hurricane, tornado, or the occurrence of an adverse governmental action could adversely affect the results of operations and financial position for Butterball and the value of Seaboard's investment in Butterball.
- (5) Health Risk to Poultry Could Adversely Affect Production, the Supply of Raw Materials and Butterball's Business. Butterball is subject to risks relating to its ability to maintain animal health and control diseases, such as avian influenza. The general health of the turkeys and reproductive performance could have an adverse impact on production and production costs, the supply of raw material to Butterball's processing operations and consumer confidence. If Butterball's turkeys are affected by disease, Butterball may be required to destroy infected birds, which could adversely affect Butterball's production or ability to sell or export its products. Adverse publicity concerning any disease or health concern could also cause customers to lose confidence in the safety and quality of Butterball products, resulting in an adverse effect on Butterball's results of operations and the value of Seaboard's investment in Butterball.

#### **Item 1B. Unresolved Staff Comments**

None.

#### **Item 2. Properties**

Management believes that Seaboard's present facilities are adequate and suitable for its current purposes. Seaboard's principal properties by segment are described below:

(1) Pork - Seaboard's Pork segment owns a pork processing plant in Oklahoma. It has a double-shift capacity to process approximately six million hogs annually and generally operates at capacity with additional weekend shifts depending on market conditions. Seaboard's hog production operations have the capacity to breed and raise approximately eight million hogs annually at facilities it primarily owns or at facilities owned and operated by third parties with whom it has grower contracts. This segment owns and operates eight centrally located feed mills, which have a combined capacity to produce approximately three million tons of formulated feed annually. These feed mills are used primarily to support Seaboard's existing hog production and have the capability of supporting additional hog production in the future. These facilities are located in Iowa, Oklahoma, Texas, Kansas and Colorado. The Pork segment owns biodiesel plants in Oklahoma and Missouri, with the capacity to produce 46 million gallons and 30 million gallons, respectively, of biodiesel annually, and a renewable diesel plant in Kansas currently expected to produce 85 million gallons of renewable diesel annually when operating at full capacity. The Pork segment uses a terminal facility in California to store and distribute approximately 66 million gallons of renewable fuel per year, with an expected increase to 150 million gallons per year after further capital improvements in 2022.

(2) Commodity Trading and Milling - Seaboard's CT&M segment operates facilities at 40 locations in 23 countries and has 13 trading offices in 12 countries. The facilities located in Botswana, Brazil, Colombia, the Democratic Republic of Congo, Ecuador, Gambia, Ghana, Guyana, Haiti, Jamaica, Kenya, Lesotho, Mauritania, Morocco, Mozambique, Nigeria, Peru, Republic of Congo, South Africa, Turkey, and Zambia own the land and plants. The facilities located in Ivory Coast, Kenya, Lesotho, Morocco, Mozambique, Nigeria, Republic of Congo, Senegal and Zambia lease the land on which certain facilities are located under long-term agreements. Certain foreign milling operations may operate at less than full capacity due to low demand, poor consumer purchasing power, excess milling capacity in their competitive environment or imported flour. Seaboard's CT&M segment owns three 18,900 metric ton deadweight dry bulk vessels and charters between 38 to 56 bulk vessels with deadweights of up to 82,000 metric tons under short-term agreements.

(3) Marine - Seaboard's Marine segment leases approximately 297,000 square feet of off-port warehouse space and approximately 86 acres of port terminal land and facilities in Miami, Florida, which are used in its containerized cargo operations. Seaboard's Marine segment also leases an approximately 100-acre cargo handling and marine terminal facility in Houston, Texas, which includes several warehouses totaling approximately 690,000 square feet for cargo storage. The



Marine segment owns four ocean cargo vessels with deadweights of up to approximately 28,000 metric tons. During 2021, Seaboard's Marine segment executed contracts to build three vessels with completion expected in 2024. Additionally, in 2021, Seaboard Marine committed to purchasing two additional vessels, which the company currently charters, in early 2022. Moreover, this segment charters 20 vessels under contracts with a remaining average term of 19 months with deadweights of up to approximately 34,700 metric tons. Seaboard's Marine segment owns or leases dry, refrigerated and specialized containers and other related equipment.

(4) Sugar and Alcohol - Seaboard's Sugar and Alcohol segment owns nearly 70,000 acres of planted sugarcane and a sugar mill with an annual capacity to crush approximately three million metric tons of sugar cane. The facility, including an alcohol distillery, has an annual production capacity of approximately 250,000 metric tons of sugar if maximizing sugar production, and approximately 33 million gallons of alcohol if maximizing alcohol production. Depending on the market conditions, this segment can produce more sugar and less alcohol, or vice versa. This capacity is sufficient to process all of the cane harvested by this segment and additional quantities purchased from third-party farmers in the region. The sugarcane fields, processing mill, distillery and 51-megawatt cogeneration power plant are located in northern Argentina in the Salta Province. This area experiences seasonal rainfalls that may limit the harvest season, which then affects the duration of mill operations and quantities of sugar, alcohol and power produced.

(5) Power - Seaboard's Power segment owns two power generating barges that is secured on the Ozama River in Santo Domingo, Dominican Republic. EDM III will have the capacity to generate approximately 146 megawatts of electricity and EDM II has the capacity to generate approximately 108 megawatts.

(6) Turkey - Seaboard's Turkey segment has a total of three processing plants, three further processing plants and numerous company and third-party live production facilities and feed milling operations, located in North Carolina, Arkansas, Missouri and Kansas. These facilities produce approximately one billion pounds of turkey each year. Although capacity to meet core further processing demand is sufficient, Butterball uses third-party copacker arrangements to supplement portions of its portfolio where it either does not maintain competencies, or to meet demand beyond its internal production capacity.

### **Item 3. Legal Proceedings**

The information required by this item is included in Note 8 to the consolidated financial statements.

### **Item 4. Mine Safety Disclosures**

Not applicable.

## PART II

### **Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities**

Seaboard’s common stock is traded on the NYSE American under the symbol SEB. Seaboard had 4,143 stockholders of record of its common stock as of January 31, 2022.

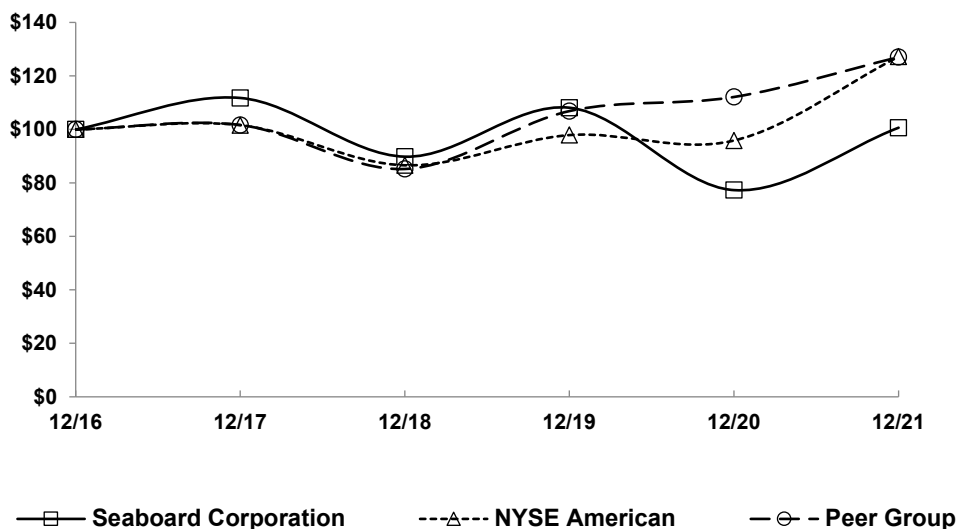
#### **Stock Performance Graph**

The SEC requires a five-year comparison of stock performance for Seaboard with that of an appropriate broad equity market index and similar industry index. Since there is no single industry index to compare stock performance, the companies comprising the Dow Jones U.S. Food Products and Dow Jones U.S. Marine Transportation Industry indices (the “Peer Group”) were chosen as the second comparison.

The following line graph shows a five-year comparison of cumulative total return for Seaboard Corporation, the NYSE American Index and the companies comprising the Peer Group, weighted by market capitalization for the five fiscal years commencing December 31, 2016 and ending December 31, 2021.

### **COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN\***

Among Seaboard Corporation, the NYSE American Index,  
and a Peer Group



\*\$100 invested on 12/31/16 in stock or index, including reinvestment of dividends.  
Fiscal year ending December 31.

The comparison of cumulative total returns presented in the above graph was plotted using the following index values and common stock price values:

	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21
Seaboard Corporation	\$100.00	\$ 111.76	\$ 89.80	\$ 108.13	\$ 77.33	\$ 100.63
NYSE American	\$100.00	\$ 101.61	\$ 86.60	\$ 97.92	\$ 95.85	\$ 127.23
Peer Group	\$100.00	\$ 101.65	\$ 85.23	\$ 106.87	\$ 112.14	\$ 127.06

In each of the four quarters of 2021, 2020 and 2019, Seaboard declared and paid quarterly dividends of \$2.25 per share of common stock. Seaboard’s Board of Directors intends that Seaboard will continue to pay quarterly dividends for the

reasonably foreseeable future, with such future dividends and the amount of any such dividends being subject to the determination, declaration and discretion of Seaboard's Board of Directors and dependent upon factors such as Seaboard's financial condition, results of operations, and, current and anticipated cash needs, including capital requirements. As discussed in Note 7 to the consolidated financial statements, Seaboard's ability to declare and pay dividends is subject to limitations imposed by debt agreements.

Seaboard has not established any equity compensation plans or individual agreements for its employees under which Seaboard common stock, or options, rights or warrants with respect to Seaboard common stock, may be granted.

## **Item 6. Reserved**

### **Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations**

This Management Discussion and Analysis is provided as a supplement to, and should be read in conjunction with, Seaboard's consolidated financial statements and the accompanying notes in Item 8. Certain statements in this report contain forward-looking statements. See the introduction in Item 1 for more information on these forward-looking statements, including a discussion of the most significant factors that could cause actual results to differ materially from those in the forward-looking statements.

#### **OVERVIEW**

Sales and costs of Seaboard's segments are significantly influenced by worldwide fluctuations in commodity prices and changes in foreign political and economic conditions. Accordingly, sales, operating income and cash flows can fluctuate significantly from year to year. As each segment operates in a distinct industry and a different geographic location, management evaluates their operations separately. Seaboard's reporting segments are based on information used by Seaboard's CEO to determine allocation of resources and assess performance, in his capacity as chief operating decision maker.

#### ***Pork Segment***

The Pork segment primarily produces hogs to process and sells fresh and frozen pork products throughout the U.S. and to foreign markets. Sales prices are directly affected by both domestic and worldwide supply and demand for pork products and other proteins. Feed accounts for the largest input cost in raising hogs and is materially affected by price changes for corn and soybean meal. Market prices for hogs purchased from third parties for processing at the plant also represent a major cost factor. Within the portfolio of Seaboard's businesses, management believes profitability of the Pork segment is most susceptible to commodity price fluctuations. As a result, this segment's operating income and cash flows can materially fluctuate from year to year, significantly affecting Seaboard's consolidated operating income and cash flows. This segment is Seaboard's most capital-intensive segment, representing approximately 61% of Seaboard's total fixed assets, in addition to approximately 42% of total inventories, as of December 31, 2021. With the plant generally operating at capacity, Seaboard is continually looking for ways to enhance the plant's operational efficiency, while also looking to increase margins by introducing new, higher value-added products. This segment also produces biodiesel for sale to third parties, and is expected to begin producing renewable diesel in 2022. Sales prices are affected by the supply and demand of diesel and environmental credit initiatives.

#### ***CT&M Segment***

The CT&M segment provides integrated agricultural commodity trading, processing and logistics services. The majority of the CT&M segment's sales are derived from sourcing agricultural commodities from multiple origins which are delivered to third-party and affiliate customers in various international locations. This segment's sales are also significantly affected by fluctuating prices of various commodities, such as wheat, corn and soybean meal. Exports from various countries can exacerbate volatile market conditions that may have a significant impact on this segment's sales and operating income. Profit margins are sometimes protected by using commodity derivatives and other risk management practices. The execution of these purchase and delivery transactions have long cycles of completion, which may extend for several months with a high degree of price volatility. As a result, these factors can significantly affect sales volumes, operating income, working capital and related cash flows from period to period. This segment represents approximately 53% of Seaboard's total inventories as of December 31, 2021. Consolidated and non-consolidated affiliates operate the grain processing mills in foreign countries that are, in most cases, lesser developed and can be significantly impacted by changes in local crop production, political instability and local government policies, as well as fluctuations in economic and industry conditions and foreign currency exchange rates. The CT&M segment has invested in several entities in recent years and continues to seek opportunities to expand its business.

### ***Marine Segment***

The Marine segment provides cargo shipping services in the U.S., the Caribbean and Central and South America. Fluctuations in economic conditions and political instability in the regions or countries in which this segment operates may affect trade volumes and operating profits. In addition, cargo rates can fluctuate depending on regional supply and demand for shipping services. Since the Marine segment time-charters the majority of its ocean cargo vessels, it is affected by fluctuations in charter hire rates as well as fuel costs. This segment continues to explore ways to increase volumes on existing routes while seeking opportunities to broaden its route structure in the regions it serves.

### ***Sugar and Alcohol Segment***

The Sugar and Alcohol segment produces and processes sugar and alcohol in Argentina, primarily to be marketed locally. The Sugar and Alcohol segment's sales and operating income are significantly affected by local sugar and alcohol prices, and domestic sugar production levels and government regulations affect these local prices. The currency exchange rate can have an impact on reported U.S. dollar sales, operating income and cash flows.

### ***Power Segment***

The Power segment is an independent power producer in the Dominican Republic. Spot market rates are impacted by fuel prices and the various producers supplying power to the grid. While fuel is this segment's largest cost component and is subject to price fluctuations, higher fuel costs generally have been passed on to customers.

### ***Turkey Segment***

The Turkey segment, accounted for using the equity method, produces turkeys to process and sells turkey products. Sales prices are directly affected by both domestic and worldwide supply and demand for turkey products and other proteins. Feed accounts for the largest input cost in raising turkeys and is materially affected by price changes for corn and soybean meal. As a result, commodity price fluctuations can significantly affect the profitability and cash flows of Butterball.

## **LIQUIDITY AND CAPITAL RESOURCES**

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 in both the short-term and long-term.

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

Seaboard's principal funding source is cash from operating activities and principal cash requirements include primarily operating expenses and capital expenditures. As of December 31, 2021, Seaboard had cash and short-term investments of nearly \$1.5 billion and additional total working capital of \$1.0 billion. The following table presents a summary of Seaboard's available borrowing capacity under lines of credit.

	Total amount available
<i>(Millions of dollars)</i>	
Short-term uncommitted and committed lines	\$ 1,074
Amounts drawn against lines	(516)
Available borrowing capacity as of December 31, 2021	\$ 558

As of December 31, 2021, \$63 million of the \$1.5 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 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.

Cash and short-term investments as of December 31, 2021 decreased \$50 million from December 31, 2020. The decrease was primarily the result of lower cash from operations and greater investments in capital expenditures, partially offset by higher draws under lines of credit. Cash from operating activities decreased \$199 million primarily due to additional working capital needs, partially offset by higher cash earnings. Inventories were higher as of December 31, 2021 than December 31, 2020, associated with price volatility in the commodity markets. Also outstanding receivables were higher due to more sales in the fourth quarter of 2021 compared to the fourth quarter of 2020. During 2021, the short-term investment portfolio was repositioned to reduce equity price risk and utilize short-term investment proceeds to partially fund capital expenditures.

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

During 2021, Seaboard invested \$460 million in property, plant and equipment, of which \$343 million was in the Pork segment, \$44 million in the Marine segment and \$43 million in the Power segment. The Pork segment expenditures were primarily to complete construction of a renewable diesel plant, purchase and improve a fuel storage and distribution facility and fund biogas recovery projects and other investments. The Marine segment expenditures primarily related to the purchase of a used vessel to increase its company-owned fleet. The Power segment expenditures were primarily for construction of a barge expected to be completed in 2022, commonly referred to as Estrella Del Mar III (“EDM III”). All other capital expenditures were primarily of a normal recurring nature such as replacements of machinery and equipment and general facility modernizations and upgrades.

The total budget for 2022 capital expenditures is approximately \$700 million, with \$450 million planned in the Pork segment and \$200 million in the Marine segment. The Pork segment’s budget primarily includes continued investment in biogas recovery projects, normal replacement of breeding herd and other investments. At certain hog farms, the Pork segment is covering lagoons and constructing biogas upgrade facilities to capture methane and inject renewable gas to the local pipeline infrastructure. The Marine segment’s budget primarily includes the purchase of two used vessels, that are currently chartered, and installment payments on three vessels that are being constructed with completion expected in 2024. The new ships are estimated to cost \$60 million each for a total cash outlay of approximately \$180 million that is payable in accordance with milestones achieved over the course of construction. As of December 31, 2021, long-term capital expenditure cash requirements include approximately \$20 million in 2023 and \$90 million in 2024 primarily related to the Marine segment’s vessels under construction. 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.

Seaboard has acquired businesses in 2021, 2020 and 2019, and intends to continue to look for opportunities to further grow and diversify its operations, but there are no definitive plans at this time. Management intends to utilize existing liquidity, available borrowing capacity and other financing alternatives to fund these opportunities. 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. Also, Seaboard may fund capital calls and issue borrowings for its equity method investments based on the specific facts and circumstances.

From time to time, proceeds from the sale of short-term investments may be used to fund capital expenditure purchases or working capital needs. Asset reallocation intended to reduce equity exposure resulted in \$2 billion of gross cash flows related to both the sale and purchase of short-term investments in the consolidated statement of cash flows for the year ended December 31, 2021. Seaboard continues to make investments, including \$98 million in long-term investments for the year-ended December 31, 2021, to effectively manage its assets. As of December 31, 2021, Seaboard is committed to invest approximately \$20 million in certain long-term investments in 2022, primarily real-estate related.

### ***Financing Activities***

Seaboard believes it has adequate available borrowings to meet short-term and long-term operating needs. Draws under lines of credit have increased compared to prior years to fund working capital and greater investments in capital expenditures. Seaboard had long-term debt of \$717 million as of December 31, 2021, which includes a term loan due 2028 of \$677 million. Current maturities on long-term debt was \$8 million as of December 31, 2021, with expected annual interest payments of approximately \$12 million based on interest rates as of year-end. During 2021, Seaboard repaid foreign subsidiary debt related to a 2018 acquisition of \$46 million upon its maturity. See Note 7 to the consolidated financial statements for further discussion of debt.

### ***Future Contractual Obligations***

Other than those obligations discussed above, future obligations mostly include normal operating expenses. For operating and finance leases, Seaboard has a current undiscounted obligation of \$217 million and a long-term undiscounted obligation of \$537 million as noted in Note 5 to the consolidated financial statements. The majority of Seaboard’s purchase commitments for materials or supplies are related to hog, grain, feedstock and fuel procurement contracts with a current obligation of approximately \$1.7 billion and a long-term obligation of approximately \$1.5 billion as noted in Note 8 to the consolidated financial statements. Also, Seaboard is subject to obligations under its existing defined benefit pension plans. As of December 31, 2021, the accounting unfunded status of all plans was \$135 million. Anticipated employer payments related to the unfunded nonqualified executive plans in 2022 are \$18 million. For additional information about Seaboard’s pension plans, see Note 9 to the consolidated financial statements.

## RESULTS OF OPERATIONS

Net sales for the years ended December 31, 2021, 2020 and 2019 were \$9.2 billion, \$7.1 billion and \$6.8 billion, respectively. The increase for 2021 compared to 2020 primarily reflected higher prices of commodities sold in the CT&M segment, higher prices for pork products, market hogs and biodiesel sold in the Pork segment and higher cargo volumes and rates in the Marine segment. The increase for 2020 compared to 2019 primarily reflected higher volumes of certain commodities in the CT&M segment and higher volumes for pork products and hogs sold in the Pork segment, partially offset by lower cargo volumes in the Marine segment and lower spot prices and generation in the Power segment.

Operating income for the years ended December 31, 2021, 2020 and 2019 was \$458 million, \$245 million and \$110 million, respectively. The increase for 2021 compared to 2020 primarily reflected higher voyage revenue in the Marine segment, increased margins on pork product and market hog sales in the Pork segment, and higher commodity prices, partially offset by derivative commodity contract losses and other operational costs in the CT&M segment. The increase for 2020 compared to 2019 primarily reflected lower derivative contract losses and higher margins on pork product sales in the Pork segment and higher margins on third-party sales and derivative contract gains in the CT&M segment, partially offset by lower revenues in the Power segment.

Seaboard's operations have been impacted by the COVID-19 pandemic, with 2020 financial results impacted more than 2021 financial results, especially with regards to cargo volumes at Seaboard's Marine segment. Continued challenges remain with labor availability and labor costs, resulting in higher production costs. The near and long-term impacts of COVID-19, including variants, on Seaboard's operations and the global economy are unknown and impossible to predict with any level of certainty.

### Pork Segment

<i>(Millions of dollars)</i>	2021	2020	2019
Net sales	\$ 2,481	\$ 1,941	\$ 1,851
Operating income	\$ 227	\$ 131	\$ 60
Income (loss) from affiliates	\$ 3	\$ (9)	\$ (22)

Net sales for the Pork segment increased \$540 million for the year ended December 31, 2021 compared to 2020. The increase was primarily the result of higher prices of pork products sold, and to a lesser extent, higher prices and volumes of market hogs and higher biodiesel prices, partially offset by lower volumes of pork products sold.

Operating income for the Pork segment increased \$96 million for the year ended December 31, 2021 compared to 2020. The increase was primarily due to higher margins on pork product sales and market hogs due to higher sales prices, partially offset by higher hog costs related to feed and higher selling, general and administrative expenses. Management is unable to predict market prices for pork products, the cost of feed or third-party hogs, biodiesel prices or the ongoing impacts of the COVID-19 pandemic, including variants, for future periods. However, management anticipates this segment will be profitable in 2022. The uncertainties and the volatility of the commodity grain markets could have a significant impact on this segment's profitability.

Income from affiliates has increased due to improved results at both STF and Daily's primarily related to the commodity markets and return of sales volumes post COVID-19 disruptions. In January 2022, the Pork segment sold 50% of its ham-boning operations in Mexico. The Pork segment will continue to sell raw materials for further processing to this affiliate, and earnings from the Mexico operations will be reflected in Income (loss) from affiliates effective in the first quarter of 2022.

Net sales for the Pork segment increased \$90 million for the year ended December 31, 2020 compared to 2019. The increase was primarily the result of higher volumes of pork products, market hogs and biodiesel sold and the recognition of more federal blender's credits than the prior year, partially offset by lower biodiesel prices. 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.

Operating income for the Pork segment increased \$71 million for the year ended December 31, 2020 compared to 2019. The increase was primarily due to lower derivative contract losses, higher pork product sales, lower costs for feed and third-party hogs, more income associated with the federal blender's credits received, and no expense related to the withdrawal liability from a multi-employer pension fund recorded in 2019, partially offset by higher plant processing costs and lower margins on biodiesel sales.

## CT&M Segment

<i>(Millions of dollars)</i>	2021	2020	2019
Net sales	\$ 5,154	\$ 3,994	\$ 3,672
Operating income as reported	\$ 61	\$ 118	\$ 62
Marked-to-market adjustments	7	(15)	5
Operating income excluding marked-to-market adjustments	\$ 68	\$ 103	\$ 67
Income (loss) from affiliates	\$ 18	\$ (2)	\$ (5)

Net sales for the CT&M segment increased \$1.2 billion for the year ended December 31, 2021 compared to 2020. The increase primarily reflected higher sales prices of most commodities, and to a lesser extent, higher volumes to third-party customers, partially offset by lower volumes to affiliates due to timing of shipments.

Operating income for the CT&M segment decreased \$57 million for the year ended December 31, 2021 compared to 2020. The decrease primarily reflected derivative contract losses of \$22 million related to the change in mark-to-market adjustments, \$18 million of goodwill and property, plant and equipment impairment charges related to plans to dispose of immaterial businesses, and higher selling, general and administrative expenses. 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, including variants, management is unable to predict sales and operating results for this segment for future periods. However, management anticipates positive operating income for this segment in 2022, excluding the effects of marking to market derivative contracts.

Had Seaboard not applied mark-to-market accounting to its derivative instruments, operating income for this segment would have been higher by \$7 million and \$5 million in 2021 and 2019, respectively, and lower by \$15 million in 2020. While management believes its commodity futures, options and foreign exchange contracts are primarily economic hedges of its firm purchase and sales contracts or 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 fair 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 therefore, these marked-to-market adjustments could reverse in fiscal 2022. 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.

Income from affiliates increased \$20 million for year ended December 31, 2021 compared to 2020 primarily due to improved results from several of this segment's affiliates related to a return of sales volumes post COVID-19 disruptions.

Net sales for the CT&M segment increased \$322 million for the year ended December 31, 2020 compared to 2019. The increase primarily reflected higher volumes of certain commodities for third-party customers, including sales from a business acquired in October 2019, and higher corn, soybean and other commodity prices, partially offset by lower volumes to affiliates.

Operating income for the CT&M segment increased \$56 million for the year ended December 31, 2020 compared to 2019. The increase primarily reflected higher margins on third-party sales, including margins for a business acquired in October 2019, from higher prices and volumes, derivative contract gains of \$20 million related to the change in mark-to-market adjustments and lower selling, general and administrative expenses.

## Marine Segment

<i>(Millions of dollars)</i>	2021	2020	2019
Net sales	\$ 1,396	\$ 1,005	\$ 1,061
Operating income	\$ 197	\$ 21	\$ 4
Income from affiliates	\$ 6	\$ 2	\$ 3

Net sales for the Marine segment increased \$391 million for the year ended December 31, 2021 compared to 2020. The increase was primarily the result of an increase in average freight rates due to strong demand and the current global shortage of vessels, and higher cargo volumes. In 2020, cargo volumes were lower due to many of Seaboard Marine's customers temporarily shutting down due to government orders associated with the COVID-19 pandemic and the recovery of operations taking time.

Operating income for the Marine segment increased \$176 million for the year ended December 31, 2021 compared to 2020. The increase was primarily the result of higher voyage revenue, partially offset by higher fuel costs due to the increase in both price and consumption, higher charter hire costs due to increased rates, and higher terminal and intermodal trucking costs related to the increase in cargo volumes. Management cannot predict changes in fuel costs, cargo volumes and cargo rates, the ongoing impacts of the COVID-19 pandemic, including variants, for future periods. However, management anticipates this segment will be profitable in 2022, including consideration of continued high charter hire rates.

Net sales for the Marine segment decreased \$56 million for the year ended December 31, 2020 compared to 2019. The decrease was primarily the result of lower cargo volumes, partially offset by higher rates due to a change in cargo mix with more refrigerated containers that generally have a higher freight rate.

Operating income for the Marine segment increased \$17 million for the year ended December 31, 2020 compared to 2019. The increase was primarily the result of lower fuel costs due to the decrease in price and consumption and lower other voyage costs and terminal costs related to the reduction in cargo volumes.

### Sugar and Alcohol Segment

<i>(Millions of dollars)</i>	2021	2020	2019
Net sales	\$ 123	\$ 106	\$ 121
Operating income (loss)	\$ 2	\$ 2	\$ (16)
Income from affiliates	\$ —	\$ 1	\$ 1

Net sales for the Sugar and Alcohol segment increased \$17 million for the year ended December 31, 2021 compared to 2020. The increase primarily reflected higher prices and volumes of alcohol sold related to strong demand post the COVID-19 pandemic lockdown, partially offset by lower sugar sales. 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. This segment's functional currency is the U.S. dollar, which will continue to be effective as long as the Argentine economy is considered highly inflationary.

Operating income for the Sugar and Alcohol segment remained the same for the year ended December 31, 2021 compared to 2020. Higher margins on alcohol sales were primarily offset by lower sugar sales and higher sugar production costs. Management cannot predict local sugar and alcohol prices, the volatility in the currency exchange rate or the ongoing impacts of the COVID-19 pandemic, including variants, for future periods. Based on these conditions, management cannot predict if this segment will be profitable in 2022.

Net sales for the Sugar and Alcohol segment decreased \$15 million for the year ended December 31, 2020 compared to 2019. The decrease primarily reflected lower volumes and prices of alcohol sold as a result of less demand for fuels with the lengthy COVID-19 pandemic lockdown, partially offset by higher sugar prices.

Operating income for the Sugar and Alcohol segment increased \$18 million for the year ended December 31, 2020 compared to 2019. The increase primarily reflected higher margins on sugar due to higher prices and lower alcohol and sugar production costs.

### Power Segment

<i>(Millions of dollars)</i>	2021	2020	2019
Net sales	\$ 60	\$ 64	\$ 117
Operating income (loss)	\$ (9)	\$ 3	\$ 27
Income from affiliates	\$ —	\$ —	\$ 3

Net sales for the Power segment decreased \$4 million for the year ended December 31, 2021 compared to 2020. The decrease primarily reflected lower production related to reduced operations associated with relocating and connecting the existing barge at a new site, temporary fuel constraints and more power generation from lower variable-cost producers, offset by an increase in spot market rates as a result of higher fuel prices. Typically, lower cost power plants are dispatched before those with higher costs.

Operating income for the Power segment decreased \$12 million for the year ended December 31, 2021 compared to 2020, primarily due to lower revenues and higher operational costs related to increased fuel, maintenance and labor costs associated with the installation of EDM III. The commercial operations for EDM III are expected to begin in 2022.



Management cannot predict 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, including variants, for future periods. Based on these conditions and the timing of EDM III's commercial operations, management cannot predict if this segment will be profitable in 2022.

Net sales for the Power segment decreased \$53 million for the year ended December 31, 2020 compared to 2019. The decrease primarily reflected lower spot market rates as a result of lower fuel prices and lower production related to more power generation from lower variable-cost producers.

Operating income for the Power segment decreased \$24 million for the year ended December 31, 2020 compared to 2019 primarily due to lower revenues, partially offset by lower fuel costs due to lower prices and fuel consumption.

### **Turkey Segment**

<i>(Millions of dollars)</i>	2021	2020	2019
Loss from affiliate	\$ (20)	\$ (10)	\$ (21)

The Turkey segment, accounted for using the equity method, represents Seaboard's investment in Butterball. The increase in loss from affiliate for 2021 compared to 2020 was primarily the result of lower sales volumes and higher live and plant production costs due to increased feed and labor prices, partially offset by higher sales due to increased prices. The decrease in loss from affiliate for 2020 compared to 2019 was primarily the result of higher sales attributable to more whole bird volumes and increased prices related to a stronger sales mix of value-added products sold and less interest expense, partially offset by higher live and production costs. Management is unable to predict market prices for turkey products, the cost of feed or the ongoing impacts of the COVID-19 pandemic, including variants, for future periods. Based on these conditions, management cannot predict if this segment will be profitable in 2022. The uncertainties and the volatility of the commodity grain markets could have a significant impact on this segment's profitability.

### **Selling, General and Administrative Expenses**

Selling, general and administrative ("SG&A") expenses for the year ended December 31, 2021 increased \$31 million compared to 2020. The increase was primarily the result of higher personnel costs including annual raises and bonuses associated with improved financial performance, more consulting fees associated with legal and other advisory matters, an increase in travel costs as vaccinations became available and bad debt expense. SG&A expenses for the year ended December 31, 2020 decreased \$7 million compared to 2019. The decrease was primarily the result of lower costs related to Seaboard's deferred compensation program, recovery of bad debt expense and lower travel costs and other cost reduction efforts, partially offset by higher personnel costs, which included higher pension settlement charges in 2020. The deferred compensation program costs are offset by the effect of the mark-to-market on investments recorded in other investment income (loss).

### **Interest Expense**

Interest expense totaled \$13 million, \$19 million and \$36 million for the years ended December 31, 2021, 2020 and 2019, respectively. The decrease in interest expense for 2021 compared to 2020 primarily related to mark-to-market fluctuations on interest rate swap agreements and lower interest rates on outstanding debt, partially offset by less capitalized interest related to capital expenditure investments. The decrease in interest expense for 2020 compared to 2019 was primarily related to lower interest rates on outstanding debt and increased capitalized interest.

### **Interest Income**

Interest income totaled \$22 million, \$22 million and \$30 million for the years ended December 31, 2021, 2020 and 2019, respectively. Interest income primarily includes interest earned on debt securities.

### **Other Investment Income (Loss), Net**

Other investment income (loss), net totaled \$133 million, \$84 million and \$225 million for the years ended December 31, 2021, 2020 and 2019, respectively. The increase in other investment income for 2021 compared to 2020 primarily reflected realized gains on short-term investments, partially offset by mark-to-market losses on short-term investments. The decrease in other investment income for 2020 compared to 2019 was primarily due to mark-to-market fluctuations on short-term investments.

### **Foreign Currency Gains (Losses), Net**

Foreign currency gains (losses), net totaled \$16 million, \$(31) million and \$0 million for the years ended December 31, 2021, 2020 and 2019, respectively. The increase in foreign currency gains for 2021 compared to 2020 primarily reflected gains in the euro, Zambian kwacha and South African rand, among fluctuations of other currency

exchange rates in several foreign countries. The decrease in foreign currency gains for 2020 compared to 2019 primarily reflected losses in the euro, Zambian kwacha and South African rand, among fluctuations of other currency exchange rates in several foreign countries.

### **Income Tax Expense**

The 2021 effective tax rate was higher than the 2020 effective tax rate primarily due to increased earnings which decreased the proportional effect of tax credits available to offset the associated income tax. The 2020 effective tax rate was higher than the 2019 effective tax rate primarily due to decreased tax-exempt income and federal investment tax credits, partially offset by a decrease in foreign tax expense related to a change in the mix of domestic and foreign earnings as compared to the prior year. See Note 12 to the consolidated financial statements for further information on Seaboard's income taxes.

### **CRITICAL ACCOUNTING ESTIMATES**

This discussion and analysis of financial condition and results of operations is based upon Seaboard's consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires Seaboard to make estimates, judgments, and assumptions that can have a meaningful effect on the reporting of consolidated financial statements. See Note 1 to the consolidated financial statements for a discussion of significant accounting policies. Management has identified the accounting estimates believed to be the most important to the portrayal of Seaboard's financial condition and results, and that require management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. Management has reviewed these critical accounting estimates with the Audit Committee of the Board of Directors.

Accrued Pension Liability – The measurement of Seaboard's pension liability and related expense is dependent on a variety of assumptions and estimates regarding future events. These assumptions include discount rates, assumed rate of return on plan assets, compensation increases, mortality rates and retirement rates. The discount rate and return on plan assets are important elements of liability and expense measurement and are reviewed on an annual basis. The effect of decreasing both the discount rate and assumed rate of return on plan assets by 50 basis points would be an increase in pension expense of approximately \$4 million per year. The effects of actual results differing from the assumptions (i.e. gains or losses) are primarily accumulated in accrued pension liability and amortized over future periods if it exceeds the 10% corridor and, therefore, could affect Seaboard's recognized pension expense in such future periods, as permitted under GAAP. See Note 9 to the consolidated financial statements for discussion of the pension rates and assumptions.

Income Taxes – Income taxes are determined by management based on current tax regulations in the various worldwide taxing jurisdictions in which Seaboard conducts its business. In various situations, accruals have been made for estimates of the tax effects for certain transactions, business structures, the estimated reversal of timing differences and future projected profitability of Seaboard's various business units based on management's interpretation of existing facts, circumstances and tax regulations. Should new evidence come to management's attention that could alter previous conclusions, if tax laws change or if taxing authorities disagree with the positions taken by Seaboard, the change in estimate could result in a material adverse or favorable impact on the financial statements. An increase in the future U.S. federal income tax rate of 5% would increase tax expense on the reversal of timing differences by approximately \$23 million as a one-time adjustment, which would be fully reflected in the period of enactment.

### **Item 7A. 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 derivatives are used to manage these overall market risks; however, Seaboard does not perform the extensive record-keeping required to account for derivative transactions as hedges. Since these derivatives are not accounted for as hedges, fluctuations in the related prices could have a material impact on earnings in any given year. From time to time, Seaboard also enters into speculative derivative transactions related to its market risks.

Commodity price changes affect the cost of necessary raw materials and other inventories, finished product sales and firm sales commitments. Seaboard uses various grain, oilseed and other commodity futures and options purchase contracts to manage certain risks of increasing prices of raw materials and firm sales commitments or anticipated sales contracts. Short sales contracts are used to offset the open purchase derivatives when the related commodity inventory is purchased in advance of the derivative maturity, effectively offsetting the initial futures or option purchase contract.

The political and economic conditions of the countries in which Seaboard does business, along with fluctuations in the value of the U.S. dollar, cause volatility in currency exchange rates, which exposes Seaboard to fluctuating foreign currency gains and losses that cannot be predicted. Since changes in foreign currency exchange rates affect the cash paid

or received on foreign currency denominated receivables and payables, Seaboard manages certain of these risks through the use of foreign currency exchange agreements. Also, since changes in interest rates affect the cash required to service variable-rate debt, Seaboard uses interest rate exchange agreements to manage risks of increasing interest rates.

Equity price risk is the risk that Seaboard may incur losses due to adverse changes in the market prices of the equity securities it holds in its short-term investment portfolio. Market prices for equity securities are subject to fluctuation and may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. As of December 31, 2021 and 2020, the fair value of Seaboard's marketable equity securities was approximately \$665 million and \$835 million, respectively.

The following table presents the sensitivity of the fair value of Seaboard's derivatives to a hypothetical 10% change in market prices, interest rates and foreign exchange rates as of December 31, 2021 and 2020. The fair value is calculated for each item by valuing each net position at quoted market prices as of the applicable date.

<i>(Millions of dollars)</i>	December 31, 2021	December 31, 2020
Grains and oilseeds	\$ 4	\$ 9
Vegetable oils	1	3
Energy related resources	4	—
Equity prices	67	84
Foreign currencies	18	13
Interest rates	—	2

The table below provides information about Seaboard's long-term debt that is sensitive to changes in interest rates. For this variable-rate debt, the table presents principal cash flows and related weighted average interest rates by expected maturity dates. Interest rates disclosed on variable-rate debt represent the weighted-average rates as of December 31, 2021.

<i>(Millions of dollars)</i>	2022	2023	2024	2025	2026	Thereafter	Total
Long-term debt:							
Variable rate	\$ 8	\$ 7	\$ 7	\$ 7	\$ 7	642	\$ 678
Weighted average interest rate	2.12%	1.73%	1.73%	1.73%	1.73%	1.73%	1.73%

Long-term debt sensitive to changes in interest rates as of December 31, 2020 totaled \$687 million with a weighted average interest rate of 1.80%.

## **Item 8. Financial Statements and Supplementary Data**

### **Report of Independent Registered Public Accounting Firm**

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To the Stockholders and Board of Directors  
Seaboard Corporation:

#### ***Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting***

We have audited the accompanying consolidated balance sheets of Seaboard Corporation and subsidiaries (the Company) as of December 31, 2021 and 2020, the related consolidated statements of comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2021, and the related notes (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2021, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021 based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

#### ***Basis for Opinions***

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

#### ***Definition and Limitations of Internal Control Over Financial Reporting***

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

***Critical Audit Matter***

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

*Sufficiency of audit evidence over net sales*

As described in Note 13 to the consolidated financial statements, the Company earned \$9.2 billion of net sales in 2021. Net sales were primarily generated by the Company's Pork, Commodity, Trading and Milling, Marine, Sugar and Alcohol, and Power operations, which were dispersed over numerous countries. We identified the evaluation of the sufficiency of audit evidence over net sales as a critical audit matter. Evaluating the sufficiency of audit evidence obtained required auditor judgment due to the geographical dispersion of net sales. Furthermore, given the disaggregation of local management and language differences between locations, our audit team consisted of auditors located in multiple countries around the world.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the nature and amounts of the Company's net sales at its various locations and applied auditor judgment to determine the locations at which procedures were to be performed. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's net sales process, including controls related to the recognition and consolidation of global net sales amounts. We tested samples of individual net sales transactions by comparing the amounts recognized by the Company to relevant underlying documentation such as purchase orders, contractual arrangements, and delivery documents, as applicable. In addition, we evaluated the sufficiency of audit evidence obtained over net sales by assessing the results of procedures performed, including the appropriateness of the nature and extent of audit effort.

**KPMG LLP**

We have served as the Company's auditor since 1959.

Kansas City, Missouri  
February 15, 2022

# SEABOARD CORPORATION

## Consolidated Statements of Comprehensive Income

<i>(Millions of dollars except share and per share amounts)</i>	Years ended December 31,		
	2021	2020	2019
Net sales:			
Products (includes sales to affiliates of \$1,396, \$1,125 and \$1,346)	\$ 7,714	\$ 5,993	\$ 5,610
Services revenues (includes sales to affiliates of \$20, \$21 and \$18)	1,445	1,058	1,104
Other	70	75	126
<b>Total net sales</b>	<b>9,229</b>	<b>7,126</b>	<b>6,840</b>
Cost of sales and operating expenses:			
Products	7,223	5,580	5,316
Services	1,124	915	989
Other	64	57	89
<b>Total cost of sales and operating expenses</b>	<b>8,411</b>	<b>6,552</b>	<b>6,394</b>
Gross income	818	574	446
Selling, general and administrative expenses	360	329	336
<b>Operating income</b>	<b>458</b>	<b>245</b>	<b>110</b>
Other income (expense):			
Interest expense	(13)	(19)	(36)
Interest income	22	22	30
Income (loss) from affiliates	7	(18)	(41)
Other investment income, net	133	84	225
Foreign currency gains (losses), net	16	(31)	—
Miscellaneous, net	13	3	2
<b>Total other income, net</b>	<b>178</b>	<b>41</b>	<b>180</b>
Earnings before income taxes	636	286	290
<b>Income tax expense</b>	<b>(65)</b>	<b>(3)</b>	<b>(3)</b>
Net earnings	\$ 571	\$ 283	\$ 287
Less: Net income attributable to noncontrolling interests	(1)	—	—
<b>Net earnings attributable to Seaboard</b>	<b>\$ 570</b>	<b>\$ 283</b>	<b>\$ 287</b>
Earnings per common share	\$ 490.36	\$ 244.21	\$ 246.62
Average number of shares outstanding	1,160,779	1,161,526	1,165,758
Other comprehensive income (loss), net of income tax benefit (expense) of \$(8), \$3 and \$4:			
Foreign currency translation adjustment	8	(7)	(20)
Unrecognized pension cost	31	(23)	(10)
<b>Other comprehensive income (loss), net of tax</b>	<b>\$ 39</b>	<b>\$ (30)</b>	<b>\$ (30)</b>
<b>Comprehensive income</b>	<b>610</b>	<b>253</b>	<b>257</b>
Less: Comprehensive income attributable to noncontrolling interests	(1)	(1)	—
<b>Comprehensive income attributable to Seaboard</b>	<b>\$ 609</b>	<b>\$ 252</b>	<b>\$ 257</b>

*See accompanying notes to consolidated financial statements.*

## SEABOARD CORPORATION

### Consolidated Balance Sheets

	December 31,	
<i>(Millions of dollars except share and per share amounts)</i>	2021	2020
<b><u>Assets</u></b>		
Current assets:		
Cash and cash equivalents	\$ 75	\$ 76
Short-term investments	1,416	1,465
Receivables, net	762	532
Inventories	1,663	1,178
Other current assets	131	103
<b>Total current assets</b>	<b>4,047</b>	<b>3,354</b>
Property, plant and equipment, net	1,892	1,582
Operating lease right of use assets, net	496	390
Investments in and advances to affiliates	651	698
Goodwill	163	167
Other intangible assets, net	45	54
Other non-current assets	209	154
<b>Total assets</b>	<b>\$ 7,503</b>	<b>\$ 6,399</b>
<b><u>Liabilities and Stockholders' Equity</u></b>		
Current liabilities:		
Lines of credit	\$ 516	\$ 222
Current maturities of long-term debt	8	55
Accounts payable (includes \$1 and \$7 to affiliates)	404	276
Accrued compensation and benefits	143	110
Deferred revenue (includes \$24 and \$38 to affiliates)	108	89
Operating lease liabilities	171	111
Accrued voyage costs	60	68
Other current liabilities	142	145
<b>Total current liabilities</b>	<b>1,552</b>	<b>1,076</b>
Long-term debt, less current maturities	708	707
Long-term operating lease liabilities	360	318
Accrued pension liability	131	179
Deferred income taxes	99	103
Other liabilities	219	188
<b>Total non-current liabilities</b>	<b>1,517</b>	<b>1,495</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 2021 and in 2020	1	1
Accumulated other comprehensive loss	(432)	(471)
Retained earnings	4,847	4,287
<b>Total Seaboard stockholders' equity</b>	<b>4,416</b>	<b>3,817</b>
Noncontrolling interests	18	11
<b>Total equity</b>	<b>4,434</b>	<b>3,828</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 7,503</b>	<b>\$ 6,399</b>

*See accompanying notes to consolidated financial statements.*

## SEABOARD CORPORATION

### Consolidated Statements of Changes in Equity

<i>(Millions of dollars)</i>	Common Stock	Accumulated Other Comprehensive Loss	Retained Earnings	Noncontrolling Interests	Total
<b>Balances, January 1, 2019</b>	\$ 1	\$ (410)	\$ 3,770	\$ 11	\$ 3,372
Comprehensive income:					
Net earnings	—	—	287	—	287
Other comprehensive loss, net of tax	—	(30)	—	—	(30)
Repurchase of common stock	—	—	(17)	—	(17)
Reduction to noncontrolling interests	—	—	—	(1)	(1)
Dividends on common stock, \$9.00/share	—	—	(10)	—	(10)
<b>Balances, December 31, 2019</b>	1	(440)	4,030	10	3,601
Adoption of new accounting standard (See Note 1)	—	—	(3)	—	(3)
Comprehensive income:					
Net earnings	—	—	283	—	283
Other comprehensive loss, net of tax	—	(31)	—	1	(30)
Repurchase of common stock	—	—	(13)	—	(13)
Dividends on common stock, \$9.00/share	—	—	(10)	—	(10)
<b>Balances, December 31, 2020</b>	1	(471)	4,287	11	3,828
Comprehensive income:					
Net earnings	—	—	570	1	571
Other comprehensive income, net of tax	—	39	—	—	39
Additions to noncontrolling interests	—	—	—	6	6
Dividends on common stock, \$9.00/share	—	—	(10)	—	(10)
<b>Balances, December 31, 2021</b>	\$ 1	\$ (432)	\$ 4,847	\$ 18	\$ 4,434

*See accompanying notes to consolidated financial statements.*



## SEABOARD CORPORATION

### Consolidated Statements of Cash Flows

<i>(Millions of dollars)</i>	Years ended December 31,		
	2021	2020	2019
<b>Cash flows from operating activities:</b>			
Net earnings	\$ 571	\$ 283	\$ 287
Adjustments to reconcile net earnings to cash from operating activities:			
Depreciation and amortization	178	172	138
Deferred income taxes	(12)	11	(53)
Loss (income) from affiliates	(7)	18	41
Dividends received from affiliates	44	20	10
Other investment income, net	(133)	(84)	(225)
Other, net	43	(22)	(4)
Changes in assets and liabilities, net of acquisitions:			
Receivables, net of allowance	(228)	104	(84)
Inventories	(462)	(99)	(158)
Other assets	(20)	(10)	27
Accounts payable	117	(99)	114
Other liabilities, exclusive of debt	1	(3)	78
<b>Net cash from operating activities</b>	<b>92</b>	<b>291</b>	<b>171</b>
<b>Cash flows from investing activities:</b>			
Purchase of short-term investments	(2,031)	(739)	(1,026)
Proceeds from sale of short-term investments	2,202	791	973
Proceeds from maturity of short-term investments	26	47	185
Capital expenditures	(460)	(259)	(349)
Proceeds from sale of property, plant and equipment	39	4	8
Proceeds from sale of non-consolidated affiliate	—	—	24
Acquisition of businesses	(7)	(27)	(7)
Investments in and advances to affiliates, net	(1)	(8)	(21)
Principal payments received on notes receivable	21	—	3
Purchase of long-term investments	(98)	(47)	(38)
Other, net	7	(24)	(5)
<b>Net cash from investing activities</b>	<b>(302)</b>	<b>(262)</b>	<b>(253)</b>
<b>Cash flows from financing activities:</b>			
Uncommitted lines of credit, net	135	(18)	34
Draws under committed lines of credit	672	290	100
Repayments of committed lines of credit	(515)	(290)	(100)
Proceeds from long-term debt	—	37	43
Principal payments of long-term debt	(55)	(69)	(35)
Repurchase of common stock	—	(13)	(17)
Dividends paid	(10)	(10)	(10)
Other, net	(14)	(9)	(4)
<b>Net cash from financing activities</b>	<b>213</b>	<b>(82)</b>	<b>11</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(4)</b>	<b>4</b>	<b>2</b>
<b>Net change in cash and cash equivalents</b>	<b>(1)</b>	<b>(49)</b>	<b>(69)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>76</b>	<b>125</b>	<b>194</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 75</b>	<b>\$ 76</b>	<b>\$ 125</b>

*See accompanying notes to consolidated financial statements.*

## Note 1 – Summary of Significant Accounting Policies

### *Operations of Seaboard Corporation and its Subsidiaries*

Seaboard Corporation and its subsidiaries (collectively, “Seaboard”) together comprise a diverse group of integrated companies with a broad global presence. Seaboard is primarily engaged in hog production and pork processing in the U.S.; commodity trading and grain processing in Africa and South America; cargo shipping services in the U.S., Caribbean and Central and South America; sugar and alcohol production in Argentina; and electric power generation in the Dominican Republic. Seaboard also has an equity method investment in Butterball, LLC (“Butterball”), a producer and processor of turkey products. Approximately 77% of the outstanding common stock of Seaboard is collectively owned by Seaboard Flour LLC and SFC Preferred, LLC.

### *Principles of Consolidation and Investments in Affiliates*

The consolidated financial statements include the accounts of Seaboard Corporation and its domestic and foreign subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation. Financial information from certain foreign subsidiaries and affiliates is reported on a one- to three-month lag, depending on the specific entity. As Seaboard conducts its agricultural commodity trading business with third parties, consolidated subsidiaries and affiliates on an interrelated basis, cost of sales on 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 consolidated financial statements in conformity with 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### *Foreign Currency Transactions and Translation*

Seaboard has operations in several foreign countries, and the currencies of the countries fluctuate in relation to the U.S. dollar, resulting in exchange gains and losses. Certain Commodity Trading and Milling (“CT&M”) segment consolidated subsidiaries located in Brazil, Canada, Guyana, Ivory Coast, Senegal, South Africa and Zambia use local currency as their functional currency. Also, certain non-controlled, non-consolidated affiliates of the CT&M and Sugar and Alcohol segments use local currency as their functional currency. Assets and liabilities of these subsidiaries are translated to U.S. dollars at year-end exchange rates, and income and expenses are translated at average rates. Translation gains and losses are recorded as components of other comprehensive income (loss).

GAAP requires the use of highly inflationary accounting for countries whose cumulative three-year inflation exceeds 100%. In mid-2018, the Argentine peso rapidly devalued relative to the U.S. dollar, which along with increased inflation, indicated that the three-year cumulative inflation in that country exceeded 100%. As a result, Seaboard adopted highly inflationary accounting as of July 1, 2018 for Seaboard’s Sugar and Alcohol segment. Under highly inflationary accounting, the Sugar and Alcohol segment’s functional currency became the U.S. dollar, and its income statement and balance sheet are measured in U.S. dollars using both current and historical rates of exchange. The effect of changes in exchange rates on peso-denominated monetary assets and liabilities are reflected in foreign currency gains (losses), net. For the years ended December 31, 2021, 2020 and 2019, Seaboard recognized \$(1) million, \$1 million and \$(3) million, respectively, in foreign currency gains (losses) related to the adoption of highly inflationary accounting.

### *Cash and Cash Equivalents*

For purposes of the consolidated statements of cash flows, management considers all demand deposits, overnight investments and other investments with original maturities less than three months as cash equivalents.

### *Supplemental Cash Flow Information*

The amounts paid for interest and income taxes are as follows:

<i>(Millions of dollars)</i>	Years ended December 31,		
	2021	2020	2019
Interest, net of interest capitalized	\$ 10	\$ 16	\$ 36
Income taxes, net of refunds	104	55	31

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

	Twelve months ended December 31,		
<i>(Millions of dollars)</i>	2021	2020	2019
<b>Cash paid for amounts included in the measurement of lease liabilities:</b>			
Operating cash flows from operating leases	\$ 166	\$ 142	\$ 137
Operating cash flows from finance leases	5	4	1
Financing cash flows from finance leases	14	7	2
<b>ROU assets obtained in exchange for new lease liabilities:</b>			
Operating leases	\$ 244	\$ 62	\$ 95
Finance leases	54	50	46

Other non-cash activities were related to the non-cash consideration paid in the acquisitions discussed further in Note 13 and capital expenditures of \$5 million included in accounts payable.

#### *Short-Term Investments*

Short-term investments are categorized as trading securities and reported at their estimated fair value with any unrealized gains and losses included in other investment income (loss), net in the consolidated statements of comprehensive income. Purchases and sales are recorded on a settlement date basis, and gains and losses on investment sales are generally based on the specific identification method. Short-term investments are retained for future use in the business.

#### *Accounts Receivable*

The following table presents the components of Seaboard’s receivables as of December 31, 2021 and 2020:

	December 31,	
<i>(Millions of dollars)</i>	2021	2020
<b>Receivables:</b>		
Trade	\$ 553	\$ 381
Due from affiliates	128	111
Other	112	68
<b>Total receivables</b>	<b>793</b>	<b>560</b>
Allowance for credit losses	(31)	(28)
<b>Net receivables</b>	<b>\$ 762</b>	<b>\$ 532</b>

Accounts receivable are recorded at the invoiced amount and generally do not bear interest. The Power segment, however, collects interest on certain past due accounts, and the CT&M segment provides extended payment terms for certain customers in certain countries due to local market conditions.

The allowance for credit losses is Seaboard’s best estimate of the amount of probable credit losses using the current expected credit loss model. This model estimates the lifetime of expected credit loss based on historical experience, current conditions and reasonable supportable forecasts. Changes in estimates, developing trends and other new information can have a material effect on future evaluations. As of December 31, 2021 and 2020, Seaboard had gross foreign receivables of approximately \$578 million and \$410 million, respectively, which generally represent more of a collection risk than the domestic receivables, although as of December 31, 2021 no individual material amounts were deemed to have a heightened risk of collectability. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

The activity within the allowance for credit losses was as follows:

<i>(Millions of dollars)</i>	Balance at beginning of year	Transition Adjustment <sup>(a)</sup>	Provision <sup>(b)</sup>	Net deductions <sup>(c)</sup>	Balance at end of year
<b>Allowance for Credit Losses:</b>					
Year Ended December 31, 2021	\$ 28	—	5	(2)	\$ 31
Year Ended December 31, 2020	\$ 28	3	—	(3)	\$ 28
Year Ended December 31, 2019	\$ 33	—	5	(10)	\$ 28

(a) Adjustment made upon adoption of new guidance to retained earnings.

(b) Provision amounts are charged to selling, general and administrative expenses.

(c) Includes write-offs net of recoveries, foreign currency translation adjustments and other adjustments.

#### *Notes Receivable*

Notes receivable are included in other receivables, if current, and other non-current assets, if long-term. Seaboard monitors the credit quality of notes receivable, the majority of which are from its affiliates, using the current expected credit loss model as well. For notes receivable from affiliates, Seaboard obtains and reviews financial information monthly and inquires of Seaboard representatives that serve on their Board of Directors.

The activity within the allowance for notes receivable was as follows:

<i>(Millions of dollars)</i>	Balance at beginning of year	Provision	Net deductions	Balance at end of year
<b>Allowance for Notes Receivable:</b>				
Year Ended December 31, 2021	\$ 17	1	—	\$ 18
Year Ended December 31, 2020	\$ 17	—	—	\$ 17
Year Ended December 31, 2019	\$ 17	—	—	\$ 17

#### *Inventories*

Grain, flour and feed inventories at the CT&M segment's foreign milling operations are valued at the lower of weighted average cost and net realizable value ("NRV"). All other inventories are valued at the lower of first-in, first-out ("FIFO") cost and NRV. In determining NRV, management makes assumptions regarding estimated sales prices, estimated costs to complete and estimated disposal costs. Changes in future market prices or facts and circumstances could result in a material write down in the value of inventory or decreased future margins on the sale of inventory.

#### *Property, Plant and Equipment*

Property, plant and equipment are carried at cost and are being depreciated on the straight-line method over useful lives, ranging from 3 to 30 years. Property, plant and equipment under finance leases are stated at the present value of minimum lease payments and subsequently amortized using the straight-line method over the earlier of the end of its useful life or the end of the lease term. Routine and planned major maintenance, repairs and minor renewals are expensed as incurred, while major renewals and improvements are capitalized. Property, plant and equipment and other long-lived assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are determined to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. During the fourth quarter of 2021, management committed to a plan to dispose of an immaterial CT&M business, which resulted in an impairment of \$14 million, primarily foreign currency translation adjustments.

#### *Right of Use Assets and Lease Liabilities*

ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The present value of lease payments is determined primarily using the incremental borrowing rate based on the information available at the lease commencement date. As Seaboard's leases do not have readily determinable implicit discount rates, Seaboard adjusts its incremental borrowing rate to determine the present value of the lease payments. Seaboard determines the incremental borrowing rate for its leases by adjusting the local risk-free interest rate on its Term Loan due 2028 with a credit risk premium corresponding to Seaboard's unreported credit rating. Seaboard has elected not to recognize ROU assets and lease liabilities for short-term leases for all classes of underlying assets. Short-term leases are leases with terms greater than 1 month, but less than 12 months. Also, Seaboard elected to account for lease and non-lease maintenance components as a single lease component for all classes of underlying assets.

### Equity Method Investments

Investments in non-controlled affiliates where Seaboard has significant influence are accounted for by the equity method. For the CT&M segment, these investments are primarily in foreign countries, which are less developed than the U.S., and therefore, expose Seaboard to greater financial risks. At certain times when there are ongoing losses, local economies are depressed, commodity-based markets are less stable or foreign governments cause challenging business conditions, the fair value of the equity method investments is evaluated by management. The fair value of these investments is not readily determinable as almost all of these investments are not publicly traded. Management will use other methods to determine fair value such as estimated future cash flows, including assumptions on growth rates, for the business and consideration of other local business conditions as applicable.

### Goodwill and Other Intangible Assets

Goodwill is assessed annually for impairment by each reporting unit at the quarter end closest to the anniversary date of the initial acquisition, or more frequently if circumstances indicate that impairment is likely. Any one event or a combination of events such as change in the business climate, a negative change in relationships with significant customers and changes to strategic decisions, could require an interim assessment prior to the next required annual assessment. If qualitative factors indicate more likely than not an impairment is possible, Seaboard performs its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount and would recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value. During the year ended December 31, 2021, certain immaterial reporting units recorded a total of \$4 million of impairment charges. Based on the annual qualitative assessments conducted by the remaining reporting units, there were no other impairment charges recorded.

The changes in the carrying amount of goodwill were as follows:

(Millions of dollars)	Pork Segment	CT&M Segment	Total
Balance as of December 31, 2019	\$ 18	\$ 146	\$ 164
Acquisition	—	4	4
Foreign currency translation	—	(1)	(1)
Balance as of December 31, 2020	18	149	167
Impairment	—	(4)	(4)
Balance as of December 31, 2021	\$ 18	\$ 145	\$ 163

Separable intangible assets with finite lives are amortized over their estimated useful lives and evaluated for impairment similar to property, plant and equipment discussed above. The gross carrying amount and accumulated amortization for finite-lived intangible were as follows:

(Millions of dollars)	December 31, 2021			December 31, 2020		
	Customer relationships	Trade names	Total	Customer relationships	Trade names	Total
Gross carrying amount	\$ 51	\$ 28	\$ 79	\$ 51	\$ 28	\$ 79
Accumulated amortization and currency translation	(22)	(12)	(34)	(16)	(9)	(25)
Net carrying amount	\$ 29	\$ 16	\$ 45	\$ 35	\$ 19	\$ 54

Amortization of intangible assets was \$9 million and \$8 million for the years ended December 31, 2021 and 2020, respectively. Using the exchange rates in effect at year-end, estimated amortization of intangible assets as of December 31, 2021 is \$9 million each year for the next five years.

### Accrued Self-Insurance

Seaboard is self-insured for certain levels of workers' compensation, health care coverage, property damage, vehicle, product recall and general liability. The cost of these self-insurance programs is accrued based upon estimated settlements for known and anticipated claims. Changes in estimates to previously recorded reserves are reflected in current operating results.

### Asset Retirement Obligation

Seaboard has recorded long-lived assets and a related liability for the asset retirement obligation costs associated with the closure of the hog lagoons it is legally obligated to close in the future should Seaboard cease operations or plan to close such lagoons voluntarily in accordance with a changed operating plan. Based on detailed assessments and appraisals obtained to estimate the future asset retirement obligation costs, Seaboard recorded the present value of the projected costs

in non-current other liabilities in the consolidated balance sheets with the retirement asset depreciated over the economic life of the related asset. The following table shows the changes in the asset retirement obligation:

<i>(Millions of dollars)</i>	Years ended December 31,	
	2021	2020
Beginning balance	\$ 27	\$ 25
Accretion expense	1	2
Liability for additional lagoons	1	—
Ending balance	\$ 29	\$ 27

#### *Revenue Recognition*

Seaboard recognizes revenue when control of the promised goods or services is transferred to its customers, in an amount that reflects the consideration it expects to receive in exchange for those goods or services. The majority of Seaboard's revenue arrangements consist of a single performance obligation as the promise to transfer the individual product or service is not separately identifiable from other promises in the contracts, including shipping and handling and customary storage, and, therefore, not distinct. 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 transaction prices are mostly fixed, but occasionally include minimal variable consideration for early payment, volume and other similar discounts, which are highly probable based on the history with the respective customers. Taxes assessed by a governmental authority that are collected by Seaboard from a customer are excluded from sales.

Almost all of Seaboard's contracts with its customers are short-term, defined as less than one year. Seaboard does not disclose the value of unsatisfied performance obligations for: (i) contracts with an original expected length of one year or less; and (ii) contracts for which revenue is recognized at the amount to which it has the right to invoice for services performed. Also, Seaboard recognizes a financing component only on obligations that extend longer 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, 2020 was recognized as revenue during the first quarter of 2021.

#### *Derivative Instruments and Hedging Activities*

Seaboard recognizes all derivatives as either assets or liabilities at their fair values. Accounting for changes in the fair value of a derivative depends on its designation and effectiveness. Derivatives qualify for treatment as hedges for accounting purposes when there is a high correlation between the change in fair value of the instrument and the related change in value of the underlying commitment. Additionally, in order to designate a derivative financial instrument as a hedge for accounting purposes, extensive record keeping is required. For derivatives that qualify as hedges for accounting purposes, the change in fair value has no net impact on earnings, to the extent the derivative is considered effective, until the hedged transaction affects earnings. For derivatives that are not designated as hedging instruments for accounting purposes, or for the ineffective portion of a hedging instrument, the change in fair value affects current period net earnings.

From time to time, Seaboard uses derivative instruments to manage various types of market risks, including primarily commodity futures and option contracts, foreign currency exchange agreements, interest rate exchange agreements and equity future contracts. While management believes each of these instruments are primarily entered into in order to effectively manage various market risks, as of December 31, 2021, none of the derivatives were designated and accounted for as hedges, primarily as a result of the extensive record-keeping requirements.

#### *Research and Development*

Seaboard conducts continuous research and development activities to develop new products and to improve existing products and processes. Seaboard incurred research and development expenses of \$191 million, \$134 million and \$143 million for the years ended December 31, 2021, 2020 and 2019, respectively.

#### *Income Taxes*

Deferred income taxes are recognized for the tax consequences of temporary differences by applying enacted statutory tax rates applicable to future years to differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities. Seaboard accounts for the global intangible low-taxed income ("GILTI") provision and the base-erosion and anti-abuse tax ("BEAT") provision taxes in the period incurred.



### *Earnings Per Common Share*

Earnings per common share are based upon the weighted average shares outstanding during the period. Basic and diluted earnings per share are the same for all periods presented.

### *Accounting Standards Recently Adopted*

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 receivables, among other financial instruments. This model estimates the lifetime of expected credit loss 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.

### **Note 2 – Investments**

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

<i>(Millions of dollars)</i>	December 31,	
	2021	2020
Domestic debt securities	\$ 542	\$ 496
Domestic equity securities	472	702
Foreign equity securities	193	133
Foreign debt securities	133	68
Money market funds held in trading accounts	59	47
Other trading securities	17	19
<b>Total trading short-term investments</b>	<b>\$ 1,416</b>	<b>\$ 1,465</b>

The change in unrealized gains (losses) related to trading securities still held at the end of the respective reporting period was \$12 million, \$74 million and \$176 million for the years ended December 31, 2021, 2020 and 2019, respectively.

Seaboard had \$46 million and \$29 million of short-term investments denominated in foreign currencies, primarily euros, as of December 31, 2021 and 2020, respectively.

Seaboard had long-term investments of \$156 million and \$87 million as of December 31, 2021 and 2020, respectively, primarily in a business development company (“BDC”), real estate and renewable energy facilities. The BDC investment is included in the fair value hierarchy table in Note 10 and the other investments are primarily accounted for under the equity method of accounting. Long-term investments are classified in other non-current assets on the consolidated balance sheets.

### **Note 3 – Inventories**

The following table is a summary of inventories:

<i>(Millions of dollars)</i>	December 31,	
	2021	2020
<b>At lower of FIFO cost and NRV:</b>		
Hogs and materials	\$ 489	\$ 437
Pork products and materials	64	46
Grains, oilseeds and other commodities	634	380
Biofuels and related credits	147	72
Sugar produced and in process	21	24
Other	71	61
<b>Total inventories at lower of FIFO cost and NRV</b>	<b>1,426</b>	<b>1,020</b>
<b>Grain, flour and feed at lower of weighted average cost and NRV</b>	<b>237</b>	<b>158</b>
<b>Total inventories</b>	<b>\$ 1,663</b>	<b>\$ 1,178</b>

#### Note 4 – Property, Plant and Equipment

The following table is a summary of property, plant and equipment:

<i>(Millions of dollars)</i>	Useful Lives	December 31,	
		2021	2020
Land and improvements	3 - 15 years	\$ 285	\$ 268
Buildings and improvements	30 years	739	712
Machinery and equipment	3 - 20 years	1,445	1,367
Vessels and vehicles	3 - 18 years	214	158
Office furniture and fixtures	5 years	45	43
Contract growers	5 - 15 years	118	93
Construction in progress		613	389
Total property, plant and equipment		3,459	3,030
Accumulated depreciation and amortization		(1,567)	(1,448)
Net property, plant and equipment		\$ 1,892	\$ 1,582

Finance lease ROU assets are included in property, plant and equipment and comprise all of the contract growers' asset category, with the remaining balance in vessels, machinery and equipment, buildings and land. Finance lease ROU assets were \$128 million and \$92 million, net of \$29 million and \$12 million in accumulated amortization as of December 31, 2021 and 2020, respectively.

Seaboard's capitalized interest on construction in progress was \$7 million and \$10 million for the years ended December 31, 2021 and 2020, respectively.

#### Note 5 – Leases

Seaboard's operating leases are primarily for ports, vessels, contract grower assets, and to a lesser extent, land, buildings and machinery and equipment. Seaboard's finance leases are primarily for contract grower assets. Seaboard's Marine segment leases its Miami, Florida terminal, among other ports. The Marine and CT&M segments lease vessels for use in operations. The Pork segment has contract grower agreements in place with farmers to raise a portion of Seaboard's hogs using the farmer's buildings, land and equipment. Seaboard's non-lease components are primarily for services related to labor associated with caring for hogs in its contract grower agreements and crew services on vessel charter arrangements.

As of December 31, 2021, the weighted average remaining lease term for Seaboard's operating and finance leases was approximately four years and seven years, respectively. Seaboard's lease terms vary depending upon the class of asset and some leases include options to extend or terminate. Since Seaboard is not reasonably certain to exercise these renewal or termination options, the options are not considered in determining the lease term and associated potential option payments or penalties are excluded from lease payments.

Seaboard's operating lease assets and liabilities are reported separately in the consolidated balance sheet. The classification of Seaboard's finance leases in the consolidated balance sheet as of December 31, 2021 and 2020, respectively, was as follows:

<i>(Millions of dollars)</i>		2021	2020
Finance lease right of use assets, net	Property, plant and equipment, net	\$ 128	\$ 92
Finance lease liabilities	Other current liabilities	23	10
Non-current finance lease liabilities	Other liabilities	104	78

The components of lease cost were as follows:

<i>(Millions of dollars)</i>	2021	2020
Operating lease cost	\$ 162	\$ 145
Finance lease cost:		
Amortization of right of use assets	17	9
Interest on lease liabilities	5	4
Variable lease cost	20	8
Short-term lease cost	27	25
Sublease income	(8)	(6)
Total lease cost	\$ 223	\$ 185

Operating lease cost and short-term lease cost are recognized on a straight-line basis over the lease term. Finance lease cost is recognized based on the effective interest method for the lease liability and straight-line amortization of the ROU



asset. Variable lease payments are recognized when the circumstance in the lease agreement on which those payments are assessed occurs. Variable lease payments are primarily for payments in excess of minimums with regards to throughput of shipping containers and changes in indexed charter-hire rates. Short-term leases are primarily for containers and vessels at Seaboard's Marine segment. Lease cost is included in various line items in the consolidated statements of comprehensive income or capitalized to inventory. Rental expense for leases with terms of a month or less are excluded from the total lease cost above.

Maturities of lease liabilities as of December 31, 2021 were as follows:

<i>(Millions of dollars)</i>	Operating Leases	Finance Leases
2022	\$ 190	\$ 27
2023	151	27
2024	79	25
2025	52	17
2026	47	12
Thereafter	84	43
Total undiscounted lease payments	603	151
Less imputed interest	(72)	(24)
Total lease liability	\$ 531	\$ 127

Seaboard's weighted average discount rate for operating and finances leases was 5.37% and 4.16%, respectively, as of December 31, 2021. There were estimates and judgments made in determining Seaboard's multiple discount rates based on term, country and currency, including developing a secured credit rating and spreading market yield data across maturities and country risk-free rates.

#### Note 6 – Equity Method Investments

Seaboard has several investments in and advances to non-controlled, non-consolidated affiliates that are all accounted for using the equity method of accounting. Financial information from certain foreign affiliates is reported on a one- to three-month lag, depending on the specific entity. By segment, combined condensed financial information of the respective affiliates is included in the tables below.

<i>(Millions of dollars)</i>	Investments in and Advances to Affiliates		Income (Loss) from Affiliates		
	December 31,		Years ended December 31,		
	2021	2020	2021	2020	2019
Pork	\$ 142	\$ 172	\$ 3	\$ (9)	\$ (22)
CT&M	224	222	18	(2)	(5)
Marine	33	30	6	2	3
Sugar and Alcohol	4	6	—	1	1
Power	3	3	—	—	3
Turkey	245	265	(20)	(10)	(21)
Segment/Consolidated Totals	\$ 651	\$ 698	\$ 7	\$ (18)	\$ (41)

The Pork segment has noncontrolling interests in Daily's Premium Meats, LLC ("Daily's") (50%) and Seaboard Triumph Foods, LLC ("STF") (50%). Daily's produces and markets raw and pre-cooked bacon. STF operates a pork processing plant. Seaboard's Pork segment supplies raw materials to both of these facilities for processing and provides marketing services to STF for its pork products. Beginning in 2022, Daily's and STF will supply feedstock to the renewable diesel operations. In January 2022, the Pork segment sold 50% of its ham-boning operations in Mexico. The Pork segment will continue to sell raw materials for further processing to this affiliate, and earnings from the Mexico operations will be reflected in Income (loss) from affiliates effective in the first quarter of 2022.

<i>(Millions of dollars)</i>	December 31,		
	2021	2020	2019
Pork Segment			
Net sales	\$ 2,010	\$ 1,543	\$ 1,453
Net income (loss)	\$ 5	\$ (18)	\$ (43)
Total assets	\$ 584	\$ 586	\$ 639
Total liabilities	\$ 302	\$ 245	\$ 277
Total equity	\$ 282	\$ 341	\$ 362

The CT&M segment has noncontrolling interests in foreign businesses conducting flour, maize and feed milling, baking operations, poultry production and processing, and agricultural commodity trading. As of December 31, 2021, the location and percentage ownership of CT&M's affiliates were as follows: Botswana (50%), Democratic Republic of Congo (50%), Gambia (50%), Kenya (46.92%-49%), Lesotho (50%), Mauritania (50%), Morocco (11.96%-17.86%), Nigeria (25%-48.33%), Senegal (49%), South Africa (50%), Tanzania (49%), Uganda (49%) and Zambia (49%) in Africa; Colombia (40%-42%), Ecuador (25%-50%), Guyana (50%), and Peru (50%) in South America; Jamaica (50%) and Haiti (23.33%) in the Caribbean; Turkey (25%) in Europe; and Canada (45%) and the U.S. (40%) in North America. As of December 31, 2021, the CT&M segment's carrying value of certain investments in affiliates was more than its share of the affiliates' book value by \$53 million. The excess is attributable primarily to the valuation of property, plant and equipment and intangible assets. Certain basis adjustments are being amortized to income (loss) from affiliates over the remaining life of the assets. Seaboard's CT&M segment supplies commodities to the majority of its equity method milling affiliates.

CT&M Segment <i>(Millions of dollars)</i>	December 31,		
	2021	2020	2019
Net sales	\$ 2,766	\$ 2,482	\$ 3,129
Net income (loss)	\$ 47	\$ (2)	\$ (12)
Total assets	\$ 1,798	\$ 1,745	\$ 1,697
Total liabilities	\$ 1,199	\$ 1,185	\$ 1,075
Total equity	\$ 599	\$ 560	\$ 622

The Marine segment has noncontrolling interests in businesses that primarily own cargo terminal operations in the Caribbean (16.71%- 22.07%). These affiliates provide terminal and stevedoring services to the Marine segment. As of December 31, 2021, the Marine segment's carrying value of certain investments in affiliates was less than its share of the affiliates' book value by \$33 million. The difference is attributable primarily to the valuation of property, plant and equipment and impairments taken by Seaboard, but not the respective entity. Certain basis adjustments are being amortized to income (loss) from affiliates over the remaining life of the assets.

Marine Segment <i>(Millions of dollars)</i>	December 31,		
	2021	2020	2019
Net sales	\$ 74	\$ 66	\$ 70
Net income	\$ 27	\$ 8	\$ 12
Total assets	\$ 245	\$ 253	\$ 269
Total liabilities	\$ 88	\$ 98	\$ 107
Total equity	\$ 157	\$ 155	\$ 162

The Sugar and Alcohol segment has noncontrolling interests in two sugar-related businesses in Argentina (50%).

Sugar and Alcohol Segment <i>(Millions of dollars)</i>	December 31,		
	2021	2020	2019
Net sales	\$ 6	\$ 7	\$ 10
Net income	\$ —	\$ 1	\$ 3
Total assets	\$ 8	\$ 14	\$ 13
Total liabilities	\$ 1	\$ 2	\$ 2
Total equity	\$ 7	\$ 12	\$ 11

The Power segment has noncontrolling interests in two energy-related businesses in the Dominican Republic (45% and 50%). In September 2019, Seaboard's Power segment sold its 29.9% noncontrolling interest in a Dominican Republic electricity generation facility for \$23 million cash, net of \$1 million in selling expenses and taxes.

Power Segment <i>(Millions of dollars)</i>	December 31,		
	2021	2020	2019
Net sales	\$ 1	\$ 1	\$ 143
Net income	\$ 1	\$ —	\$ 10
Total assets	\$ 12	\$ 12	\$ 11
Total liabilities	\$ 5	\$ 6	\$ 4
Total equity	\$ 7	\$ 6	\$ 7

The Turkey segment represents Seaboard's 50% noncontrolling interest in Butterball. Within total assets, Butterball had trade name intangible assets of \$111 million and goodwill of \$66 million as of December 31, 2021.

Seaboard holds warrants, which upon exercise for a nominal price, would enable Seaboard to acquire an additional 5% equity interest in Butterball. The warrants qualify for equity treatment under accounting standards and are classified as investments in and advances to affiliates in the consolidated balance sheets. Seaboard can exercise these warrants at any time prior to December 31, 2025, when the warrants expire. Butterball has the right to repurchase the warrants for fair market value. The warrant agreement essentially provides Seaboard with a 52.5% economic interest, as these warrants are in substance an additional equity interest. Therefore, Seaboard records 52.5% of Butterball's earnings as income (loss) from affiliates in the consolidated statements of comprehensive income. However, all significant corporate governance matters would continue to be shared equally between Seaboard and its partner in Butterball even if the warrants were exercised, unless Seaboard already owned a majority of the voting rights at the time of exercise.

Turkey Segment <i>(Millions of dollars)</i>	December 31,		
	2021	2020	2019
Net sales	\$ 1,792	\$ 1,675	\$ 1,612
Operating loss	\$ (34)	\$ (6)	\$ (20)
Net loss	\$ (38)	\$ (20)	\$ (40)
Total assets	\$ 991	\$ 993	\$ 1,038
Total liabilities	\$ 517	\$ 481	\$ 507
Total equity	\$ 474	\$ 512	\$ 531

#### Note 7 – Debt

##### *Lines of Credit*

The outstanding balances under uncommitted lines of credit was \$359 million and \$222 million as of December 31, 2021 and 2020, respectively. Of the outstanding balance as of December 31, 2021, \$218 million was denominated in foreign currencies, with \$177 million denominated in the South African rand and the remaining in various other currencies. Of the outstanding balance as of December 31, 2020, \$142 million was denominated in foreign currencies, with \$106 million denominated in the South African rand and the remaining in various other currencies. The uncommitted lines of credit are unsecured and do not require compensating balances.

As of December 31, 2021, Seaboard had a committed \$250 million line of credit secured by certain short-term investments maturing September 30, 2022. Draws bear interest based on LIBOR plus a spread. There was \$157 million outstanding under committed lines of credit as of December 31, 2021 and no balance outstanding as of December 31, 2020.

The weighted average interest rate for outstanding lines of credit was 2.71% and 3.89% as of December 31, 2021 and 2020, respectively.

##### *Long-term Debt*

The following table is a summary of long-term debt:

<i>(Millions of dollars)</i>	December 31,	
	2021	2020
Term Loans due 2028	\$ 677	\$ 684
Foreign subsidiary obligations	1	49
Other long-term debt	39	30
Total debt at face value	717	763
Current maturities and unamortized discount and costs	(9)	(56)
Long-term debt, less current maturities and unamortized discount and costs	\$ 708	\$ 707

In 2018, Seaboard Foods LLC entered into an Amended and Restated Term Loan Credit Agreement (“Credit Agreement”) with CoBank, ACB, Farm Credit Services of America, PCA, and the lenders party thereto for a \$700 million unsecured term loan (“Term Loan”). The Term Loan provides for quarterly payments of the principal balance pursuant to the revised amortization schedule set forth in the Credit Agreement, with the balance due on the maturity date of September 25, 2028. The Term Loan bears interest at fluctuating rates based on various margins over a Base Rate, LIBOR or a Quoted Rate, at the option of the borrower. The interest rate was 1.73% and 1.77% as of December 31, 2021 and 2020, respectively. The Credit Agreement contains customary covenants for credit facilities of this type, including restrictions on the incurrence of indebtedness over a certain threshold, ability to make certain acquisitions, investments and asset dispositions and aggregate dividend payments.

Foreign subsidiary obligations as of December 31, 2020, included a \$46 million euro-denominated note payable due to the sellers related to a 2018 acquisition. This note payable was repaid in January 2021.

In conjunction with the purchase of certain equipment during 2021, \$9 million of secured, other long-term debt was assumed. The loan agreement incurs a fixed interest rate of 5.60% and matures in August 2037. In December 2020, Seaboard received a \$30 million note that incurs a fixed interest rate of 1.28% and matures in 2027.

Seaboard was in compliance with all restrictive debt covenants relating to these agreements as of December 31, 2021.

The aggregate minimum principal payments required on long-term debt as of December 31, 2021 were as follows: \$8 million in 2022, \$7 million in 2023, \$7 million in 2024, \$7 million in 2025, \$7 million in 2026 and \$681 million thereafter.

## **Note 8 – Commitments and Contingencies**

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### *Legal Proceedings*

On July 21, 2021, a lawsuit was filed by an individual, Odette Blanco de Fernandez, who alleges that she owns a claim to confiscated property, related persons who purportedly inherited claims to confiscated property (“Inheritors”) and estates of deceased persons who purportedly own claims to confiscated property (“Estates”) against Seaboard Corporation in the U.S. District Court for the District of Delaware under Title III of the Cuban Liberty and Solidarity Act of 1996, also known as the Helms-Burton Act (the “Act”). The same plaintiffs filed a separate lawsuit against Seaboard Marine Ltd. (“Seaboard Marine”) on December 20, 2020, in the U.S. District Court for the Southern District of Florida. The Act provides that any person who knowingly and intentionally “traffics” in property which was confiscated by the Cuban government may be liable to any U.S. national who owns the claim to such property for money damages in an amount equal to the greater of the current value of the property or the value of the property when confiscated, plus interest from the date of confiscation, reasonable attorneys’ fees and costs, and treble damages under certain circumstances. The Act numerates certain activities that are excluded from liability, including “lawful travel.” The complaint in each of the cases alleges that the plaintiffs hold claims to a 70-year concession to develop port facilities at Mariel Bay, Cuba, and to ownership of surrounding land, and that these and other property rights were confiscated by the Cuban government in 1960. They further allege that Seaboard Corporation and Seaboard Marine knowingly and intentionally “trafficked” within the meaning of the Act in the confiscated property by carrying and/or directing cargo to the Port of Mariel. The Court in the Seaboard Marine case dismissed the claims of the Inheritors and the Estates because they did not acquire the claims prior to March 1996, as required by the Act. The Court denied Plaintiffs’ motion for reconsideration of the dismissal of the Estates. As to the suit against Seaboard Corporation, on October 21, 2021, the plaintiffs filed an Amended Complaint which principally adds allegations that there were additional callings made by Seaboard Marine at the Port of Mariel and that Seaboard Corporation engaged in a pattern of doing business with individuals and entities in contravention of the foreign policy of the U.S. The operative complaints in each lawsuit seek unspecified damages (including treble damages) and pre-filing interest as provided in the Act; pre-judgment interest; attorneys’ fees, costs and expenses; and such other relief as is just and proper. Seaboard believes it has meritorious defenses to the claims alleged in these matters and intends to vigorously defend these matters. It is impossible at this stage either to determine the probability of a favorable or unfavorable outcome resulting from either of these suits, or to reasonably estimate the amount of potential loss or range of potential loss, if any, resulting from the suits.

On June 28, 2018, twelve 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. The complaint also named Seaboard Corporation as a defendant. Additional class action complaints making similar claims on behalf of putative classes of direct and indirect purchasers were later filed in the District Court, and three additional actions by standalone plaintiffs (including the Commonwealth of Puerto Rico) were filed in or transferred to the District Court. The consolidated actions are styled *In re Pork Antitrust Litigation*. The operative complaints allege, 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 assert claims under various state laws, including state antitrust laws, unfair competition laws, consumer protection statutes, and common law unjust enrichment. The relief sought in the respective complaints includes treble damages, injunctive relief, pre- and post-judgment interest, costs and attorneys’ fees. On October 16, 2020, the District Court denied defendants’ motions to dismiss the amended complaints, but the District Court later dismissed all claims against Seaboard Corporation without prejudice.

In 2021 and 2022, additional standalone plaintiffs filed similar actions in other federal courts throughout the country, several of which name Seaboard Corporation as a defendant. These actions have been or are expected to be conditionally transferred to Minnesota for pretrial proceedings pursuant to an order by the Judicial Panel on Multidistrict Litigation.

Also in 2021, the states of New Mexico and Alaska filed cases in state court against substantially the same defendants, including Seaboard Foods LLC and Seaboard Corporation, based on substantially similar allegations.

Seaboard believes that it has meritorious defenses to the claims alleged in these matters and intends to vigorously defend these matters. 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 Corporation and its subsidiaries, Seaboard Overseas Limited (“SOL”) and Seaboard Uruguay Holdings Ltd. (“Seaboard Uruguay”). Seaboard Corporation has a 45% indirect ownership of Cereoil. The suit seeks an order requiring Seaboard Corporation, 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 believes that it has meritorious defenses to the claims alleged in this matter and intends to vigorously defend this matter. 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 plus interest. 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 Corporation, 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 believes that it has meritorious defenses to the claims alleged in this matter and intends to vigorously defend this matter. 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 Corporation 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.

On September 30, 2021, HSBC Bank (Uruguay) SA (“HSBC”), a creditor in the Cereoil bankruptcy proceeding pending in Uruguay, filed a suit in the U.S. District Court for the District of Kansas against Seaboard Corporation alleging claims for breach of contract, promissory estoppel, breach of the duty of good faith and fair dealing, unjust enrichment, fraud, negligent misrepresentation and fraud by concealment based upon a comfort letter, alleged statements by Cereoil personnel (including the chief financial officer serving at the behest of Seaboard), and the same grain transactions that the Trustee challenges as fraudulent conveyances in the Cereoil bankruptcy in Uruguay discussed above. HSBC seeks \$10 million plus interest and other relief in excess of \$3.2 million. Seaboard believes that it has meritorious defenses to the claims alleged in this matter and intends to vigorously defend this matter. It is impossible at this stage to determine the probability of a favorable or unfavorable outcome resulting from this suit.

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 believes that it has meritorious defenses to the claims alleged in this matter and intends to vigorously defend this matter. 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, asset sales and removal of duplicative claims, is estimated to be approximately \$8 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 Seaboard's non-consolidated affiliates have debt supporting their underlying operations. From time to time, Seaboard will provide guarantees of that debt in order to further Seaboard's business objectives. As of December 31, 2021, guarantees outstanding were not material. Seaboard has not accrued a liability for any of the guarantees as management considers the likelihood of loss to be remote.

#### *Commitments*

As of December 31, 2021, Seaboard had various non-cancelable commitments under contractual agreements:

<i>(Millions of dollars)</i>	Years ended December 31,						Totals
	2022	2023	2024	2025	2026	Thereafter	
Hog procurement contracts <sup>(a)</sup>	\$ 129	\$ 94	\$ 92	\$ 95	\$ 82	\$ 22	\$ 514
Grain and feedstock commitments <sup>(b)</sup>	424	250	152	24	18	—	868
Grain purchase contracts for resale <sup>(c)</sup>	1,022	3	—	—	—	—	1,025
Fuel supply contracts <sup>(d)</sup>	87	55	69	79	91	373	754
Capital expenditures <sup>(e)</sup>	221	17	89	—	—	—	327
Other commitments	177	4	4	3	3	24	215
<b>Total unrecognized non-cancelable commitments</b>	<b>\$ 2,060</b>	<b>\$ 423</b>	<b>\$ 406</b>	<b>\$ 201</b>	<b>\$ 194</b>	<b>\$ 419</b>	<b>\$ 3,703</b>

(a) The Pork segment has contracted with third parties for the purchase of hogs to support its operations. The amounts are based on projected market prices as of December 31, 2021. During 2021, 2020 and 2019, the Pork segment paid \$145 million, \$108 million and \$121 million, respectively, for hogs purchased under committed contracts.

(b) The Pork segment enters into grain purchase and feedstock contracts to support its operations. For variable costs, the amounts are based on projected commodity prices as of December 31, 2021.

(c) The CT&M segment enters into grain purchase contracts, primarily to support firm sales commitments. The amounts are based on projected commodity prices as of December 31, 2021.

(d) The Power segment has a natural gas supply contract for a significant portion of the fuel required for the barge under construction. Also, the Marine segment has a fuel supply agreement to purchase natural gas for the vessels under construction. The variable price components are based on market prices as of December 31, 2021.

(e) The capital expenditures are primarily for the Marine segment's purchase of two vessels in 2022 and construction of three vessels with expected delivery in 2024, based on contracts. The biogas recovery and other projects in the Pork segment are based on commitments per respective contracts.

#### **Note 9 – Employee Benefits**

Seaboard has qualified defined benefit pension plans for its domestic salaried and clerical employees that were hired before January 1, 2014. Benefits are generally based upon the number of years of service and a percentage of final average pay. Seaboard did not make any contributions in 2021 and 2020 and currently does not plan on making any contributions in 2022 to qualified plans.

Seaboard also sponsors non-qualified, unfunded supplemental executive plans. Management has no plans to provide funding for these supplemental executive plans in advance of when the benefits are paid.

Pursuant to Seaboard's investment policy for qualified pension plans, assets are invested to achieve a diversified target allocation of approximately 50% in domestic equities, 25% in international equities, 20% in fixed income securities and 5% in alternative investments. The investment strategy is periodically reviewed by management for adherence to policy and performance. The following tables show the qualified plans' assets measured at estimated fair value as of December 31, 2021 and 2020, respectively, and the level within the fair value hierarchy used to measure each category of assets:

<i>(Millions of dollars)</i>	December 31,			
	2021	Level 1	Level 2	Level 3
<b>Assets:</b>				
Domestic equity securities	\$ 113	\$ 113	\$ —	\$ —
Foreign equity securities	71	71	—	—
Domestic fixed income mutual funds	29	29	—	—
Foreign fixed income mutual funds	12	12	—	—
Money market funds	2	2	—	—
<b>Total assets</b>	<b>\$ 227</b>	<b>\$ 227</b>	<b>\$ —</b>	<b>\$ —</b>

<i>(Millions of dollars)</i>	December 31,			
	2020	Level 1	Level 2	Level 3
<b>Assets:</b>				
Domestic equity securities	\$ 93	\$ 93	\$ —	\$ —
Foreign equity securities	64	64	—	—
Domestic fixed income mutual funds	32	32	—	—
Foreign fixed income mutual funds	15	15	—	—
Money market funds	2	2	—	—
<b>Total assets</b>	<b>\$ 206</b>	<b>\$ 206</b>	<b>\$ —</b>	<b>\$ —</b>

Assumptions used in determining pension information for the qualified and nonqualified plans were:

	Years ended December 31,		
	2021	2020	2019
<b>Weighted average assumptions:</b>			
Discount rate used to determine obligations	1.20-2.90%	0.70-2.60%	2.15-3.50%
Discount rate used to determine net periodic benefit cost	0.70-2.60%	2.15-3.50%	3.50-4.50%
Expected return on plan assets	6.25%	6.25%	6.25%
Long-term rate of increase in compensation levels	4.00%	4.00%	4.00%

Management selected the discount rates based on a model-based result where the timing and amount of cash flows approximates the estimated payouts. The expected return on the qualified plans' assets assumption is based on the weighted average of asset class expected returns that are consistent with historical returns. The assumed rate of return selected was based on model-based results that reflect the qualified plans' asset allocation and related long-term projected returns. The measurement date for all plans is December 31.

The aggregate changes in the benefit obligation and fair value of assets for the qualified and nonqualified plans and the funded status were as follows:

	December 31,	
	2021	2020
	Accumulated benefits exceed assets	Accumulated benefits exceed assets
<i>(Millions of dollars)</i>		
<b>Reconciliation of benefit obligation:</b>		
Benefit obligation at beginning of year	\$ 379	\$ 348
Service cost	10	9
Interest cost	9	11
Actuarial losses (gains)	(10)	58
Plan settlements	(19)	(38)
Benefits paid	(7)	(9)
Benefit obligation at end of year	\$ 362	\$ 379
<b>Reconciliation of fair value of plan assets:</b>		
Fair value of plan assets at beginning of year	\$ 206	\$ 185
Actual return on plan assets	27	27
Employer contributions	20	38
Plan settlements	(19)	(38)
Benefits paid	(7)	(6)
Fair value of plan assets at end of year	\$ 227	\$ 206
Funded status	\$ (135)	\$ (173)

The benefit obligation decreased primarily due to higher discount rates. The accumulated benefit obligation for the qualified and nonqualified plans was \$319 million and \$336 million as of December 31, 2021 and 2020, respectively. Expected future benefit payments for the qualified and nonqualified plans during each of the next five years and the next five years thereafter were as follows: \$26 million, \$25 million, \$16 million, \$11 million, \$15 million and \$76 million, respectively.

The net periodic benefit cost of these plans was as follows:

	Years ended December 31,		
	2021	2020	2019
<i>(Millions of dollars)</i>			
<b>Components of net periodic benefit cost:</b>			
Service cost	\$ 10	\$ 9	\$ 8
Interest cost	9	11	12
Expected return on plan assets	(12)	(11)	(10)
Amortization	9	7	5
Settlement loss recognized	6	11	2
Net periodic benefit cost	\$ 22	\$ 27	\$ 17

The service cost component is recorded in either cost of sales or selling, general and administrative expenses depending upon the employee, and the other components of net periodic benefit cost are recorded in miscellaneous, net in the consolidated statements of comprehensive income. The settlements recognized were primarily due to certain participants who received lump sum payments that cumulatively exceeded the service cost plus interest cost for the respective plan. During 2020, Seaboard made a lump sum \$32 million pension distribution, related to the passing of Seaboard's former Chief Executive Officer. The amounts not reflected in net periodic benefit cost and included in accumulated other comprehensive loss before taxes as of December 31, 2021 and 2020 were \$71 million and \$112 million, respectively. Such amounts primarily represent the unrecognized net actuarial losses that are generally amortized over the average remaining working lifetime of the active participants for all of these plans.

Seaboard has deferred compensation plans that allow certain employees to reduce their compensation in exchange for values in various investments. One plan requires certain individuals to defer compensation over a specific threshold and another plan, which no longer allows contributions, has options that are exercisable. In conjunction with these plans, Seaboard purchases investments that are classified as trading securities and included in other current assets and recognizes the amount payable to the employees in other current liabilities on the consolidated balance sheets. Investments for Seaboard's deferred compensation plans were \$29 million and \$26 million as of December 31, 2021 and 2020,



respectively. The payable to the employees was \$26 million and \$23 million as of December 31, 2021 and 2020, respectively. Deferred compensation plan costs recognized in selling, general and administrative expenses are offset by the effect of the marked-to-market adjustments on investments recorded in other investment income (loss). Seaboard's income (expense) for these plans, which primarily includes amounts related to the change in fair value of the underlying investment accounts, was \$(3) million, \$(6) million and \$(11) million for the years ended December 31, 2021, 2020 and 2019, respectively. Investment income (loss) related to the deferred compensation investments totaled \$3 million, \$6 million and \$11 million, for the years ended December 31, 2021, 2020 and 2019, respectively.

Seaboard maintains defined contribution plans covering most of its domestic employees. Contribution expense for these plans was \$4 million for each of the years ended December 31, 2021, 2020 and 2019.

In 2019, after ratification of a renewed collective bargaining agreement, Seaboard ceased contributing to a multi-employer pension fund, which subsequently terminated Seaboard's participation. Seaboard recorded a \$14 million withdrawal liability in 2019, that is payable in quarterly installments over 20 years. Contribution expense for this fund was \$1 million for year ended December 31, 2019.

### Note 10 – Derivatives and Fair Value of Financial Instruments

The fair value hierarchy prioritizes inputs to valuation techniques used to measure fair value into three broad levels:

*Level 1* — Observable inputs such as unadjusted quoted prices in active markets for identical assets or liabilities.

*Level 2* — Inputs other than quoted prices in active markets that are observable either directly or indirectly, including quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active or other inputs that are observable or can be corroborated by observable market data.

*Level 3* — Unobservable inputs that are supported by little or no market data and require the reporting entity to develop its assumptions.

The following tables show assets and liabilities measured at fair value on a recurring basis and 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>	December 31,			
	2021	Level 1	Level 2	Level 3
<b>Assets:</b>				
Trading securities – short-term investments:				
Domestic debt securities	\$ 542	\$ 247	\$ 295	\$ —
Domestic equity securities	472	472	—	—
Foreign equity securities	193	193	—	—
Foreign debt securities	133	2	131	—
Money market funds held in trading accounts	59	59	—	—
Other trading securities	17	—	17	—
Trading securities – other current assets:				
Domestic equity securities	16	16	—	—
Other trading securities	13	12	1	—
Long-term investment - BDC	81	—	—	81
<b>Derivatives:</b>				
Commodities	6	6	—	—
Foreign currencies	5	—	5	—
<b>Total assets</b>	<b>\$ 1,537</b>	<b>\$ 1,007</b>	<b>\$ 449</b>	<b>\$ 81</b>
<b>Liabilities:</b>				
Contingent consideration	\$ 18	\$ —	\$ —	\$ 18
<b>Derivatives:</b>				
Commodities	5	5	—	—
Foreign currencies	5	—	5	—
<b>Total liabilities</b>	<b>\$ 28</b>	<b>\$ 5</b>	<b>\$ 5</b>	<b>\$ 18</b>

<i>(Millions of dollars)</i>	December 31,			
	2020	Level 1	Level 2	Level 3
<b>Assets:</b>				
Trading securities – short-term investments:				
Domestic equity securities	\$ 702	\$ 702	\$ —	\$ —
Domestic debt securities	496	196	300	—
Foreign equity securities	133	133	—	—
Foreign debt securities	68	—	68	—
Money market funds held in trading accounts	47	47	—	—
Other trading securities	19	3	16	—
Trading securities – other current assets:				
Domestic equity securities	14	14	—	—
Other trading securities	12	11	1	—
Long-term investment - BDC	31	—	—	31
Derivatives:				
Commodities	28	28	—	—
Interest rate swaps	1	—	1	—
<b>Total assets</b>	<b>\$ 1,551</b>	<b>\$ 1,134</b>	<b>\$ 386</b>	<b>\$ 31</b>
<b>Liabilities:</b>				
Contingent consideration	\$ 16	\$ —	\$ —	\$ 16
Derivatives:				
Commodities	19	19	—	—
Foreign currencies	9	—	9	—
<b>Total liabilities</b>	<b>\$ 44</b>	<b>\$ 19</b>	<b>\$ 9</b>	<b>\$ 16</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. 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, U.S. Treasuries and high-yield securities. Foreign debt securities categorized as level 2 include foreign government or government related securities, corporate bonds, asset-backed securities and high-yield securities with a country of origin concentration outside the U.S.

Seaboard has a long-term investment in a BDC that primarily lends to and invests in debt securities of privately held companies. This long-term investment is valued at net asset value (“NAV”), adjusted for a liquidity discount of \$1 million, resulting in level 3 classification. The change in value during 2021 was primarily related to an additional contribution of \$50 million. Equity market activity is recorded in other investment income (loss).

The fair value of long-term debt is estimated by comparing interest rates for debt with similar terms and maturities. As Seaboard’s long-term debt is mostly variable-rate, its carrying amount approximates fair value. If Seaboard’s long-term debt was measured at fair value on its consolidated balance sheets, it would have been classified as level 2 in the fair value hierarchy. See Note 7 for a discussion of Seaboard’s long-term debt.

Seaboard’s contingent consideration, classified in other non-current liabilities, is related to a 2018 acquisition. The fair value is dependent on the probability of the acquiree achieving certain financial performance targets using earnings before interest, taxes, depreciation and amortization (“EBITDA”) as a metric. The contingent consideration ranges between zero and \$48 million payable between five and eight years following the closing, at the discretion of the sellers. The fair value is classified as a level 3 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 value during 2021 was related to higher projected EBITDA and current foreign currency rates and interest rates at the measurement date.

#### *Derivatives*

Seaboard has derivatives to manage certain risks. 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 a result, fluctuations in prices, foreign currency exchange rates and interest rates could have a material impact on earnings in any given reporting period. Credit risks associated with derivative contracts are not

significant as Seaboard minimizes counterparty exposure by dealing with credit-worthy counterparties and uses margin accounts for some accounts. As of December 31, 2021, the maximum amount of credit risk, had the counterparties failed to perform according to the terms of the contract, was \$5 million.

#### *Commodity Instruments*

Seaboard uses various derivative futures and options to manage its risk to price fluctuations for raw materials and other inventories, finished product sales and firm sales commitments. Commodity derivatives are recorded at fair value, with any changes in fair value recognized as a component of cost of sales in the consolidated statements of comprehensive income. Seaboard had the following aggregated outstanding notional amounts:

<i>(Millions)</i>	Metric	December 31,	
		2021	2020
<b>Commodities:</b>			
Grain	Bushels	1	26
Hogs	Pounds	—	2
Soybean oil	Pounds	20	56
Heating oil	Gallons	15	—

#### *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. Foreign currency exchange agreements that primarily relate to an underlying commodity transaction are recorded at fair value with changes in value recognized as a component of cost of sales. Other foreign currency exchange agreements are recognized as a component of foreign currency gains (losses), net. As of December 31, 2021 and 2020, Seaboard had foreign currency exchange agreements with notional amounts of \$95 million and \$49 million, respectively, primarily related to the South African rand and euro.

#### *Interest Rate Swap Agreements*

From time to time, Seaboard enters into interest rate swap agreements to manage the interest rate risk with respect to certain variable-rate long-term debt. Interest rate swap agreements are recorded at fair value with changes in value recognized as a component of interest expense, net in the consolidated statements of comprehensive income. During the third quarter of 2021, all of Seaboard's interest rate swap agreements were terminated resulting in a realized gain of \$5 million for the year ended December 31, 2021. Seaboard paid fixed-rate interest payments at a weighted-average interest rate of 0.26% over the life of the agreements and received variable-rate interest payments based on the one-month LIBOR from the counterparty without the exchange of the underlying aggregate notional amounts of \$400 million.

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

<i>(Millions of dollars)</i>		2021	2020
Commodities	Cost of sales	\$ (20)	\$ 55
Foreign currencies	Cost of sales	(2)	11
Foreign currencies	Foreign currency gains (losses), net	4	(5)
Interest rate swaps	Interest expense	5	—

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

<i>(Millions of dollars)</i>		Asset Derivatives		Liability Derivatives		
		December 31,	December 31,	December 31,	December 31,	
		2021	2020	2021	2020	
Commodities	Other current assets	\$ 6	\$ 28	Other current liabilities	\$ 5	\$ 19
Foreign currencies	Other current assets	5	—	Other current liabilities	5	9
Interest rate swaps	Other current assets	—	1	Other current liabilities	—	—

Seaboard's commodity derivative assets and liabilities are presented in the consolidated balance sheets on a net basis, including netting the derivatives with the related margin accounts. As of December 31, 2021 and 2020, the commodity derivatives had a margin account balance of \$28 million and \$15 million, respectively, resulting in a net other current asset in the consolidated balance sheets of \$29 million and \$24 million, respectively.

## Note 11 – Stockholders’ Equity and Accumulated Other Comprehensive Loss

Seaboard’s share repurchase program expired on October 31, 2020. Under this share repurchase program, Seaboard was authorized to repurchase its common stock from time to time in open market or privately negotiated purchases, which may have been above or below the traded market price. Seaboard repurchased 4,069 and 4,369 shares of common stock during 2020 and 2019, respectively, at a total price of \$13 million and \$17 million, respectively. Shares repurchased were retired and became authorized and unissued shares.

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

<i>(Millions of dollars)</i>	Cumulative Foreign Currency Translation Adjustment	Cumulative Unrecognized Pension Cost	Total
Balance December 31, 2019	\$ (369)	\$ (71)	\$ (440)
Other comprehensive loss before reclassifications	(7)	(38)	(45)
Amounts reclassified from accumulated other comprehensive loss to net earnings	—	14 <sup>(a)</sup>	14
Other comprehensive loss, net of tax	(7)	(24)	(31)
Balance December 31, 2020	\$ (376)	\$ (95)	\$ (471)
Other comprehensive income before reclassifications	8	18	26
Amounts reclassified from accumulated other comprehensive loss to net earnings	—	13 <sup>(a)</sup>	13
Other comprehensive income, net of tax	8	31	39
Balance December 31, 2021	\$ (368)	\$ (64)	\$ (432)

<sup>(a)</sup> This primarily represents the amortization of actuarial losses (gains) that were included in net periodic pension cost. See Note 9 for further discussion.

The cumulative foreign currency translation adjustment primarily represents the effect of the Argentine peso currency exchange fluctuation on the net assets of the Sugar and Alcohol segment. Since the third quarter of 2018, the Sugar and Alcohol segment’s functional currency has been the U.S. dollar due to highly inflationary accounting. The adjustments for 2021 and 2020 are related to non-USD functional currencies of consolidated and non-consolidated affiliates, primarily in Seaboard’s CT&M segment.

The cumulative unrecognized pension cost represents the unamortized net actuarial loss. Income taxes for the cumulative unrecognized pension cost component was recorded using a 25% effective tax rate for 2021 and 2020 and 26% effective tax rate for 2019, except for unrecognized pension cost of \$24 million, \$34 million and \$21 million in 2021, 2020 and 2019, respectively, related to employees at certain subsidiaries for which no tax benefit was recorded.

## Note 12 – Income Taxes

Earnings before income taxes were as follows:

<i>(Millions of dollars)</i>	Years ended December 31,		
	2021	2020	2019
United States	\$ 337	\$ 138	\$ 180
Foreign	298	148	110
Total earnings before income taxes excluding noncontrolling interests	635	286	290
Net income attributable to noncontrolling interests	1	—	—
Total earnings before income taxes	\$ 636	\$ 286	\$ 290

The components of total income taxes were as follows:

<i>(Millions of dollars)</i>	Years ended December 31,		
	2021	2020	2019
<b>Current:</b>			
Federal	\$ 35	\$ (50)	\$ 12
Foreign	33	35	39
State and local	10	2	(1)
<b>Deferred:</b>			
Federal	3	26	(39)
Foreign	(7)	(3)	(1)
State and local	(9)	(7)	(7)
<b>Income tax expense</b>	<b>65</b>	<b>3</b>	<b>3</b>
Unrealized changes in other comprehensive income (loss)	8	(3)	(4)
<b>Total income taxes</b>	<b>\$ 73</b>	<b>\$ —</b>	<b>\$ (1)</b>

Income taxes for the years ended December 31, 2021, 2020 and 2019 differed from the amounts computed by applying the statutory U.S. federal income tax rate of 21% to earnings before income taxes excluding noncontrolling interests for the following reasons:

<i>(Millions of dollars)</i>	Years ended December 31,		
	2021	2020	2019
Computed "expected" tax expense excluding noncontrolling interests	\$ 133	\$ 60	\$ 61
Adjustments to tax expense attributable to:			
Foreign tax differences	(30)	(4)	14
Tax-exempt income	(15)	(17)	(29)
Federal tax credits	(39)	(34)	(47)
Unrecognized tax benefits	14	—	—
Other	2	(2)	4
<b>Total income tax expense</b>	<b>\$ 65</b>	<b>\$ 3</b>	<b>\$ 3</b>

Certain of Seaboard's foreign operations are subject to no income tax or a tax rate that is lower than the U.S. corporate tax rate. Fluctuation of earnings or losses incurred from certain foreign operations conducting business in these jurisdictions impact the mix of taxable earnings.

Tax-exempt income is primarily related to federal blender's credits on the biodiesel that the Pork segment blends. 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, with retroactive recognition for 2018 and 2019. As a result, in the fourth quarter of 2019, Seaboard recognized non-taxable revenue of \$136 million related to the 2018 and 2019 federal blender's credits. In accordance with GAAP, the effects of changes in tax laws, including retroactive changes, are recognized in the financial statements in the period that the changes are enacted.

Seaboard has certain investments in various entities that are expected to enable Seaboard to obtain certain federal investment tax credits. Seaboard has invested in limited liability companies that operate refined coal processing plants that generate federal income tax credits based on production levels. Seaboard's total contributions to these long-term investments were \$11 million, \$17 million and \$15 million during 2021, 2020 and 2019, respectively. Additionally, Seaboard invested \$4 million and \$20 million during 2021 and 2019, respectively, in limited liability companies involved in a biogas fueled power project that generated federal income tax credits. These alternative long-term investments, accounted for using the equity method of accounting, generated in aggregate \$24 million, \$22 million and \$34 million of investment tax credits for 2021, 2020 and 2019, respectively.

As of December 31, 2021 and 2020, Seaboard had income taxes receivable of \$46 million and \$18 million, respectively, primarily related to domestic tax jurisdictions, and had income taxes payable of \$13 million and \$14 million, respectively, primarily related to foreign tax jurisdictions.

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 these funds outside the U.S. as current plans do not demonstrate a need to repatriate them to fund Seaboard's U.S. operations and therefore, Seaboard has not recorded deferred taxes for state or foreign withholding taxes that would result upon repatriation of these funds to the U.S. Determination of the tax that might be paid on unremitted earnings if eventually remitted is not practical.

Components of the net deferred income tax liability were as follows:

<i>(Millions of dollars)</i>	December 31,	
	2021	2020
<b>Deferred income tax liabilities:</b>		
Depreciation	\$ 121	\$ 100
Domestic partnerships	62	59
Unrealized gain on investments	13	52
Inventory	7	10
Other	4	3
<b>Gross deferred income tax liabilities</b>	<b>\$ 207</b>	<b>\$ 224</b>
<b>Deferred income tax assets:</b>		
Reserves/accruals	\$ 66	\$ 74
Net operating and capital loss carry-forwards	67	52
Tax credit carry-forwards	32	49
Other	5	5
<b>Gross deferred income tax assets before valuation allowance</b>	<b>170</b>	<b>180</b>
<b>Less: Valuation allowance</b>	<b>60</b>	<b>55</b>
<b>Net deferred income tax liability</b>	<b>\$ 97</b>	<b>\$ 99</b>

In 2020, Seaboard elected to change its method for valuing certain inventories of its Seaboard Foods LLC subsidiary from the LIFO method to the FIFO method. For tax purposes, prior to this change, Seaboard had a Tax last-in, first-out (“LIFO”) reserve of approximately \$51 million. This Tax LIFO reserve is being recognized as taxable income ratably over a four-year period effective in 2020. A deferred tax liability has been established for the future reversal amount and is included in the inventory lines in the table above.

The activity within the valuation allowance account was as follows:

<i>(Millions of dollars)</i>	Balance at beginning of year	Charge (credit) to expense	Balance at end of year
<b>Allowance for Deferred Tax Assets:</b>			
Year Ended December 31, 2021	\$ 55	5	\$ 60
Year Ended December 31, 2020	\$ 68	(13)	\$ 55
Year Ended December 31, 2019	\$ 59	9	\$ 68

Management believes Seaboard’s future taxable income will be sufficient for full realization of the net deferred tax assets. The valuation allowance relates to the tax benefits from state net operating losses and foreign net operating losses and tax credits. Management does not believe these benefits are more likely than not to be realized due to limitations imposed on the utilization of these losses and credits. As of December 31, 2021, Seaboard had state net operating loss carry-forwards of approximately \$195 million and foreign net operating loss carry-forwards of approximately \$185 million, a portion of which expire in varying amounts between 2022 and 2041, while others have indefinite expiration periods. As of December 31, 2021, Seaboard had state tax credit carry-forwards of approximately \$28 million, net of valuation allowance, all of which carry-forward indefinitely.

Seaboard’s tax returns are regularly audited by federal, state and foreign tax authorities, which may result in material adjustments. Seaboard’s 2016 U.S. income tax return is currently under IRS examination. U.S. federal tax years prior to 2016 are generally no longer subject to IRS tax assessment. In the U.S., typically the three most recent tax years are subject to IRS audits, unless an agreement is made to extend the statute of limitations for an audit in progress. In Seaboard’s major non-U.S. jurisdictions, including Argentina, the Dominican Republic, Ivory Coast and Senegal, tax years are typically subject to examination for three to six years.

As of December 31, 2021 and 2020, Seaboard had \$41 million and \$30 million, respectively, in total unrecognized tax benefits, all of which if recognized would affect the effective tax rate. Seaboard does not have any material uncertain tax positions in which it is reasonably possible that the total amounts of the unrecognized tax benefits will significantly increase or decrease within 12 months of the reporting date.

The following table is a reconciliation of the beginning and ending amount of unrecognized tax benefits:

<i>(Millions of dollars)</i>	2021	2020
Beginning balance at January 1	\$ 30	\$ 31
Additions for uncertain tax positions of prior years	7	2
Decreases for uncertain tax positions of prior years	(1)	(7)
Additions for uncertain tax positions of current year	6	5
Lapse of statute of limitations	(1)	(1)
Ending balance as of December 31	\$ 41	\$ 30

Seaboard accrues interest related to unrecognized tax benefits and penalties in income tax expense and had approximately \$10 million and \$8 million accrued for the payment of interest and penalties as of December 31, 2021 and 2020, respectively.

### **Note 13 – Segment Information**

Seaboard has six reportable segments: Pork, CT&M, Marine, Sugar and Alcohol, Power and Turkey, each offering a specific product or service. Seaboard’s reporting segments are based on information used by Seaboard’s Chief Executive Officer in his capacity as chief operating decision maker to determine allocation of resources and assess performance. Each of the six segments is separately managed, and each was started or acquired independent of the other segments.

The Pork segment primarily produces hogs to process and sells fresh and frozen pork products to further processors, foodservice operators, distributors and grocery stores throughout the U.S. and to foreign markets. In 2020, this segment purchased a hog production company that previously supplied hogs to the Guymon plant for \$27 million, which primarily included hog farms and related assets. This segment also produces biodiesel from pork fat and other animal fats and vegetable oils for sale, along with the related fuel credits, to third parties. The Pork segment is converting an idle ethanol plant in Hugoton, Kansas plant to a renewable diesel production facility, with operations currently expected to begin in 2022. The Pork segment’s biodiesel plants have historically received federal blender’s credits for the biodiesel they blend. As a result of the 2019 Tax Act, Seaboard recognized \$60 million of net revenue related to the 2018 and 2019 federal blender’s credits. Revenue was recognized as earned during 2020 and 2021 based on biodiesel production and will be recognized in the same manner for year 2022.

The CT&M segment is an integrated agricultural commodity trading, processing and logistics operation that internationally markets wheat, corn, soybean meal and other agricultural commodities in bulk to third-party customers and to non-consolidated affiliates. This segment operates flour, maize and feed mills and bakery operations in numerous foreign countries. In 2021, Seaboard’s CT&M segment increased its ownership interest in a feed manufacturer and hog producer in Ecuador from 50% to 80%. Total consideration for the purchase price included \$7 million of cash paid, net of cash acquired, Seaboard’s previously held equity interest and pre-existing affiliate trade receivables remeasured at their acquisition date fair values. The final purchase price allocation primarily included working capital of \$30 million and property, plant and equipment of \$17 million. In 2019, Seaboard’s CT&M segment increased its ownership in an importer and trader of grains in Peru from 50% to 100%. Total consideration for the purchase price included \$7 million of cash paid, net of cash acquired, Seaboard’s previously held equity interest and pre-existing affiliate trade receivables. The purchase price allocation primarily included accounts receivable of \$33 million, inventories of \$55 million, property, plant and equipment of \$12 million and assumed short-term debt of \$65 million.

The Marine segment provides cargo shipping services in the U.S., the Caribbean and Central and South America. The Sugar and Alcohol segment produces and processes sugar and alcohol in Argentina, primarily to be marketed locally. The Power segment is an independent power producer in the Dominican Republic that owns two power generating barges. The barge under construction is expected to begin operations in 2022. The Turkey segment, accounted for using the equity method, produces, processes and sells turkey products. Total assets for the Turkey segment represent Seaboard’s investment in Butterball. See Note 6 for more information on Butterball. The All Other segment represents primarily a jalapeño pepper processing operation.



The following tables present Seaboard's sales disaggregated by revenue source and segment:

<b>Net Sales:</b>	Year Ended December 31, 2021						
	Pork	CT&M	Marine	Sugar and Alcohol	Power	All Other	Consolidated Totals
<i>(Millions of dollars)</i>							
<b>Major Products/Services Lines:</b>							
Products	\$ 2,091	\$ 5,139	\$ —	\$ 113	\$ —	\$ 14	\$ 7,357
Transportation	8	—	1,396	—	—	1	1,405
Energy	357	—	—	10	60	—	427
Other	25	15	—	—	—	—	40
<b>Segment/consolidated totals</b>	<b>\$ 2,481</b>	<b>\$ 5,154</b>	<b>\$ 1,396</b>	<b>\$ 123</b>	<b>\$ 60</b>	<b>\$ 15</b>	<b>\$ 9,229</b>

<b>Net Sales:</b>	Year Ended December 31, 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	\$ 1,682	\$ 3,981	\$ —	\$ 95	\$ —	\$ 16	\$ 5,774
Transportation	8	—	1,005	—	—	—	1,013
Energy	219	—	—	11	64	—	294
Other	32	13	—	—	—	—	45
<b>Segment/consolidated totals</b>	<b>\$ 1,941</b>	<b>\$ 3,994</b>	<b>\$ 1,005</b>	<b>\$ 106</b>	<b>\$ 64</b>	<b>\$ 16</b>	<b>\$ 7,126</b>

<b>Net Sales:</b>	Year Ended December 31, 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	\$ 1,599	\$ 3,654	\$ —	\$ 112	\$ —	\$ 17	\$ 5,382
Transportation	10	—	1,061	—	—	1	1,072
Energy	210	—	—	9	117	—	336
Other	32	18	—	—	—	—	50
<b>Segment/consolidated totals</b>	<b>\$ 1,851</b>	<b>\$ 3,672</b>	<b>\$ 1,061</b>	<b>\$ 121</b>	<b>\$ 117</b>	<b>\$ 18</b>	<b>\$ 6,840</b>

The following tables present Seaboard's operating income (loss) by segment. Operating income for segment reporting is prepared on the same basis as that used for consolidated operating income. Operating income, along with income (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. 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.

<b>Operating Income (Loss):</b>	Years ended December 31,		
	2021	2020	2019
<i>(Millions of dollars)</i>			
Pork	\$ 227	\$ 131	\$ 60
CT&M	61	118	62
Marine	197	21	4
Sugar and Alcohol	2	2	(16)
Power	(9)	3	27
All other	1	1	2
<b>Segment totals</b>	<b>479</b>	<b>276</b>	<b>139</b>
Corporate	(21)	(31)	(29)
<b>Consolidated totals</b>	<b>\$ 458</b>	<b>\$ 245</b>	<b>\$ 110</b>



The following tables present Seaboard's total assets and capital expenditures by segment. Corporate assets primarily 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 mark-to-market adjustments on these investments recorded in other investment income (loss), net.

<b>Total Assets:</b> (Millions of dollars)	December 31,	
	2021	2020
Pork	\$ 2,265	\$ 1,927
CT&M	2,054	1,585
Marine	749	508
Sugar and Alcohol	155	153
Power	359	302
Turkey	245	265
All other	7	6
Segment totals	5,834	4,746
Corporate	1,669	1,653
Consolidated totals	\$ 7,503	\$ 6,399

<b>Capital Expenditures:</b> (Millions of dollars)	Years ended December 31,		
	2021	2020	2019
Pork	\$ 343	\$ 207	\$ 164
CT&M	17	8	23
Marine	44	10	26
Sugar and Alcohol	8	5	15
Power	43	27	121
All other	1	2	—
Segment totals	456	259	349
Corporate	4	—	—
Consolidated totals	\$ 460	\$ 259	\$ 349

#### *Geographic Information*

Seaboard had sales in Colombia totaling \$1,144 million, \$812 million and \$778 million for the years ended December 31, 2021, 2020 and 2019, respectively, representing approximately 12%, 11% and 11% of total sales for each respective year. Seaboard had sales in South Africa totaling \$917 million, \$743 million and \$668 million for the years ended December 31, 2021, 2020 and 2019, respectively, representing approximately 10% of total sales for each year. No other individual foreign country accounted for 10% or more of sales to external customers.

The following table provides a geographic summary of net sales based on the location of product delivery:

<i>(Millions of dollars)</i>	Years ended December 31,		
	2021	2020	2019
Caribbean, Central and South America	\$ 3,566	\$ 2,744	\$ 2,792
Africa	2,685	2,099	1,859
United States	2,031	1,536	1,447
Pacific Basin and Far East	545	435	370
Canada/Mexico	309	202	308
Europe	86	101	52
All other	7	9	12
Total sales	\$ 9,229	\$ 7,126	\$ 6,840

The following table provides a geographic summary of Seaboard’s property, plant and equipment according to their physical location and primary port for the vessels:

<i>(Millions of dollars)</i>	December 31,	
	2021	2020
United States	\$ 1,331	\$ 1,053
Dominican Republic	297	109
Argentina	59	59
Senegal	40	42
Ivory Coast	39	34
Zambia	30	25
Singapore	—	155
All other	96	105
<b>Total property, plant and equipment, net</b>	<b>\$ 1,892</b>	<b>\$ 1,582</b>

**Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

None.

**Item 9A. Controls and Procedures**

As of December 31, 2021, Seaboard’s management has evaluated, under the direction of its chief executive and chief financial officers, the effectiveness of Seaboard’s disclosure controls and procedures, as defined under the Securities Exchange Act of 1934 (the “Exchange Act”) Rule 13a-15(e). Based upon and as of the date of that evaluation, Seaboard’s chief executive and chief financial officers 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 Control Over Financial Reporting**

There have been no changes in Seaboard’s internal control over financial reporting that occurred during the fiscal quarter ended December 31, 2021 that has materially affected, or is reasonably likely to materially affect, Seaboard’s internal control over financial reporting.

**Management’s Report on Internal Control Over Financial Reporting**

The management of Seaboard is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in the Securities Exchange Act of 1934 Rule 13a-15(f). Under the supervision, and with the participation of management and its Internal Audit Department, Seaboard conducted an evaluation of the effectiveness of its internal control over financial reporting based on the framework in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). Based on its evaluation under the framework in *Internal Control - Integrated Framework (2013)*, management concluded that Seaboard’s internal control over financial reporting was effective as of December 31, 2021.

KPMG LLP, the independent registered public accounting firm that audited Seaboard’s financial statements contained herein, also audited Seaboard’s internal control over financial reporting as of December 31, 2021. The audit report is included in Item 8, Financial Statements and Supplementary Data.

**Item 9B. Other Information**

None.

**Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections**

None.

## PART III

### **Item 10. Directors, Executive Officers and Corporate Governance**

The information about the executive officers of Seaboard is included under the caption “Information About Seaboard’s Executive Officers” in Item 1 of this annual report on Form 10-K.

Seaboard has a Code of Conduct and Ethics Policy for Senior Financial Officers applicable to its senior financial officers (including the chief executive officer, chief financial officer, chief accounting officer and controller and persons performing similar functions) and a Code of Ethics Policy applicable to its directors, officers and other employees (together the “Codes”). Seaboard has posted the Codes on its internet website, [www.seaboardcorp.com](http://www.seaboardcorp.com), and intends to satisfy the disclosure requirement under Item 10 of Form 10-K regarding any future changes and waivers to the Codes by posting such information on that website.

In addition to the information provided above, the information required by this item is incorporated herein by reference to the information under the captions “Item 1: Election of Directors,” “Board of Directors Information – Committees of the Board – Audit Committee,” “Board of Directors Information – Director Nominations” and “Delinquent Section 16(a) Reports” of Seaboard’s definitive proxy statement for the 2022 annual meeting of stockholders, which will be filed no later than 120 days after December 31, 2021 (“Proxy Statement”).

### **Item 11. Executive Compensation**

The information required by this item is incorporated herein by reference to the information under the captions “Board of Directors Information – Compensation of Directors,” “Executive Compensation and Other Information,” “Employment Arrangements with Named Executive Officers,” “Benefit Plans,” “Compensation Committee Interlocks and Insider Participation,” “Compensation Committee Report,” and “Compensation Discussion and Analysis” included in the Proxy Statement.

### **Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

Seaboard has not established any equity compensation plans or individual agreements for its employees under which Seaboard common stock, or options, rights or warrants with respect to Seaboard common stock may be granted.

In addition to the information provided above, the information required by this item is incorporated herein by reference to the information under the captions “Principal Stockholders” and “Share Ownership of Management and Directors” included in the Proxy Statement.

### **Item 13. Certain Relationships and Related Transactions, and Director Independence**

The information required by this item is incorporated herein by reference to the information under the captions “Compensation Committee Interlocks and Insider Participation,” “Board of Directors Information – Controlled Corporation” and “Board of Directors Information – Committees of the Board” included in the Proxy Statement.

### **Item 14. Principal Accountant Fees and Services**

Seaboard’s independent registered public accounting firm is KPMG LLP, Kansas City, MO, Auditor Firm ID: 185.

The other information required by this item is incorporated herein by reference to the information under the caption “Item 2: Selection of Independent Auditors” included in the Proxy Statement.

## PART IV

### **Item 15. Exhibit and Financial Statement Schedules**

#### **(a) List the following documents filed as a part of the report:**

##### **1. Financial statements**

The financial statements are included in Item 8 of this Form 10-K.

##### **2. Financial statement schedules**

All schedules are omitted as the required information is not applicable or the information is presented in the consolidated financial statements or related consolidated notes.

### 3. Exhibits

Exhibit No.	Description
3.1	Seaboard Corporation Restated Certificate of Incorporation. Incorporated herein by reference to Exhibit 3.1 of Seaboard's Form 10-Q for the quarter ended April 4, 2009.
3.2	Seaboard Corporation By-laws, as amended. Incorporated herein by reference to Exhibit 3.2 of Seaboard's Form 10-K for the fiscal year ended December 31, 2005.
4	Description of common stock. Incorporated herein by reference to Exhibit 4 of Seaboard's Form 10-K for the fiscal year ended December 31, 2019.
10.1*	Seaboard Corporation Retiree Medical Benefit Plan as Amended and Restated effective January 1, 2009 and dated December 22, 2008, amending and restating the Seaboard Corporation Retiree Medical Benefit Plan dated March 4, 2005. Incorporated herein by reference to Exhibit 10.6 of Seaboard's Form 10-K for the fiscal year ended December 31, 2008.
10.2*	First Amendment to the Seaboard Corporation Retiree Medical Benefit Plan effective March 25, 2015 and dated March 31, 2015. Incorporated herein by reference to Exhibit 10.1 of Seaboard's Form 10-Q for the quarter ended April 4, 2015.
10.3*	Seaboard Corporation Non-Qualified Deferred Compensation Plan effective January 1, 2009 and dated December 22, 2008, amending and restating the Seaboard Corporation Non-Qualified Deferred Compensation Plan dated December 29, 2005. Incorporated herein by reference to Exhibit 10.12 of Seaboard's Form 10-K for the fiscal year ended December 31, 2008.
10.4*	Amendment No. 1 to the Seaboard Corporation Non-Qualified Deferred Compensation Plan effective January 1, 2009 and dated December 17, 2009. Incorporated herein by reference to Exhibit 10.25 of Seaboard's Form 10-K for the fiscal year ended December 31, 2009.
10.5*	Amendment No. 2 to the Seaboard Corporation Non-Qualified Deferred Compensation Plan effective January 1, 2019 and dated January 2, 2019. Incorporated herein by reference to Exhibit 10.7 of Seaboard's Form 10-K for the fiscal year ended December 31, 2018.
10.6*	Seaboard Corporation Post-2018 Non-Qualified Deferred Compensation Plan effective January 1, 2019 and dated December 28, 2018. Incorporated herein by reference to Exhibit 10.8 of Seaboard's Form 10-K for the fiscal year ended December 31, 2018.
10.7*	Seaboard Corporation 409A Executive Retirement Plan Amended and Restated effective January 1, 2013 and dated December 21, 2012, amending and restating the Seaboard Corporation Executive Retirement Plan, Amendment and Restatement dated December 22, 2008. Incorporated herein by reference to Exhibit 10.14 of Seaboard's Form 10-K for the fiscal year ended December 31, 2012.
10.8*	First Amendment to the Seaboard Corporation 409A Executive Retirement Plan effective as of January 1, 2015 and dated January 14, 2016. Incorporated herein by reference to Exhibit 10.8 of Seaboard's Form 10-K for the fiscal year ended December 31, 2015.
10.9*	Seaboard Corporation Cash Balance Executive Retirement Plan Amended and Restated effective August 1, 2020. Incorporated herein by reference to Exhibit 10.3 of Seaboard's Form 10-Q for the quarter ended September 26, 2020.
10.10*+	Seaboard Corporation Pension Plan as restated and amended effective January 1, 2021.
10.11*	Seaboard Marine Pension Plan, effective January 1, 2021. Incorporated herein by reference to Exhibit 10.1 of Seaboard's Form 10-Q for the quarter ended April 3, 2021.
10.12*+	Amendment No. 1 to the Seaboard Marine Pension Plan as Restated as of January 1, 2021, dated November 15, 2021.
10.13*	Seaboard Marine Ltd. 401(k) Excess Plan effective January 1, 2009 and dated December 18, 2009. Incorporated herein by reference to Exhibit 10.24 of Seaboard's Form 10-K for the fiscal year ended December 31, 2009.

- 10.14\* Seaboard Corporation Investment Option Plan dated December 18, 2000. Incorporated herein by reference to Exhibit 10.7 of Seaboard's Form 10-K for the fiscal year ended December 31, 2000.
- 10.15\* Seaboard Corporation Executive Officers' Bonus Policy (effective for 2018-2020). Incorporated herein by reference to Exhibit 10.17 of Seaboard's Form 10-K for the fiscal year ended December 31, 2018.
- 10.16\*+ Seaboard Corporation Named Executive Officers' Bonus Policy (effective for 2021 and supersedes all policies).
- 10.17\* Restated Employment Agreement between Seaboard Corporation and Robert L. Steer dated August 27, 2020. Incorporated herein by reference to Exhibit 10.2 of Seaboard's Form 10-Q for the quarter ended September 26, 2020.
- 10.18\* Restated Employment Agreement between Seaboard Corporation and David H. Rankin dated January 12, 2021. Incorporated herein by reference to Exhibit 10.19 of Seaboard's Form 10-K for the year ended December 31, 2020.
- 10.19\* Employment Agreement between Seaboard Overseas and Trading Group and David M. Dannov dated December 21, 2012. Incorporated herein by reference to Exhibit 10.19 of Seaboard's Form 10-K for the fiscal year ended December 31, 2012.
- 10.20\* Amendment to Employment Agreement between Seaboard Overseas and Trading Group and David M. Dannov dated March 22, 2017. Incorporated herein by reference to Exhibit 10.3 of Seaboard's Form 10-Q for the quarter ended April 1, 2017.
- 10.21\* Employment Agreement between Seaboard Marine Ltd. and Edward A. Gonzalez dated December 21, 2012. Incorporated herein by reference to Exhibit 10.20 of Seaboard's Form 10-K for the fiscal year ended December 31, 2012.
- 10.22\*+ Employment Agreement between Seaboard Foods LLC and Peter B. Brown dated November 30, 2020.
- 10.23\*+ Summary of Perquisite for Personal Use of Seaboard Airplane.
- 10.24 Amended and Restated Terminal Agreement between Miami-Dade County and Seaboard Marine Ltd. for Marine Terminal Operations dated May 30, 2008. Incorporated herein by reference to Exhibit 10.1 of Seaboard's Form 8-K dated May 30, 2008.
- 10.25 Amendment No. 1 to Amended and Restated Terminal Agreement between Miami-Dade County and Seaboard Marine Ltd. for Marine Terminal Operations dated March 30, 2009. Incorporated herein by reference to Exhibit 10.1 of Seaboard's Form 10-Q for the quarter ended June 29, 2013.
- 10.26 Amendment No. 2 to Amended and Restated Terminal Agreement between Miami-Dade County and Seaboard Marine Ltd. for Marine Terminal Operations dated July 31, 2013. Incorporated herein by reference to Exhibit 10.2 of Seaboard's Form 10-Q for the quarter ended June 29, 2013.
- 10.27 Marketing Agreement dated February 2, 2004 by and among Seaboard Corporation, Seaboard Farms, Inc., Triumph Foods, LLC, and for certain limited purposes only, the members of Triumph Foods, LLC. Incorporated herein by reference to Exhibit 10.2 of Seaboard's Form 8-K dated February 3, 2004.
- 10.28 Amended and Restated Term Loan Credit Agreement dated September 25, 2018 by and among Seaboard Corporation, Seaboard Foods LLC, CoBank, ACB, Farm Credit Services of America, PCA and other lenders. Incorporated herein by reference to Exhibit 10.1 of Seaboard's Form 8-K filed September 27, 2018.
- 21+ List of subsidiaries.
- 31.1+ Certification of the Chief Executive 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.
- 31.2+ Certification of the 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.
- 32.1+ Certification of the Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.2+ Certification of the Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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)

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\* Management contract or compensatory plan or arrangement.

+ Filed electronically with this annual report on Form 10-K with the SEC and transmitted via EDGAR.

**(b) Exhibits**

See exhibits identified above under Item 15(a)(3).

**(c) Financial Statement Schedules**

None.

**Item 16. Form 10-K Summary**

None.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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 and Chief Executive Officer

Date: February 15, 2022

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Name	Date	Title
/s/ Robert L. Steer Robert L. Steer	February 15, 2022	President, Chief Executive Officer <i>(principal executive officer)</i>
/s/ David H. Rankin David H. Rankin	February 15, 2022	Executive Vice President, Chief Financial Officer <i>(principal financial officer)</i>
/s/ Michael D. Trollinger Michael D. Trollinger	February 15, 2022	Senior Vice President, Corporate Controller and Chief Accounting Officer <i>(principal accounting officer)</i>
/s/ Ellen S. Bresky Ellen S. Bresky	February 15, 2022	Chairwoman of the Board
/s/ Douglas W. Baena Douglas W. Baena	February 15, 2022	Lead Director
/s/ David A. Adamsen David A. Adamsen	February 15, 2022	Director
/s/ Frances B. Shifman Frances B. Shifman	February 15, 2022	Director
/s/ Paul M. Squires Paul M. Squires	February 15, 2022	Director

**SEABOARD CORPORATION**  
**PENSION PLAN**

**(As Restated and Amended Effective as of January 1, 2021)**



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**SEABOARD CORPORATION**

**PENSION PLAN**

**(As Amended and Restated Effective January 1, 2021)**

THIS PLAN, is hereby amended and restated as of January 1, 2021 by Seaboard Corporation (the “Company”);

WITNESSETH:

WHEREAS, the Company was the plan sponsor of the Retirement Plan for Salaried Employees of Seaboard Corporation which plan was effective May 1, 1982 and the benefits under which plan were frozen effective December 31, 1993 and which plan is now part of a merged plan as hereinafter described; and

WHEREAS, the Company was the plan sponsor of The Retirement Income Plan for Salaried and Clerical Employees of Seaboard Farms which plan was effective March 1, 1984 and the benefits under which plan were frozen effective December 31, 1993 and which plan is now part of a merged plan as hereinafter described; and

WHEREAS, the Company was the plan sponsor of The Retirement Income Plan for Salaried Employees of Seaboard Allied Milling Corporation which plan was effective as a separate plan June 15, 1969 (previous to said date the benefits being part of another plan) and the benefits under which plan were frozen effective January 29, 1982 and which plan is now part of a merged plan as hereinafter described; and

WHEREAS, the Company was the plan sponsor of the Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 57, which plan was effective as a separate plan June 15, 1975 (previous to said date the benefits being part of another plan) and the benefits under which plan were frozen effective January 29, 1982 and which plan is now part of a merged plan as hereinafter described; and

WHEREAS, the Company was the plan sponsor of the following five separate plans (the benefits under each of which were frozen effective January 29, 1982) which plans merged with the Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 57, to form a single plan instead of six separate plans, effective October 1, 1989:

Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 16;

Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 36;

Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 235;

Retirement Plan for Members of the Bakery and Confectionery Workers' International Union, AFL-CIO Bakery Local No. 25;

Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 54; and

WHEREAS, effective January 1, 1994, the name of the Retirement Plan for Salaried Employees of Seaboard Corporation was changed to the "Seaboard Corporation Pension Plan", and effective January 1, 1994, all of the foregoing plans that constituted separate plans on December 31, 1993 were merged into the Seaboard Corporation Pension Plan; and

WHEREAS, the Company amended and restated the Seaboard Corporation Pension Plan effective January 1, 1994, and has subsequently amended said plan from time to time;

WHEREAS, effective January 1, 2017 ("Merger Effective Date") the Seaboard Defined Benefit Pension Plan ("Marine Plan") was merged into the Seaboard Corporation Pension Plan and all Marine Plan assets and liabilities were transferred from the Marine Plan to the Seaboard Corporation Pension Plan as of the Merger Effective Date;

WHEREAS, Article X provides that the Company may spin off part of its assets and liabilities of the Plan to another qualified plan and trust; and

WHEREAS, the Company completed the spin off and transfer to a newly established qualified retirement plan and trust known as the Seaboard Marine Pension Plan (the "New Marine Plan and Trust") the portion of the assets of this Plan which are attributable (as determined by the Plan actuary) to certain Plan participants (as described below) subject to (i) the preservation of any protected rights and features under Section 411 (d)(6) of the Internal Revenue Code of 1986, as amended (the "Code"), (ii) the rules relating to the allocation of assets in plan spin-off transactions set forth in Code Section 414(l) and (iii) the requirements of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"); and

WHEREAS, effective as of 11:59 p.m. on December 31, 2020, the portion of the assets and liabilities of this Plan which are attributable to the following Plan participants and beneficiaries, as well as any other Plan participants or beneficiaries determined by the Company and memorialized in the New Marine Plan and Trust, were transferred to the New Marine Plan and Trust, which shall be sponsored by the Company and has been adopted by Seaboard Marine Ltd., as a participating employer:

- 1) All of the active employees of Seaboard Marine Ltd. and any of the following employers on December 31, 2020, who will be participating employers in the New Marine Plan, and related alternate payees under qualified domestic relations orders—

- a) Jacintoport International LLC;
  - b) Green Island Maritime, Inc.;
  - c) Seaboard Solutions, Inc.;
  - d) SSI Ocean Services, Inc.; and
  - e) Mount Dora Farms Inc. (formerly Chestnut Hill Farms, Inc.).
- 2) All of the retired participants, spouses, beneficiaries and alternate payees under a qualified domestic relations order whose benefits are in pay status as of December 31, 2020, under the Plan and whose benefits would have been payable under the New Marine Plan and Trust (based on the participant's employer) if the participant was still an active employee; and
- 3) All of the deferred vested participants in the Plan who, when they last terminated employment, were employed by one of the following employers and alternate payees related to such a participant under a qualified domestic relations order whose benefits are not in pay status—
- a) Seaboard Marine Ltd.;
  - b) Jacintoport International LLC;
  - c) Green Island Maritime, Inc.;
  - d) Seaboard Solutions, Inc.;
  - e) SSI Ocean Services, Inc.;
  - f) Mount Dora Farms Inc. (formerly Chestnut Hill Farms, Inc.);

WHEREAS, Company, as sponsor of the Plan, reported to the Internal Revenue Service in a timely manner its intent to transfer such assets and liabilities to the New Marine Plan and Trust on IRS Form 5310-A;

WHEREAS, the recitals set forth above are incorporated into and are made a part of the Plan;

WHEREAS, the Company desires to again amend and restate the Seaboard Corporation Pension Plan for purposes of reflecting the above-referenced plan spin-off and to incorporate all amendments in a restated plan document; and

NOW, THEREFORE, the Seaboard Corporation Pension Plan is hereby amended and restated as set forth herein effective January 1, 2021 except where a different effective date is stated herein with respect to any particular provision.

**PREAMBLE**

The Seaboard Corporation Pension Plan provides benefits for certain deferred vested or retired Participants who were participants under plans that previously were frozen and merged into the Seaboard Corporation Pension Plan. Accordingly, certain optional forms of benefits are applicable to these Participants that were offered under the provisions of their respective pension plans prior to the merger of such plans into the Seaboard Pension Plan. These benefits are set forth in appendices to this plan. The names of such previous plans, and the appendix to this plan containing the supplemental benefit provisions applicable to the retirees or deferred vested terminated Participants who were participants in each such previous plan to the extent the assets and liabilities attributable to such retirees or deferred vested terminated Participants remain in this Plan, are as follows:

Name of Prior Separate Plan	Appendix
Retirement Plan for Salaried Employees of Seaboard Corporation	Appendix A
The Retirement Income Plan for Salaried and Clerical Employees of Seaboard Farms	Appendix B
Retirement Plan for Salaried Employees of Seaboard Allied Milling Corporation	Appendix C
Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 57	Appendix D
Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 16	Appendix E
Retirement Plan for Hourly Bargaining, Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 36	Appendix F
Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling Corporation, American Federation of Grain Millers, Local 235	Appendix G
Retirement Plan for Members of the Bakery and Confectionery Workers' International Union, AFL-CIO Bakery Local No. 25	Appendix H
Retirement Plan for Hourly Bargaining Employees of Seaboard Allied Milling, Corporation, American Federation of Grain Millers, Local 54	Appendix I



The intent of the Company is to protect and preserve the Participant benefits entitled to protection under Section 411(d)(6) of the Internal Revenue Code and Treasury Regulations thereunder. Therefore, this document shall be construed and administered accordingly and where required by law but not otherwise provided herein, appropriate provisions of prior plans are incorporated herein by this reference as necessary to protect and preserve such Participant benefits.

Effective January 1, 2014, the Seaboard Corporation Pension Plan was amended to effectuate a "soft" freeze of the Plan such that (i) no individual hired (or rehired in the case of a former employee) by the Company after December 31, 2013, whether or not such individual is a Participant in the Plan, shall be eligible to be an Eligible Employee (and be entitled to accrue benefits under the Plan), (ii) no individual who is not an Eligible Employee on December 31, 2013 shall become an Eligible Employee (and be entitled to accrue benefits under the Plan), and (iii) no Eligible Employee hired by the Company before January 1, 2014 shall become a Participant in the Plan except for (a) an Eligible Employee as of December 31, 2013 who was hired on or after January 1, 2013 and who enters the Plan on or before January 1, 2015 due to having attained age 21 and complete a Year of Service by such date, and (b) an Eligible Employee on authorized military leave on December 31, 2013 and who is required pursuant to Code Section 414(u) to enter the Plan at the end of such military leave. All individuals who are both Eligible Employees and Participants in the Plan on January 1, 2014 shall continue to participate in the Plan and accrue benefits thereunder.

Effective as of January 1, 2017 (the "Merger Effective Date"), the Plan was amended to effectuate the merger of the Seaboard Defined Benefit Pension Plan (the "Marine Plan") into this Plan and all Marine Plan assets and liabilities were transferred from the Marine Plan to Plan by direct trust to trust transfer as of the Merger Effective Date. The Marine Plan is, as compared to the Plan, a mirror image defined benefit pension with respect to eligibility, benefit accrual, vesting and distributions provisions applicable to participants. The Plan shall recognize a participant's service with Seaboard Marine Ltd. and Affiliated Employers (as defined in the Marine Plan) as of December 31, 2016 for all eligibility, benefit accrual, vesting and distribution purposes under the terms of the Plan, it being acknowledged that both the Plan and the Marine Plan were frozen to new participants effective as of January 1, 2014.

Effective as of the Merger Effective Date, the assets and liabilities of the Marine Plan were merged with and into the Trust Fund for the Plan in accordance with Section 414(l) of the Code. The assets of the Marine Plan and the Plan were combined to form the assets of the Plan as merged and immediately after the plan merger, and each active or inactive Participant's termination benefit in the Plan shall be equal to or greater than the benefit the Participant would have been entitled to in the Marine Plan and the Plan; provided that no duplication or expansion of benefits of any participant in the Marine Plan shall occur as a result of the merger of the Marine Plan into the Plan.

Effective as of 12:01 a.m. on January 1, 2021 (the "Spin-off Effective Date"), this Plan is amended to reflect the spin-off and transfer from the Plan of the specified assets and liabilities into the Seaboard Marine Pension Plan ("New Marine Plan") by direct trust to trust transfer as of the Spin-off Effective Date. The New Marine Plan is, as compared to the Seaboard Corporation Pension Plan, identical in all material respects with respect to eligibility, benefit accrual, vesting and distribution provisions applicable to Participants. The New Marine Plan shall recognize a Participant's service with Seaboard Corporation and Affiliated Employers (as defined in the Seaboard Marine Pension Plan) as of December 31, 2020 for all eligibility, benefit accrual, vesting and distribution purposes under the terms of the Plan, it being acknowledged that the Plan and the previously merged Marine Plan were frozen to new participants effective as of January 1, 2014.

As described above, effective as of just prior to the Spin-off Effective Date, the specified assets and liabilities of the Seaboard Corporation Pension Plan were spun off and deposited into the Trust Fund for the New Marine Plan and Trust in accordance with Section 414(l) of the Code. Each active or inactive Participant's termination benefit in the New Marine Plan and Trust shall be equal to or greater than the benefit the Participant would have been entitled to in the Seaboard Corporation Pension Plan; provided that no duplication or expansion of benefits of any participant in this Plan shall occur as a result of the spin-off of assets and liabilities from the Plan into the New Marine Plan. If an active or inactive Participant, or a spouse, beneficiary or an alternate payee under a qualified domestic relations order is entitled to a benefit under this Plan, they will not be entitled to a benefit under the New Marine Plan, and vice versa.

#### **ARTICLE I. DEFINITIONS**

As used in this Plan --

**"Accrued Benefit"** means, the sum of (i) plus (ii), plus (iii), where:

(i) is a Participant's frozen retirement benefit payable to the Participant at his Normal Retirement Date, under the appropriate Appendix to this Plan, as of December 31, 1993 or an earlier date, computed as an Actuarial Equivalent of the normal form of retirement benefit for this Plan, as defined in section 4.1 (i.e., a single life annuity);

(ii) is the retirement benefit accrued on and after January 1, 1994, computed under section 4.1(b), payable to the Participant at his Normal Retirement Date in the normal form of retirement benefit for this Plan; and

(iii) is the retirement benefit accrued on and after January 1, 1994, computed under section 4.1(c), payable to the Participant at his Normal Retirement Date in the normal form of retirement benefit for this Plan.

**"Actuarial (or Actuarially) Equivalent"** means, a form of benefit differing in time, period or manner of payment from a specific Pension provided under the Plan but having equivalent value when computed, for Annuity Starting Dates before July 29, 2016, using an interest rate of

8% per year compounded annually and the 1983 Group Annuity Mortality Table. Notwithstanding the foregoing, in no event shall the Participant's Actuarial Equivalent Benefit calculated hereunder be less than such benefit calculated under the Plan as of December 31, 1993.

For Annuity Starting Dates on or after July 29, 2016, the above referenced assumptions shall be replaced by the following assumptions in this paragraph, provided that any amount determined in accordance with this paragraph shall not be less than the amount determined under the previous paragraph with respect to the Participant's Accrued Benefit as of the earlier of the Participant's termination of employment or July 29, 2016.

- Interest: The "applicable interest rate" as defined in Section 417(e)(3) of the Code, as amended by the Pension Protection Act of 2006, for the month of November preceding the Plan Year in which the Member's distribution commences.
- Mortality: The mortality table prescribed by the Secretary of Treasury in accordance with Section 417(e)(3) of the Code for the Plan Year in which the Participant's distribution commences.

**"Actuarial Value"** means the lump sum equivalent value of a Participant's Accrued Benefit, as certified by the Actuary, using: (a) the 1983 Group Annuity Mortality Tables with a fixed blend of 50% of the male mortality rates and 50% of the female mortality rates; and (b) the annual interest rate on 30-year Treasury securities as specified by the Commissioner for the month of November preceding the Plan Year in which the Participant's Annuity Starting Date occurs.

Effective for distributions with Annuity Starting Dates on or after December 31, 2002, notwithstanding any other Plan provisions to the contrary (except the following paragraph) the applicable mortality table used for purposes of adjusting any benefit or limitation under Code § 415(b)(2)(B), (C) or (D) as set forth in Section 13.1 and the applicable mortality table used for purposes of satisfying the requirements of Code § 417(e) as set forth in this definition of Actuarial Value is the table prescribed in Revenue Ruling 2001-62.

Effective for distributions with Annuity Starting Dates on or after January 1, 2008, the applicable interest rate and the applicable mortality table for purposes of satisfying the requirements of Code § 417(e) as set forth in this definition of Actuarial Value are as follows:

Interest – The interest rate determined based upon the adjusted first, second and third segment rates applied under rules similar to the rules of Code § 430(h)(2)(C) for the month of November preceding the Plan Year in which the Participant's distribution commences. For this purpose, the adjusted first, second and third segment rates are the first, second and third segment rates which would be determined under Code § 430(h)(2)(C) if:

(i) Code § 430(h)(2)(D) were applied by substituting the average yields for the month described in (ii) below for the average yields for the 24-month period described in Code § 430(h)(2)(D),

(ii) Code § 430(h)(2)(G)(i)(II) were applied by substituting “Code § 417(e)(3)(A)(ii)(II)” for “Code § 412(b)(5)(B)(ii)(II)”;

(iii) the applicable percentage under Code § 430(h)(2)(G) were determined in accordance with the following table:

In the case of Plan Years beginning in:	The applicable percentage is:
2008	20 percent
2009	40 percent
2010	60 percent
2011	80 percent

Mortality -The mortality table based on the mortality table specified for the Plan Year under Section 430(h)(3) of the Code (without regard to subparagraph (C) or (D) of such section) modified as appropriate by the Secretary of the Treasury.

Notwithstanding the foregoing, the lump sum equivalent value of a Participant’s Accrued Benefit shall not be less than the lump sum equivalent value of the Participant’s Accrued Benefit as of December 31, 1995 calculated using the Group Annuity Mortality Table described in the definition of Actuarial (or Actuarially) Equivalent, above, and an interest rate of 8%, and based on the Participant’s age at the Annuity Starting Date.

Effective for distributions with Annuity Starting Dates on or after June 1, 2004, having a payment form that is either (a) the Social Security adjustment form of payment (provided under Appendix A, Appendix C and Appendix D of the Plan), or (b) the special optional form of payment (provided under Appendix A, Appendix C and Appendix D of the Plan) if the special optional form of payment is a decreasing annuity other than a decreasing annuity that decreases because Social Security supplements or qualified disability benefits (as defined in Code § 411(a)(9)) cease or are reduced, the payments shall not be less than determined using the interest rate and mortality table used for purposes of satisfying the requirements of Code § 417(e) as set forth above in this definition of Actuarial Value.

“**Actuary**” means the individual actuary or firm of actuaries selected by the Employer to provide actuarial services in connection with the administration of the Plan.

“**Affiliated Employer**” means the Employer and any corporation which is a member of a controlled group of corporations (as defined in Code §414(b)) which includes the Employer; any trade or business (whether or not incorporated) which is under common control (as defined in Code §414(c)) with the Employer; any organization (whether or not incorporated) which is a member of an affiliated service group (as defined in Code §414(m)) which includes the Employer; and any other entity required to be aggregated with the Employer pursuant to the

regulations under Code §414(o). The term “Employer” includes any Employer and any Affiliated Employer for purposes of crediting Hours of Service under the definition of Hours of Service in this Article I, for determining Years of Service for participation under Section 2.2, or determining Years of Service for purposes of vesting under Section 4.2, and for such other purposes as required by the applicable provision of the Code.

“**Annuity Starting Date**” means the first day of the first period for which an amount is payable as an annuity or in any other form.

“**Board of Directors**” means the Board of Directors of Seaboard Corporation.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Company**” means Seaboard Corporation, a Delaware corporation.

“**Compensation**” means the aggregate compensation paid to an Eligible Employee by the Employer for the taxable year ending with or within the Plan Year which is subject to tax under Code §3401(a) and all other payments of compensation to a Participant by an Employer for which the Employer is required to furnish a written statement under Code §§6041(d) and 6051(a)(3):

(a) determined without regard to any rules under Code §3401(a) that limit remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code §3401(a)(2));

(b) reduced by all of the following items (even if includible in gross income): reimbursements or other expense allowances, fringe benefits (cash and noncash), moving, expenses, deferred compensation, and welfare benefits; and

(c) determined by including salary reduction contributions made on behalf of an Employee to a plan maintained under Code §§125 or 401(k) and including qualified transportation fringe benefits that are excluded from a Participant’s gross income under Code § 132(f)(4).

In addition to other applicable limitations set forth in the Plan, and notwithstanding any other provision of the Plan to the contrary, for Plan Years beginning on or after January 1, 1994, and prior to January 1, 2002, the annual Compensation of each Employee taken into account under the Plan shall not exceed the OBRA ‘93 annual compensation limit. The OBRA ‘93 annual compensation limit is \$150,000, as adjusted by the Commissioner for increases in the cost of living in accordance with Code §401(a)(17)(B). For Plan Years beginning on or after January 1, 1994, and prior to January 1, 2002, any reference in this Plan to the limitation under Code §401(a)(17) shall mean the OBRA ‘93 annual compensation limit set forth in this provision.

For Plan Years beginning prior to January 1, 2002, if Compensation for any prior determination period is taken into account in determining an Employee’s benefits accruing in the current Plan Year, the Compensation for that prior determination period is subject to the

OBRA '93 annual compensation limit in effect for that prior determination period. For this purpose, for determination periods beginning before the first day of the first Plan Year beginning on or after January 1, 1994, the OBRA '93 annual compensation limit is \$150,000.

A Code §401(a)(17) Employee means an Employee whose current Accrued Benefit as of a date on or after the first Plan Year beginning on or after January 1, 1994, is based on Compensation for a year beginning prior to the first day of the first Plan Year beginning on or after January 1, 1994, that exceeded \$150,000.

For Plan Years beginning on or after January 1, 2002, the annual Compensation of each Employee taken into account under the Plan shall not exceed \$200,000, as adjusted for cost-of-living increases in accordance with Code §401(a)(17)(B).

For Plan Years beginning on or after January 1, 2002, if Compensation for any prior determination period is taken into account in determining an Employee's benefits accruing in the current Plan Year, the Compensation for that prior determination period shall be subject to the limitation on Compensation in effect for the current Plan Year.

Notwithstanding any provision of this definition of Compensation to the contrary, a Participant who is in qualified military service, as defined in Code Section 414(u)(5), shall be treated as receiving Compensation from his Employer during such period of qualified military service which is recognized as Years of Accrual Service under Section 2.5 equal to --

(i) the Compensation the Participant would have received during such period if the Participant were not in qualified military service, determined based on the Compensation the Participant would have received from his Employer, but for absence during the period of qualified military service, or

(ii) if the Compensation the Participant would have received during such period was not reasonably certain, the Participant's average Compensation from the Employer during the 12-month period immediately preceding the qualified military service (or, if shorter, the entire period of employment immediately preceding the qualified military service).

**"Deferred Vested Pension"** means the Pension payable pursuant to Section 3.2.

**"Disability Retirement Date"** means the first day of the calendar month coinciding with or next following the date a Participant or former Participant entitled to a Deferred Vested Pension, becomes disabled under the terms of the Plan.

**"Disability Retirement Pension"** means the Pension payable pursuant to Section 3.5.

**"Disabled"** or **"Disability"** means having a physical or mental condition resulting from bodily injury, disease or mental disorder which renders a Participant, or former Participant entitled to a Deferred Vested Pension, incapable of continuing any gainful occupation and which condition constitutes total disability under the Federal Social Security Act.

**“Early Retirement Date”** means the first day of the calendar month coinciding with or next following the date the Participant terminates employment prior to his Normal Retirement Date and after satisfying the requirements for an Early Retirement Pension under Section 3.3.

**“Early Retirement Pension”** means the Pension payable pursuant to Section 3.3.

**“Effective Date”** means January 1, 2021 or such other date as specified herein with respect to a particular provision.

**“Eligible Employee”** means any Employee who is a salaried or clerical exempt or non-exempt Employee of an Employer; provided, however, Eligible Employee shall exclude the following:

(a) Union Employees. Any Employee whose employment is governed by the terms of a collective bargaining agreement between Employee representatives (within the meaning of Code §7701(a)(46)) and the Employer under which retirement benefits were the subject of good faith bargaining between the parties, unless the agreement requires inclusion of the Employee in the Plan.

(b) Leased Employees. Any person who performs services for an Employer by and through a contract or agreement, whether written or verbal, with a third party and who is paid by such third party, including, without limitation, any person who is a leased employee within the meaning of Code §414(n), a co-employee or joint employee, or an outsourced employee, even if such person is subsequently determined by any governmental agency or court to be, or have been, a common law employee of the Employer.

(c) Independent Contractors. Any individual who performs services for an Employer pursuant to a contract or agreement, whether written or verbal, which provides that the person is an independent contractor or consultant, even if such person is subsequently determined by any governmental agency or court to be, or have been, a common law employee of an Employer.

(d) Nonresident Aliens. Employees who are nonresident aliens (within the meaning of Code §7701(b)(1)(B)) and who receive no earned income (within the meaning of Code §911(d)(2)) from an Employer which constitutes income from sources within the United States (within the meaning of Code §861(a)(3)).

(e) Exclusion of Certain Employees of Seaboard Foods LLC. Any Employees of Seaboard Foods LLC who are classified as Employees in the Processed Meats Division of Seaboard Foods LLC shall not be eligible to participate in the Plan. Also any Employees of Seaboard Foods LLC whose designated site of employment is at a facility located in either Missoula, Montana, or Salt Lake City, Utah, and previously operated by an entity sometimes referred to as “Daily”, shall not be eligible to participate in the Plan.

(f) Post-2013 Hires. Any individual hired, or in the case of a former employee of Seaboard Corporation or any other Affiliated Employer, rehired, by an Employer after December 31, 2013.

(g) Post-2013 Eligible Employee. Any employee of Seaboard Corporation or any other Affiliated Employer who, exclusive of this definition of Eligible Employee, is not an Eligible Employee as of December 31, 2013.

**“Eligible Spouse”** means the spouse of a Participant to whom the Participant was married at the time of the Annuity Starting Date or the date of the Participant’s death. The length of the marriage prior to either of such dates shall not be taken into consideration.

**“Employee”** means any person who is employed by an Employer or an Affiliated Employer.

The term Employee shall also include any Leased Employee deemed to be an Employee described in the previous paragraph as provided in Code §§414(n) or (o). “Leased Employee” means any person (other than an employee of the recipient) who pursuant to an agreement between the recipient and any other person (“leasing organization”) has performed services for the recipient (or for the recipient and related persons determined in accordance with Code §414(n)(6)) on a substantially full-time basis for a period of at least one year, and such services are performed under the primary direction or control of the Employer. Contributions or benefits provided a Leased Employee by the leasing organization which are attributable to services performed for the recipient employer shall be treated as provided by the recipient employer.

A Leased Employee shall not be considered an employee of the recipient if: (i) such employee is covered by a money purchase pension plan providing: (1) a nonintegrated employer contribution rate of at least 10 percent of Compensation, as defined in Code §415(c)(3), but including amounts contributed pursuant to a salary reduction agreement which are excludible from the employee’s gross income under Code §§125, 402(e)(3), 402(h) or 403(b), (2) immediate participation, and (3) full and immediate vesting; and (ii) leased employees do not constitute more than 20 percent of the recipient’s non-highly compensated workforce.

**“Employer”** means Seaboard Corporation, a Delaware corporation, and each employer who has adopted the Plan. The Employers as of January 1, 2021 are listed on Schedule A attached hereto. Seaboard Corporation is the sponsor of the Plan under ERISA. Schedule A may be modified from time to time as appropriate by Seaboard Corporation or its authorized officer.

**“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended from time to time.



**“Fiduciaries”** means Seaboard Corporation, the Committee and the Trustee, but only with respect to the specific responsibilities of each for Plan and Trust administration, all as described in section 7.1.

**“Forfeiture break in service”** refers to an instance of a Participant who incurs five consecutive 1-year breaks in service.

**“Hour of Service”** means:

(a) Each hour for which an Employee is paid, or entitled to payment, for the performance of duties for an Affiliated Employer (or for the Employer only for purposes of section 4.1) during the applicable computation period; and

(b) Each hour for which an Employee is paid, or entitled to payment, by an Affiliated Employer (or by the Employer only for purposes of section 4.1) on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including Disability), layoff, jury duty, military duty or leave of absence. Notwithstanding the preceding sentence,

(i) No more than 501 Hours of Service are to be credited under this subparagraph (b) to an Employee on account of any single continuous period during which the Employee performs no duties (whether or not such period occurs in a single computation period);

(ii) An hour for which an Employee is directly or indirectly paid, or entitled to payment, on account of a period during which no duties are performed is not to be credited to the Employee if such payment is made or due under a Plan maintained solely for the purpose of complying with applicable workmen’s compensation, unemployment compensation or disability insurance laws; and

(iii) Hours of Service are not to be credited for a payment which solely reimburses an Employee for medical or medically related expenses incurred by the Employee.

Hours under this subparagraph (b) shall be calculated and credited pursuant to section 2530.200b-2 of the Department of Labor Regulations which is incorporated herein by this reference; and

(c) Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by an Affiliated Employer (or by the Employer only for purposes of section 4.1). The same Hour of Service shall not be credited both under subparagraph (a) or subparagraph (b), as the case may be, and under this subparagraph. These hours shall be credited to the Employee for the computation period or periods to which the award or payment pertains rather than the computation period in which the award, agreement or payment is made. Crediting of Hours of Service for back pay awarded or agreed to with respect

to periods described in subparagraph (b) shall be subject to the limitations set forth in that subparagraph.

Hours of Service will also be credited for any individual considered to be an Employee for purposes of this Plan under Code §414(n) or Code §414(o).

If the Employer pays an Employee for services rendered on an hourly basis, the Committee will credit that Employee with Hours of Service on the basis of the "actual" method. If the Employer pays an Employee for services rendered on a basis other than by the hour, the Committee will credit that Employee on the basis of weeks of employment, and an Employee will receive credit for 45 Hours of Service for each week for which the Committee would credit the Employee with at least one Hour of Service under the actual method.

Hours of Service shall also include Hours of Service counted during a period of qualified military service, as described in section 2.5.

**"Late Retirement Date"** means the first day of the calendar month coinciding with or next following the date the Participant actually retires after his Normal Retirement Date.

**"Late Retirement Pension"** means the Pension payable pursuant to section 3.4.

**"Normal Retirement Age"** means the later of (a) the Participant's 65th birthday, or (b) the fifth anniversary of the first day of the month in which the Participant commenced participation in the Plan.

**"Normal Retirement Date"** means the first day of the calendar month coinciding with or next following the date the Participant attains his Normal Retirement Age.

**"Normal Retirement Pension"** means the Pension payable pursuant to section 3.1.

**"Participant"** means any Eligible Employee who is eligible for participation in the Plan as hereinafter provided and any person who is not an Eligible Employee who has a frozen Accrued Benefit hereunder. A Participant who is not an Eligible Employee shall not be entitled to accrue benefits hereunder.

**"PBGC"** means Pension Benefit Guaranty Corporation, a body corporate within the Department of Labor, established under the provisions of Title IV of ERISA.

**"Pension"** means a series of amounts, paid monthly, which are payable to a Participant who is entitled to receive benefits under the Plan, or a lump sum distribution of a Participant's benefits under the Plan, as applicable under the terms of the Plan.

**"Plan"** means the Seaboard Corporation Pension Plan, as set forth herein and as amended from time to time.

**"Plan Year"** means the 12-month period commencing on January 1 and ending on the following December 31.

**“Retirement”** means termination of employment for reasons other than death after a Participant has fulfilled all requirements for a Disability, Early, Normal or Late Retirement Pension, whichever applicable.

**“Retirement Committee”** or **“Committee”** means the persons appointed pursuant to Article VII to administer the Plan in accordance with said Article.

**“Social Security Retirement Age”** means Social Security retirement age as defined in Code §415(b)(8).

**“Trust”** means the trust fund established for purposes of funding the Plan.

**“Trustee”** means the trustee or trustees of the Trust.

**“Year(s) of Service”** means a Plan Year in which a Participant has at least 1000 Hours of Service with an Employer or an Affiliated Employer except where otherwise provided herein. Except where otherwise provided herein, for purposes of determining a Participant’s number of Years of Service for vesting purposes under section 4.2, and subject to the break in service provisions of section 2.3, all Years of Service shall be counted, including those Years of Service before he became a Participant provided he was at least 18 years of age. Participants who are Employees of Jacintoport International LLC will receive credit for vesting purposes for their service for Jacintoport International LLC rendered on and after May 24, 2000, the date Jacintoport International LLC (then known as Jacintoport International, Inc.) became an Affiliate of the Company. Years of Service shall also include Hours of Service during a period of qualified military service, as described in section 2.5. Years of Service shall include all Years of Service recognized with respect to any Affiliated Employer under the Seaboard Defined Benefit Pension Plan at the time of transfer of assets and liabilities from such plan to this Plan.

**“1-year break in service”** means:

(a) In General -- Any Plan Year (or, for participation purposes, the computation period described in the following sentence) during which an Eligible Employee has not completed more than 500 Hours of Service with an Affiliated Employer, except for a Plan Year in which an Eligible Employee becomes a Participant or in which his Normal Retirement or death occurs. For participation purposes an Eligible Employee incurs a 1-year break in service if during the twelve-month period applicable for purposes of section 2.2, the Eligible Employee does not complete more than 500 Hours of Service. Any 1-year break in service shall be deemed to have commenced on the first day of the year in which it occurs. An Employee’s absence from work during which he is not compensated, or entitled to Compensation, by the Employer, shall not be deemed a break in service where the Employee (i) is on an authorized leave of absence, provided he resumes work for the Employer at the expiration thereof, or (ii) is on military duty for a period during, which his reemployment rights are guaranteed by federal law. In applying this section all Employees in similar circumstances shall be treated alike.

(b) Leaves of Absence - Solely for purposes of determining whether a 1-year break in service has occurred, for each individual who is absent from work for any period (i) by reason of

the pregnancy of the individual, (ii) by reason of the birth of a child of the individual, (iii) by reason of the placement of a child by such individual, or (iv) for purposes of caring for such child for a period beginning immediately following such birth or placement, the Plan shall treat as Hours of Service during the applicable computation period as determined under this definition of 1-year break in service, the Hours of Service which otherwise would normally have been credited to such individual but for such absence, or in any case in which the Plan is unable to determine the hours which would normally have been credited to such individual, eight hours per day of such absence. The total number of hours treated as Hours of Service by reason of any such pregnancy or placement shall not exceed 501. Hours of service for such pregnancy or placement shall be treated as Hours of Service (i) only in the year in which the absence from work begins, if a Participant would be prevented from incurring a 1-year break in service in such year solely because periods of absence are treated as Hours of Service, or (ii) in any other case, in the immediately following year. For purposes of this subparagraph, the term “year” means any Plan Year.

(c) An Eligible Employee’s paid Hours of Service for absence on account of leave under the Family and Medical Leave Act of 1993 (“FMLA leave”) shall be counted for purposes of eligibility or vesting, whichever is applicable, except that if such Hours of Service are not needed to prevent a break in service in the Plan Year in which such FMLA leave commenced, and if such FMLA leave continues into a subsequent Plan Year, the Hours of Service shall be credited to the subsequent Plan Year. Such Hours of Service shall not be recognized by the Plan for benefit accrual purposes.

No credit will be given pursuant to this subparagraph unless the individual furnishes to the Committee such timely information as the Committee may reasonably require to establish that the absence from work is for reasons referred to in the preceding subparagraph and the number of days of such absence.

“**Years of Accrual Service**” has the meaning defined in Section 4.1.

## **ARTICLE II. PARTICIPATION AND SERVICE**

### **2.1 Participation.**

(a) **Prior Participants:** Each Eligible Employee as of January 1, 2014 who was a Participant in the Plan on December 31, 2013 shall continue as a Participant in the same manner on January 1, 2014. Each Eligible Employee who was a Participant in the Seaboard Defined Benefit Pension Plan on December 31, 2013 and for whom plan assets and liabilities are transferred to this Plan as of the Merger Effective Date described in the Preamble shall continue as a Participant in the same Participant status (i.e. active, deferred vested or retired in pay status) on the Merger Effective Date. Each Participant in the Plan on December 31, 2013 who was not an Eligible Employee as of January 1, 2014 shall continue as a Participant in the Plan on January 1, 2014 but will no longer be eligible to accrue additional Years of Accrual Service or additional retirement benefits under the Plan.

(b) Other Employees: Effective as of January 1, 2014, no employee other than (i) an individual who was an Eligible Employee on December 31, 2013 but who has not entered the Plan by January 1, 2014 due to being on an authorized leave of absence due to service in the Armed Forces of the United States and who is required to enter the Plan pursuant to Section 2.5 and Code Section 414(u), and (ii) an individual who was an Eligible Employee on December 31, 2013, was hired on or after January 1, 2013, and would become a Participant on or before January 1, 2015 due to having attained age 21 and completed one Year of Service by December 31, 2014, shall be eligible to enter the Plan. An individual described in clause (i) or (ii) of this Section 2.1(b) shall become a Participant on the first day of the month coinciding with, or next following, the date he first satisfies both of the following requirements: (1) he completes one Year of Service as defined in section 2.2 and (ii) he attains age 21.

(c) Reemployment: Effective as of January 1, 2014, no individual who ceases to be employed by the Employer is eligible to reenter the Plan as an Eligible Employee notwithstanding such individual's reemployment with the Employer.

2.2 Year of Service – Participation. For purposes of participation under section 2.1, a Year of Service shall mean a twelve (12) month period during which the Eligible Employee completes not less than one thousand (1,000) Hours of Service, measuring the beginning of the first twelve (12) month period from the employment commencement date. If the Eligible Employee does not complete one thousand (1,000) Hours of Service during the twelve (12) month period commencing with the employment commencement date, the Plan shall measure the twelve (12) month period from the first day of the Plan Year which includes the first anniversary of the employment commencement date. The Plan shall measure any subsequent twelve (12) month period necessary for determination of Year of Service for participation by reference to succeeding Plan Years. Employment commencement date for purposes of this section 2.2 shall mean the first day of an Eligible Employee's employment by an Affiliated Employer. Year of Service for Participation shall also include Hours of Service during a period of qualified military service, as described in section 2.5.

### 2.3 Counting Prior Service Upon Reemployment.

(a) Vested Former Participants: If a Participant has satisfied the requirements of the Plan for vested benefits under section 4.2 at the time of his termination of employment, then upon his reemployment by the Employer, his pre-break Years of Service shall be restored for purposes of vesting hereunder.

(b) Non-Vested Former Participants: If a Participant has not satisfied the requirements for vested benefits under section 4.2 at the time of his termination of employment, then upon his reemployment by the Employer, his pre-break Years of Service shall be restored for purposes of vesting hereunder only if his number of consecutive 1-year breaks in service was less than the greater of (i) five and (ii) the aggregate number of pre-break Years of Service.

(c) **Accrued Benefit After a Break in Service:** All Years of Service that were restored under the foregoing subparagraph (a) or subparagraph (b) shall be aggregated and treated as Years of Accrual Service for purposes of determining the Participant's Accrued Benefit. Years of Service that were not restored shall not be counted as years of Accrual Service for purposes of determining the Participant's Accrued Benefit.

#### 2.4 Employee Change in Employment Classification or Transfers to or From a Non-Participating Affiliated Employer.

(a) It is anticipated that an Eligible Employee's employment may be transferred, without a break in the continuity of his employment, to or from an Affiliated Employer who does not participate in this Plan. Such a transfer of employment will not be a termination of employment.

(b) If an Eligible Employee's employment classification is changed so he no longer is an Eligible Employee, the Employee shall continue to be entitled while employed by the Employer or an Affiliated Employer to receive credit for Years of Service for vesting in this Plan. If an Eligible Employee transfers, without a break in the continuity of his employment, to an Affiliated Employer who does not participate in this Plan, the Employee shall continue to be entitled to receive credit while employed by the Affiliated Employer for Years of Service for vesting purposes in this Plan. If the Eligible Employee previously terminated employment, was not vested and incurred five or more consecutive 1-Year Breaks in Service, the Employee's Years of Service prior to such consecutive 1-Year Breaks in Service shall not be counted for vesting or benefit accrual purposes under this Plan.

(c) If an Eligible Employee transfers without a break in the continuity of his employment from an Affiliated Employer who was not participating in this Plan to a participating Employer in this Plan, the Employee shall receive credit for Years of Service for vesting purposes under this Plan for his Years of Service for the Affiliated Employer, but not benefit accrual purposes. If the Employee previously terminated employment for the Affiliated Employer, was not vested, and incurred five or more consecutive 1-Year Breaks in Service, the Employee's Years of Service before such Break in Service shall not be counted for either vesting or benefit accrual purposes under this Plan.

(d) An Eligible Employee who transfers without any break in the continuity of his employment to or from a participating Employer who does not participate in this Plan shall not receive credit for Years of Service for such a non-participating Affiliated Employer for benefit accrual purposes under this Plan.

2.5 **Military Service.** An authorized leave of absence due to service in the Armed Forces of the United States shall not constitute a break in service, and shall be considered as Years of Service under the Plan, provided the absence is for qualified military service, as defined in Code Section 414(u)(5) during a period when an Eligible Employee's reemployment rights are guaranteed by federal law and the Eligible Employee returns to employment with an Employer after the period of qualified military service and within the period of time required by such

federal law. Notwithstanding any provision of the Plan to the contrary, effective December 12, 1994 the Plan will provide contributions, benefits and service credit with respect to qualified military service in accordance with Code §414(u). Hours of Service during a period of qualified military service that is recognized under this section 2.5 (i.e., if the Eligible Employee returns to employment with an Employer after the period of qualified military service and within the time required by applicable federal law), shall be counted for eligibility Year of Service – Participation, purposes; vesting Years of Service purposes; and benefit Years of Accrual Service purposes based on the Hours of Service the Participant would have been credited with during the period of qualified military service, but for the absence during the period of qualified military service. If the number of Hours of Service is not reasonably certain, the Eligible Employee’s deemed Hours of Service during a qualified military leave shall be based on the actual Hours of Service credited to the Eligible Employee during the twelve consecutive month period (or entire period of service, if less) immediately preceding the commencement of his qualified military service.

#### 2.6 Employee Transfers To or From a Participating Employer

(a) It is anticipated that an Eligible Employee may be transferred, without a break in the continuity of his employment, to or from a participating Employer in this Plan to another participating Employer. Such a transfer will not be a termination of employment.

2.7 Suspension of New Plan Participants. Notwithstanding any other provision in this Plan to the contrary, effective as of January 1, 2014, the only individuals eligible to become Participants in the Plan shall be: (i) individuals who are Eligible Employees on December 31, 2013 but who have not entered the Plan or the Seaboard Defined Benefit Pension Plan by January 1, 2014 due to being on an authorized leave of absence due to service in the Armed Forces of the United States and who are required to enter the Plan pursuant to Section 2.5 and Code Section 414(u); and (ii) individuals who are Eligible Employees on December 31, 2013, were hired on or after January 1, 2013, and would become Participants on or before January 1, 2015 due to having attained age 21 and completed one Year of Service by December 31, 2014.

### **ARTICLE III. REQUIREMENTS FOR RETIREMENT BENEFITS**

3.1 Normal Retirement. A Participant shall be eligible for a Normal Retirement Pension in accordance with section 4.1 if his employment is terminated on or after he has attained Normal Retirement Age. Payment of a Normal Retirement Pension shall commence as of the Participant’s Normal Retirement Date.

3.2 Deferred Vested Pension. A Participant who has five or more Years of Service (as determined subject to the provisions of sections 2.3, 2.4 and 2.6 shall be eligible for a Deferred Vested Pension in accordance with the provisions of section 4.2 if his employment is terminated before death or Retirement. Payment of a Deferred Vested Pension shall commence as of the Participant’s Normal Retirement Date; provided, however, that

(a) a Participant who is eligible for a Deferred Vested Pension and who has attained age 62 may request the commencement of his Deferred Vested Pension as of the first day of any month which precedes his Normal Retirement Date, in which event his Pension shall commence as of the beginning of the month so requested; or

(b) a Participant who is eligible for a Deferred Vested Pension who has completed ten (10) or more Years of Service before his employment terminated is entitled to an Early Retirement Benefit, as provided in section 3.3 and may, therefore, request the commencement of his Early Retirement Benefit pursuant to section 4.3, as of the Early Retirement Date elected by the Participant, which must be on or after the Participant attains age fifty-five (55)

3.3 Early Retirement. A Participant shall be eligible for an Early Retirement Pension in accordance with section 4.3 if his employment is terminated on or after the date that he has completed ten (10) or more Years of Service. Payment of an Early Retirement Pension shall commence as of the later of (a) the Participant's Early Retirement Date, or (b) the date the Participant attains age fifty-five (55).

3.4 Late Retirement. Any Participant who attains his Normal Retirement Age may remain in the active employ of the Employer beyond his Normal Retirement Date. In such event, payment of a Late Retirement Pension in accordance with section 4.4 shall commence as of the Participant's Late Retirement Date, and the Participant shall not be entitled to a distribution from the Plan prior to his Late Retirement Date. Furthermore, during the first month immediately following the Participant's Normal Retirement Date, the Retirement Committee shall cause an ERISA 203(a)(3)(B) Suspension of Benefits Notice, as described in section 4.7, to be sent to the Participant.

3.5 Disability Retirement. A Participant who (i) becomes Disabled while employed by the Employer, or (ii) is a former Participant entitled to a Deferred Vested Pension who becomes Disabled or (iii) is a Participant who becomes Disabled while performing qualified military service, shall be eligible to elect to receive a Disability Retirement Pension in accordance with section 4.5. Payment of a Disability Retirement Pension shall commence as of the date elected by the Participant that is on or after the Participant's Disability Retirement Date. If such Participant, or such former Participant entitled to a Deferred Vested Pension, does not elect to receive a Disability Retirement Pension, then the Participant's Accrued Benefit shall be paid pursuant to any other applicable provision of this Article III. Notwithstanding the provisions of sections 3.2 and 4.2, a Participant who becomes Disabled while employed by the Employer shall be 100% vested in his Accrued Benefit, regardless of the number of Years of Service of the Participant.



#### ARTICLE IV. AMOUNT OF RETIREMENT BENEFIT

4.1 Normal Retirement Pension. The normal form of a Participant's annual retirement benefit shall be a single life annuity. A Participant's Pension in the normal form equals the sum of (a), plus (b), plus (c), where:

(a) is the Participant's frozen retirement benefit, payable to the Participant at his Normal Retirement Date as of December 31, 1993 or an earlier date, computed as an Actuarial Equivalent of the normal form of retirement benefit for this Plan, as defined in this section 4.1;

(b) is 0.65% of his Final Average Earnings accrued from and after January 1, 1994, multiplied by his Years of Accrual Service; and

(c) is 0.50% of his Excess Compensation accrued from and after January 1, 1994, multiplied by his Years of Accrual Service.

The following definitions shall apply for purposes of this section 4.1:

"Covered Compensation" means the average (without indexing) of the taxable wage bases in effect for each calendar year during the 35-year period ending with the last day of the calendar year in which the Participant attains (or will attain) Social Security Retirement Age, whether or not a Participant actually has attained Social Security Retirement Age at the time of termination of employment with the Employer. A 35-year period is used for all Participants regardless of the year of birth of the Participant. In determining a Participant's Covered Compensation for a Plan Year, the taxable wage base for all calendar years beginning after the first day of the Plan Year is assumed to be the same as the taxable wage base in effect as of the beginning of the Plan Year. A Participant's Covered Compensation shall be adjusted each Plan Year, and no increase in Covered Compensation shall result in a decrease of the Participant's Accrued Benefit. A Participant's Covered Compensation does not change after the calendar year in which he reaches his Social Security Retirement Age. For any Plan Year beginning before a Participant's 35-year calendar period used to determine his Covered Compensation, the taxable wage base in effect at the beginning of the Plan Year is the Participant's Covered Compensation. The taxable wage base is the contribution and benefit base under section 230 of the Social Security Act.

"Earnings" shall mean the Compensation received from the Employer during the Plan Year for services rendered while an Eligible Employee and Participant.

"Final Average Earnings" shall mean a multiple of 12 times the average monthly Earnings received by a Participant for the 60 consecutive months which produce the highest average Earnings during the last 120 whole months for which the Participant received Earnings. For purposes of determining the Participant's Final Average Earnings a Participant's monthly Earnings for a specific month shall be equal to a fraction of the Participant's Earnings for the Plan Year in which such month occurs, the numerator of which fraction is one and the denominator of which fraction is the number of months (and fractions thereof) in the Plan Year

for which the Participant received Earnings. If a Participant does not receive Earnings during a minimum of 60 whole months, Final Average Earnings shall be determined based upon the Participant's average monthly earnings for all months.

"Years of Accrual Service" shall mean the aggregate of a Participant's Years of Accrual Service and Partial Years of Accrual Service. A Participant will receive credit for a Year of Accrual Service for each Plan Year commencing on or after January 1, 1994 during which the Participant completes at least 2000 Hours of Service with the Employer as an Eligible Employee. A Participant will receive credit for a Partial Year of Accrual Service for each Plan Year commencing on or after January 1, 1994 during which the Participant completes at least 1000 Hours of Service, but less than 2000 Hours of Service, with the Employer as an Eligible Employee. Notwithstanding the foregoing, if a Participant fails to complete 2000 Hours of Service in his final year of employment with the Employer he may receive credit for a Partial Year of Accrual Service even if he has not completed 1000 Hours of Service. A Partial Year of Accrual Service for purposes of this paragraph is a fraction, the numerator of which is the number of Hours of Service the Participant has completed during the Plan Year as an Eligible Employee and the denominator of which is 2000. A Participant will not receive credit for more than 35 Years of Accrual Service. Notwithstanding any provision hereunder to the contrary, a Participant shall not be credited with any Years of Accrual Service during the period from January 1, 1994 through January 1, 1997, if such Participant was accruing benefits under either the Seaboard Corporation Executive Retirement Plan or the Seaboard Farms Executive Retirement Plan during that same period. Years of Accrual Service shall also include Hours of Service during a period of qualified military service, as described in section 2.5, and subject to the conditions described in section 2.5.

"Excess Compensation" shall mean the amount of a Participant's Final Average Earnings in excess of Covered Compensation.

4.2 Deferred Vested Pension.

(a) Subject to the provisions of section 4.2(c), the amount of a Participant's Deferred Vested Pension in the normal form of a single life annuity, commencing as of his Normal Retirement Date, shall be equal to the product obtained by multiplying the amount of his Accrued Benefit by his vested percentage computed in accordance with the following schedule:

<u>Years of Service</u>	<u>Vested (nonforfeitable) Percentage</u>
Less than 5	0%
5 or more	100%

(b) A Participant is automatically one hundred percent (100%) vested on the date he attains his Normal Retirement Age, provided he is an Eligible Employee, on that date, or on the date he becomes eligible for an Early Retirement Pension under section 3.3.

(c) If the Plan's vesting schedule is amended or changed in any way that directly or indirectly affects the computation of the Participant's nonforfeitable percentage, each Participant with at least three Years of Service may elect, within the election period described herein, to have his nonforfeitable percentage computed under the Plan without regard to such amendment or change. Such election period shall begin no later than the date the Plan amendment is adopted and end no earlier than the latest of the following dates:

- (i) The date which is 60 days after the day the Plan amendment is adopted;
- (ii) The date which is 60 days after the day the Plan amendment becomes effective;

or

(iii) The date which is 60 days after the day the Participant is issued written notice of the Plan amendment by the Employer or Plan Administrator or Retirement Committee.

4.3 Early Retirement Pension. The amount of a Participant's Early Retirement Pension in the normal form of a single life annuity shall be equal to his Accrued Benefit determined in accordance with section 4.1 but reduced by 4% for each year by which his Early Retirement Date precedes his attainment of age 62.

4.4 Late Retirement Pension. The amount of a Participant's Late Retirement Pension shall be determined under section 4.1 as of the Participant's Late Retirement Date. If the Participant remains employed beyond the date he attains age 70-1/2, his Late Retirement Pension thereafter shall be equal to the greater of (i) the Participant's Late Retirement Pension determined under section 4.1 as of the Participant's Late Retirement Date and (ii) the Actuarial Equivalent of the Participant's Late Retirement Benefit as of the date the Participant attained age 70-1/2.

4.5 Disability Retirement Pension. The amount of a Participant's Disability Retirement Pension in the normal form of a single life annuity shall be equal to his Accrued Benefit determined in accordance with section 4.1, but reduced by 4% for each year by which the date as of which the Participant's Disability Retirement Pension commences pursuant to section 3.5 precedes his attainment of age 62. The Participant's deemed Compensation and deemed Credited Service while in qualified military service, as defined in Code Section 414(u)(5) and described in section 2.5, during any period when the Participant's reemployment rights are guaranteed under federal veterans' reemployment rights laws, shall be included in determining the amount of a Disability Retirement Pension, provided the Participant either (i) becomes Disabled while in qualified military service, or (ii) is reemployed after the expiration of his qualified military service within the time required by applicable federal law.

4.6 Reemployment After Retirement Benefits Have Commenced.

(a) If a retired Participant whose benefits are in pay status is reemployed in an employment classification in which he will be credited with less than one thousand (1,000) Hours of Service in each Plan Year (during which he is employed during the entire Plan Year), his Pension payments shall continue without interruption and the retired Participant shall earn no additional benefits for the period of his reemployment. If the retired Participant should die during such a period of reemployment, his Spouse or Beneficiary shall be entitled to any survivor's income or other death benefits provided under the form of payment elected by the Participant at the time of his earlier retirement (with, if applicable, the consent of his Spouse).

(b) If a retired Participant whose benefits are in pay status is reemployed in an employment classification in which he will be credited with one thousand (1,000) or more Hours of Service each Plan Year (during which he is employed during the entire Plan Year), his Pension payments shall cease upon his reemployment. Upon the Participant's later retirement, his Pension payments shall resume, in the same form of payment elected at the time of his earlier retirement. If the retired Participant should die during the period of his reemployment, any survivor's income or other death benefit shall be provided under the form of payment elected by the retiree at the time of his earlier retirement (with, if applicable, the consent of his Spouse).

4.7 Suspension of Benefits Notice and Procedures. If a Participant's benefits are to be suspended because either (i) the Participant will remain employed beyond his Normal Retirement Date or (ii) the Participant is a retiree whose benefits are in pay status and he has been reemployed in an employment classification in which he will be credited with one thousand (1,000) Hours of Service or more in each Plan Year during his reemployment (during which he is employed during the entire Plan Year), the Retirement Committee will notify the Participant by personal delivery or first class mail during the first month benefits would otherwise be paid, that his Pension benefits are suspended. The notice shall include:

- (a) A general description of why benefit payments are suspended;
- (b) A general description of the Plan provisions relating to the suspension of benefits;
- (c) A copy of such Plan provisions;
- (d) A statement that a review of the suspension may be requested under the Claims Procedures in section 7.3; and
- (e) A description of the benefit resumption notice required by the Plan.

The Retirement Committee will adopt a procedure whereby a Participant may request a determination about whether specific contemplated reemployment will result in a suspension of benefits.

## ARTICLE V. MANNER OF PAYMENT AND DEATH BENEFITS

5.1 Automatic Form for Married Participants. If a Participant is married on the date his Pension payments commence, then subject to the provisions of section 5.4 his Pension shall be paid in the form of a 50% joint and survivor Pension commencing immediately. Under this joint and survivor Pension, a monthly annuity shall be paid to the Participant for his lifetime, and his Eligible Spouse, if surviving at the Participant's death, shall be entitled to receive thereafter a lifetime annuity in a monthly amount equal to 50% of the monthly amount which had been payable to the Participant. The amount payable to the Participant shall be determined so that the aggregate of the Pension payments expected to be made to the Participant and his Eligible Spouse shall be the Actuarial Equivalent of the Pension determined under section 4.1.

5.2 Automatic Form For Unmarried Participants. If a Participant is not married on the date his Pension payments commence, then unless he elects an optional form of benefit under section 5.3, his Pension will be paid in the form of a single life annuity which shall be the Actuarial Equivalent of the Pension determined under section 4.1.

5.3 Optional Forms of Benefit. Subject to the requirements of section 5.4, a Participant can elect that his Pension be paid in one of the following forms in lieu of the form otherwise specified in sections 5.1 or 5.2 (whichever applicable):

(a) A married Participant may elect to receive his Pension in the form of joint and survivor Pension, with a life annuity payable no less frequently than annually for the life of the Participant and with a survivor annuity payable no less frequently than annually for the remaining life of the Participant's spouse which survivor annuity is either 75% or 100% of the annuity payable during the Participant's life.

(b) A married or unmarried Participant may elect to receive his Pension in the form of a single life annuity, payable no less frequently than annually.

(c) A married or unmarried Participant may elect to receive his Pension in the form of a single life annuity, payable no less frequently than annually, with a term certain of 10 years guaranteed.

(d) A married or unmarried Participant may elect to receive his Pension in the form of a lump sum that is the Actuarial Value of the Participant's nonforfeitable Accrued Benefit if the monthly benefit the Participant would otherwise receive under sections 5.1 or 5.2 (whichever is applicable) would be less than \$75.00. The lump sum payment under this section 5.3(d) is an optional form of benefit the Participant may elect upon the Participant's Annuity Starting Date; provided, however, that on and before the Participant's Annuity Starting Date, the Participant's nonforfeitable Accrued Benefit remains subject to the lump sum payment provisions of section 5.7.

Benefits paid under any of the foregoing options will be the Actuarial Equivalent of the Participant's Pension determined under section 4.1.

#### 5.4 Election of Optional Forms of Benefit and Retroactive Annuity Starting Dates.

(a) Written Explanation of 50% Joint and Survivor Pension and Optional Forms -- Effective January 1, 2007, not earlier than 180 days, but not later than 30 days, before a married Participant's Annuity Starting Date, the Committee shall furnish to the Participant: (i) a written general description of the 50% joint and survivor Pension; (ii) the circumstances under which the Plan will provide the 50% joint and survivor Pension; (iii) the material features of and the relative values of the optional forms of benefit; (iv) the availability of the election to waive the 50% joint and survivor Pension; (v) the rights of the Participant's Eligible Spouse; (vi) the right to revoke such an election; (vii) the effect of such revocation; and (viii) the Participant's right to defer the commencement of benefits to the Participant's Normal Retirement Date and the consequences of the failure to do so.

(b) Waiver of 50% Joint and Survivor Pension -- A Participant may make an election to waive payment in the form of a 50% joint and survivor Pension under section 5.1 at any time within the election period. Effective January 1, 2007 the applicable election period shall be the 180-day period ending on the Annuity Starting Date. A Participant may revoke an election under this section 5.4(b) and make a new election at any time within the election period. A Participant's waiver election is not valid unless the Participant makes the waiver election within the election period and the Participant's Eligible Spouse has consented in writing to the waiver election, such election designates a beneficiary or a form of benefits which may not be changed without the consent of the Eligible Spouse (or the consent of the Eligible Spouse expressly permits designations by the Participant without any requirement of further consent by the Eligible Spouse), the Eligible Spouse's consent acknowledges the effect of the election, and a notary public or a member of the Committee witnesses the Eligible Spouse's consent. The Participant's Eligible Spouse's consent to a waiver of the 50% joint and survivor Pension shall be irrevocable. The Committee may accept as valid a waiver election which does not satisfy the spousal consent requirements hereunder if either the form of benefit elected by the Participant is described in section 5.3(a), the Committee establishes that the Participant does not have an Eligible Spouse, the Committee is not able to locate the Participant's Eligible Spouse, or other circumstances exist under which the Secretary of the Treasury will excuse the consent requirement.

(c) Commencement of Pension Less than 30 days After Explanation -- Notwithstanding the foregoing, a Participant may elect to begin receiving his Pension less than 30 days after receiving the written explanation described in section 5.4(a) if (i) the Participant has been informed in writing that he has at least 30 days to consider whether to waive the 50% joint and survivor Pension and elect (with spousal consent) an optional form of benefit, (ii) the Participant is permitted to revoke any affirmative election until the later of the Annuity Starting Date or the expiration of the 7-day period that begins the day after the written explanation described in section 5.4(a) is provided to the Participant, and (iii) the distributions do not commence until after the written explanation is provided.

(d) Retroactive Annuity Starting Date – Effective January 25, 2017 notwithstanding any provision in this section 5.4 to the contrary, a Participant who has attained age 62 may elect an Annuity Starting Date that is prior to the date the Participant receives the written explanation described in section 5.4(a) and prior to the date the Participant files an election to commence distribution of his Pension if (i) the Annuity Starting Date is the date the Participant attained age 62 or the first day of the month after his or her termination of employment, if later, (ii) the Participant was entitled to receive his Pension as of such Annuity Starting Date in accordance with Article IV, and (iii) the Participant does not actually receive any distribution until at least 30 days after the Participant has received the written explanation described in section 5.4(a) unless the Participant waives the 30-day period in accordance with section 5.4(c). Notwithstanding the foregoing, a Participant may not elect a retroactive Annuity Starting Date with respect to a lump sum distribution under section 5.3(d). If a Participant elects a retroactive Annuity Starting Date, the amount of the Participant’s Pension payments will be determined as of the retroactive Annuity Starting Date in accordance with the Plan provisions as in effect as of that date. The Participant’s Pension payments will commence as soon as administratively practicable subsequent to his election of a retroactive Annuity Starting Date subject to the satisfaction of section 5.4(b) and, if applicable, section 5.4(c). The Participant will receive a lump sum payment equal to the sum of (i) the aggregate amount of the Pension payments that would have been made prior to the date of the Participant’s election of a retroactive Annuity Starting Date had the Participant made his election prior to the retroactive Annuity Starting Date, and (ii) interest on such aggregate amount computed as simple interest at the interest rate or rates applicable under the definition of Actuarial Value in Article I during the period such payments described in (i) of this sentence would have been made. In addition to the spousal consent requirements of section 5.4(b), a Participant’s Eligible Spouse must consent to the Participant’s election of a retroactive Annuity Starting Date in accordance with section 5.4(b) if the monthly amount of the survivor pension payable to the Participant’s Eligible Spouse pursuant to such election will be less than the amount that would be payable to the Participant’s Eligible Spouse under a 50% joint and survivor pension commencing as of the date of such election (rather than as of the retroactive Annuity Starting Date). For purposes of the preceding sentence the Participant’s Eligible Spouse will be determined as of the date of the Participant’s election of a retroactive Annuity Starting Date.

#### 5.5 Spouse’s Death Benefit.

(a) A Participant who dies before the Annuity Starting Date and who is survived by an Eligible Spouse shall have his death benefit paid to his surviving Eligible Spouse in the form of a pre-retirement survivor annuity. In the case of a Participant who dies after the earliest retirement age under the Plan, the annuity payments paid to the Eligible Spouse shall be equal to the amount which would be payable to the Eligible Spouse had the Participant retired on the date before the Participant’s date of death and elected to receive his Pension in the form of a 100% joint and survivor annuity. In the case of a Participant who dies on or before the earliest retirement age under the

Plan, the annuity payments paid to the Eligible Spouse shall be the amount which would be payable to the Eligible Spouse had the Participant separated from service on the date of his death, survived to the earliest retirement age under the Plan, elected to receive his Pension in the form of a 100% joint and survivor annuity at his earliest retirement age, and died on the day after the day on which the Participant would have attained the earliest retirement age under the Plan. The “earliest retirement age under the Plan” is the earliest date on which the Plan permits the Participant to elect to receive retirement benefits. For purposes of determining the amount of the pre-retirement survivor annuity, only the Participant’s nonforfeitable Pension shall be taken into account. This Spouse Death Benefit shall apply even if the Participant’s death occurs while in qualified military service, provided the Participant’s reemployment rights are guaranteed by federal veteran’s reemployment rights laws at the time of his death. Furthermore, the deceased Participant’s deemed Compensation and deemed Credited Service while in qualified military service, as defined in Code Section 414(u)(5) shall be included in the determination of any Spouse’s death benefit which is payable hereunder because the Participant died while in qualified military service.

The Participant’s Eligible Spouse may direct that payment of the pre-retirement survivor annuity commence no later than the month in which the Participant would have attained the earliest retirement age under the Plan. If the Eligible Spouse does not so direct, payment of such benefit will commence at the time the Participant would have attained his Normal Retirement Age. If commencement of payment of the pre-retirement survivor annuity is on a date other than the later of the day after the Participant’s earliest retirement age under the Plan or the date of the Participant’s death, then the annuity amount payable to the Eligible Spouse shall be the Actuarial Equivalent of the annuity amount determined hereunder on the later of the day after the Participant’s earliest retirement age under the Plan or the date of the Participant’s death.

(b) If the Actuarial Value of the pre-retirement survivor annuity is determined to be \$5,000 (or such other amount allowed in accordance with section 411(a)(11) of the Code) or less, then the Committee shall direct the immediate distribution of such amount in the form of a lump sum distribution to Participant's Eligible Spouse. Notwithstanding the foregoing, if the amount of such distribution under this Section 5.5(b) is greater than \$1,000 and the Eligible Spouse does not elect to have such distribution paid directly to an eligible retirement plan specified by the Eligible Spouse in a direct rollover or to receive the distribution directly, then the plan administrator will pay the distribution in a direct rollover to an individual retirement plan designated by the Committee.

5.6 Other Death Benefit. Upon the death after the Annuity Starting Date of a Participant who has a nonforfeitable Accrued Benefit, his beneficiary, if any, under the applicable benefit payment form shall receive the benefits payable under such form.



5.7 Lump Sum Payments On or Before Annuity Starting Date for Small Amounts. The provisions of this section 5.7 apply notwithstanding any provisions hereunder to the contrary. Lump sum payments under this section 5.7 are not subject to the waiver and consent requirements of section 5.4.

(a) Mandatory Lump Sum Payment: If upon or following a Participant's termination of employment and not later than the Participant's Annuity Starting Date the Actuarial Value of the Participant's nonforfeitable Accrued Benefit is determined to be \$5,000 (or such other amount allowed in accordance with section 411(a)(11) of the Code) or less, then the Participant's nonforfeitable Accrued Benefit will be paid in the form of a lump sum payment to the Participant as soon as administratively feasible after such determination.

(b) Optional Lump Sum Payment: In the event of a mandatory distribution greater than \$1,000 to Participant in accordance with the provisions of section 5.7(a), if the Participant does not elect to have such distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover or to receive the distribution directly, then the plan administrator will pay the distribution in a direct rollover to an individual retirement plan designated by the plan administrator.

5.8 Special Distribution Rules. Notwithstanding any provision in this Plan to the contrary, all distributions under the Plan shall be made in accordance with Article XV. Distribution of a Participant's Accrued Benefit shall begin not later than the 60th day after the last day of the Plan Year in which the latest of the following events occurs: (a) the date on which the Participant attains age 65; (b) the 10th anniversary of the year in which the Participant commenced participation in the Plan; or (c) the date the Participant terminates his service with the Employer. The preceding sentence is subject to the Participant's consent to a later beginning date for distribution and subject to other Plan provisions governing the permitted or required distribution beginning date.

5.9 Nonduplication of Benefits. If a former Participant again becomes a Participant, such renewed participation shall not result in duplication of benefits. Accordingly, if he has received a distribution of an Accrued Benefit under the Plan by reason of prior participation (and such distribution has not been repaid to the Plan with interest within a period of the earlier of 5 years after the first date on which the Participant is subsequently reemployed by the Employer or the close of the first period of 5 consecutive 1-year breaks in service commencing after the distribution), his Accrued Benefit shall be reduced by the Actuarial Equivalent (at the date of distribution) of the present value of the Accrued Benefit as of the date of distribution. Any repayment by a Participant shall be equal to the sum of:

(a) the amount of the distribution; and

(b) interest compounded annually at the rate of 120 percent of the federal mid-term rate (as in effect under Code §1274 from the first month beginning after the date of distribution to the date of repayment.

5.10 Direct Rollover of Eligible Rollover Distributions. A Participant may elect, at the time and in the manner prescribed by the Committee, to have any portion of his eligible rollover distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover designation. For purposes of this section 5.10, a Participant includes a Participant's surviving spouse and the Participant's spouse or former spouse who is an alternate payee under a qualified domestic relations order.

The following definitions apply to this section 5.10:

(a) Eligible rollover distribution -- "Eligible rollover distribution" means any distribution of all or any portion of the balance to the credit of the Participant, except an eligible rollover distribution does not include: any distribution which is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Participant or joint lives (or joint life expectancies) of the Participant and the Participant's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent required under Code §401(a)(9); and the portion of any distribution which is not includible in gross income (determined without regard to the exclusion of net unrealized appreciation with respect to employer securities).

(b) Eligible retirement plan -- "Eligible retirement plan" means an individual retirement account described in Code §408(a) (including a Roth IRA described in Code §408A), an individual retirement annuity described in Code §408(b), an annuity plan described in Code §403(a), or a qualified trust described in Code §401(a), which accepts the Participant's eligible rollover distribution. An eligible retirement plan shall also mean an annuity contract described in Code §403(b) and an eligible plan under Code §457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. This definition of eligible retirement plan applies not only in the case of an eligible rollover distribution to the Participant, but also in the case of an eligible rollover distribution to a surviving spouse or to a former spouse who is the alternate payee under a qualified domestic relations order, as defined in Code §414(p). An "Eligible Retirement Plan" shall also include an otherwise eligible rollover death benefit payment on behalf of a non-spouse beneficiary to a traditional inherited individual retirement account, as defined in Code Section 408(d)(3)(C).

(c) Direct rollover -- "Direct rollover" means a payment by the Plan to the eligible retirement plan specified by the Participant, or, if applicable, the Participant's surviving spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Code §414(p).

5.11 Death Benefits under USERRA-Qualified Active Military Service. In the event a Participant dies on or after January 1, 2007 while performing "qualified military service" as such term is defined in Code section 414(u), the survivors of the Participant shall be entitled to any

additional benefits (other than benefit accruals relating to the period of qualified military service) that would be provided under the Plan had the Participant resumed employment with the Employer and then terminated employment on account of death.

5.12 One Time Limited Lump Sum or Immediate Annuity for Certain Terminated Vested Participants as of July 21, 2016. Notwithstanding any other provision of the Plan, including, but not limited to, other provisions of this Article V, this Section 5.12 shall apply to the Plan and to all prior versions of the Plan that remain in effect for the purpose of determining benefits for any former Participant, Eligible Spouse or Alternate Payee meeting the requirements of this Section. Capitalized terms and references to other sections of the Plan used in this Section 5.12 shall be construed to apply to the Plan provisions to the extent necessary to give effect to the provisions of this Section 5.12 for all eligible terminated vested Participants, Eligible Spouses and Alternate Payees.

(a) Establishment of One Time Limited Lump Sum or Immediate Annuity Voluntary Distribution Window. The Company hereby establishes a voluntary distribution opportunity with respect to certain terminated vested Participants, Eligible Spouses and Alternate Payees for a limited period of time in the 2016 Plan Year (which for purposes of this Section 5.12 shall be referred to as the "2016 Lump Sum Window"). The 2016 Lump Sum Window shall open on or around August 24, 2016, and shall close on or around September 22, 2016. The Company reserves the right to extend the 2016 Lump Sum Window through October 7, 2016. During the 2016 Lump Sum Window, eligible former Participants, Eligible Spouses and Alternate Payees may elect to commence payment of their entire vested Pension, Spouse's death benefit as provided in Section 5.5 ("Spouse's Death Benefit") or Plan benefits to which an Alternate Payee is entitled pursuant to a domestic relations order which was determined by the Retirement Committee to be qualified under Code Section 414(p) as of July 21, 2016 ("Alternate Payee Benefit") in the form of a single lump sum payment or in another form as set forth in this Section 5.12. The starting date for any benefit elected during the 2016 Lump Sum Window is anticipated to be November 1, 2016. After the end of the 2016 Lump Sum Window, the Plan shall cease offering lump sum distributions of benefits or immediate annuities under this Section 5.12 and no attempt to elect a lump sum distribution of benefits or an immediate annuity under this Section 5.12 shall be recognized by the Plan. After the end of the 2016 Lump Sum Window, distributions shall be available only under the provisions of the Plan in effect without regard to this Section 5.12.

(b) Eligibility. Except as provided in Section 5.12(e), the optional forms of payment described in Section 5.12(c) shall apply to a terminated vested Participant who meets the requirements of Section 5.12(b)(i) and (iii) through (vii) below (a "Lump Sum Window Participant") and to an Eligible Spouse or Alternate Payee who meets the requirements of Section 5.12(b)(ii) through (vii) below (a "Lump Sum Window Spouse" or "Lump Sum Window Alternate Payee" as applicable, collectively such individuals who meet the requirements of this subsection (b) shall be "Lump Sum Window Eligible Individuals"):

(i) Terminated employment entitled to a vested Pension with the Employer (including all employers required to be aggregated with the Employer under Code Sections 414(b), (c), (m) or (o)) prior to July 21, 2016;

(ii) Is an Eligible Spouse entitled to a Spouse's Death Benefit or an Alternate Payee entitled to an Alternate Payee Benefit;

(iii) Did not otherwise file with the Retirement Committee a complete and valid signed election that remains in effect as of August 24, 2016 (or as of the date to which the Retirement Committee extends the 2016 Lump Sum Window if the Retirement Committee extends the 2016 Lump Sum Window under Section 5.12(a) above) to commence payment of the Participant's entire Pension, the Spouse's Death Benefit in the case of an Eligible Spouse or the Alternate Payee Benefit in the case of an Alternate Payee under the Plan;

(iv) Who is living on November 1, 2016; and

(v) Whose Pension, Spouse's Death Benefit, or Alternate Payee Benefit, as applicable, at November 1, 2016 does not exceed \$50,000 when expressed in a lump sum form as determined under Section 5.12(f),

provided that:

(vi) Such Lump Sum Window Eligible Individual makes an affirmative written election (and does not revoke it prior to November 1, 2016) to receive his or her entire vested Plan Pension, Spouse's Death Benefit or Alternate Payee Benefit, as applicable, in one of the optional forms of payment described in Section 5.12(c), as applicable. Such election shall be made and received in accordance with procedures established and communicated by the Retirement Committee or its delegate, which shall include the receipt by the Retirement Committee of a notarized or Plan representative witnessed written consent of the Participant's Spouse (where applicable); and

(vii) Such election is made by the Lump Sum Window Eligible Individual and is received by the Retirement Committee within an election period which commences on or around August 24, 2016, and ends at 5:00 PM CT on September 22, 2016 (or as may be extended by the Retirement Committee to all Lump Sum Window Eligible Individuals on a uniform basis but not beyond October 7, 2016). Any election hereunder shall be postmarked or otherwise evidenced by independent delivery on or before September 22, 2016 (or as may be extended by the Retirement Committee to all Lump Sum Window Eligible Individuals on a uniform basis but not beyond October 7, 2016). To the extent a non-conforming or incomplete election is received within the election period, the Retirement Committee may notify such Lump Sum Window Eligible Individual of the need to correct or complete such election and allow for the correction or completion of the election; provided however that the corrected or

completed election must be received by the Retirement Committee on or before October 31, 2016. Non-conforming elections that are not corrected or completed on or before October 31, 2016 shall be deemed to be invalid and shall not be honored without regard to any reason, fault or mistake by any person, entity or instrumentality.

(c) Optional Forms of Payment

(i) For such Lump Sum Window Participants who as of November 1, 2016, if they so elected, would otherwise be eligible to begin payment of an Early or Normal Retirement Pension, the payment options under this Section 5.12 shall be a single lump sum payment or an immediate annuity payable in the form of a single life annuity, or in the form of a 50%, 75% or 100% joint and survivor annuity, or a life annuity with a 10 year term certain guaranteed; provided however that the joint and survivor annuity payment options are available only to married Lump Sum Window Participants; and

(ii) For such Lump Sum Window Participants who as of November 1, 2016, are not otherwise eligible to begin payment of an Early or Normal Retirement Pension, the payment options under this Section 5.12 shall be a single lump sum payment or an immediate annuity payable in the form of a single life annuity or for a married Lump Sum Window Participant only, also in the form of a 50% or 75% joint and survivor annuity with the Spouse as the Designated Beneficiary;

(iii) For a Lump Sum Window Spouse or a Lump Sum Window Alternate Payee, the payment options under this Section 5.12 shall be a single lump sum payment or an immediate annuity payable in the form of a single life annuity; and

(iv) Notwithstanding the foregoing, otherwise available Frozen Accrued Benefits optional forms will be options for payment under this Section 5.12 as required by Code § 411(d)(6).

(d) Clarifying and Other Provisions

With respect to this Section 5.12:

(i) All distributions made under this Section 5.12 shall be calculated as of November 1, 2016, and if elected by the Lump Sum Window Eligible Individual and approved by the Retirement Committee, substantially paid in the month of November 2016, with no interest accruing thereon; provided, however, that if administrative delay causes a distribution to be processed after November 2016, the distribution shall be appropriately adjusted for late commencement;

(ii) Notwithstanding any contrary Plan provision, if a Lump Sum Window Participant is reemployed by the Employer (or by any employer required to be aggregated with the Employer under Code Sections 414(b), (c), (m) or (o)) after the Lump Sum Window Participant's Pension has been distributed in an immediate annuity form of payment or a single lump sum payment pursuant to this Section 5.12, such Lump Sum Window Participant's Pension, if any, under the Plan at subsequent reemployment date shall be zero dollars, and upon the Lump Sum Window Participant's subsequent termination of service, his or her Pension shall not include any portion of the Pension distributed under this Section 5.12. In addition, notwithstanding any contrary Plan provision, the Suspension of Benefits rules under Section 4.7 shall not apply to any Lump Sum Window Participant who elects to participate in the 2016 Lump Sum Window should he or she be rehired by the Company (or by any employer required to be aggregated with the Company under Code Sections 414(b), (c), (m) or (o));

(iii) If a Lump Sum Window Eligible Individual makes an affirmative election under this Section 5.12 but either does not survive until November 1, 2016, or in the case of a Lump Sum Window Participant, is rehired by the Company (or by any employer required to be aggregated with the Company under Code Sections 414(b), (c), (m) or (o)) before November 1, 2016, such Lump Sum Window Eligible Individual's affirmative election under this Section 5.12 shall become null and void, and such Participant's Pension, Eligible Spouse's Death Benefit or Alternate Payee's Alternate Payee Benefit shall be paid pursuant to the terms of the Plan without regard to this Section 5.12; and

(iv) The Plan Administrator and its authorized delegates may adopt such reasonable and uniform policies and procedures for administering the provisions of this Section 5.12.

(e) Exceptions. Notwithstanding any contrary Plan provision, the provisions of this Section 5.12 shall not apply to any:

(i) Participant who is actively employed by (or who is on layoff status with or on an authorized leave of absence from) the Company (or any employer required to be aggregated with the Company under Code Sections 414(b), (c), (m) or (o)) during the period from July 21, 2016 through the closing of the 2016 Lump Sum Window;

(ii) Participant, Eligible Spouse or Alternate Payee who is receiving payment of the Participant's Pension, Eligible Spouse's Death Benefit or Alternate Payee's Alternate Payee Benefit during the period from July 21, 2016 through the closing of the 2016 Lump Sum Window;

(iii) Participant whose Pension should have been or is being distributed under the minimum required distribution rules under Code Section 401(a)(9);

(iv) Participant and any alternate payee for whom the Retirement Committee has a domestic relations order on file for review pending a determination that such order is a qualified domestic relations order under Code Section 414(p) during the period from July 21, 2016 through the closing of the 2016 Lump Sum Window;

(v) Participant and any alternate payee with a domestic relations order on file which the Retirement Committee has determined to be qualified; however the inclusion of such alternate payee in the 2016 Lump Sum Window or the calculation of benefits pursuant to this Section 5.12 would, in the sole discretion of the Retirement Committee, be contrary to the terms of such order;

(vi) Participant, Eligible Spouse or Alternate Payee whose single lump sum payment as of November 1, 2016, as determined by the Retirement Committee, is \$5,000 or less in which case the lump sum payment shall be paid pursuant to the terms of the Plan without regard to this Section 5.12;

(vii) Participant, Eligible Spouse or Alternate Payee for whom the Retirement Committee does not have a current address on file on or before July 21, 2016 (or such later date as may be extended by the Retirement Committee on a uniform basis but not beyond October 7, 2016);

(viii) Participant, Eligible Spouse or Alternate Payee for whom the Retirement Committee does not have sufficient data on file in order to calculate the Participant's Pension, Eligible Spouse's Death Benefit or Alternate Payee's Alternate Payee Benefit or whose Pension, Spouse's Death Benefit or Alternate Payee Benefit is the subject of a pending bona fide dispute; or

(ix) Participants identified by the Plan Sponsor as having reemployment rights with respect to the Employer under the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended.

(f) Single Lump Sum Amount. For purposes of this Section 5.12, benefits payable in the single lump sum form shall be calculated as the Actuarial Equivalent of the Pension at the time of the Normal Retirement Date of the Lump Sum Window Participant or such Participant or former Participant upon which the applicable Spouse's Death Benefit or Alternate Payee Benefit is based, or if later, at November 1, 2016 based on the "applicable mortality table" and "applicable interest rate" where:

(i) The term "applicable mortality table" means the table prescribed by the Commissioner of the Internal Revenue Service under Code § 417(e)(3)(B) for Plan Year 2016; and

(ii) The term "applicable interest rate" means the annual rate of interest published by the Commissioner of the Internal Revenue Service for the adjusted first, second and third segment rates, as defined in Code §§417(e)(3)(C) and (D) in effect for the month of November 2015.

(g) Immediate Life Annuity. For purposes of this Section 5.12, with respect to a Participant or former Participant who is not eligible for an Early Retirement Pension on November 1, 2016, benefits payable in the immediate life annuity form shall be calculated as the Actuarial Equivalent of the Pension at the time of the Normal Retirement Date of the Lump Sum Window Participant or such Participant or former Participant upon which the applicable Spouse's Death Benefit or Alternate Payee Benefit is based, or if later, at November 1, 2016. With respect to a Participant or former Participant who is eligible for an Early Retirement Pension on November 1, 2016, benefits payable in the immediate life annuity form shall be calculated in accordance with Section 4.3.

## **ARTICLE VI. PLAN FINANCING**

6.1 Contributions. No contributions shall be required or permitted under the Plan from any Participant. The Employer shall make contributions in such amounts and at such times as determined by Seaboard Corporation in accordance with a funding method and policy to be established by Seaboard Corporation which will be consistent with Plan objectives and the minimum funding requirements in Code Section 412 and 430. Forfeitures arising under this Plan because of termination of employment before a Participant becomes eligible for a Pension, or for any other reason, shall be applied to reduce the cost of the Plan, not to increase the benefits otherwise payable to Participants.

6.2 Payments to Trust. All contributions made by the Employer under the Plan shall be paid to the Trust. Except as otherwise provided in section 11.5, all assets of the Trust, including investment income, shall be retained for the exclusive benefit of Participants and their beneficiaries, shall be used to pay benefits to such persons or to pay administrative expenses to the extent not paid by the Employer, and shall not revert to or inure to the benefit of the Employer.

6.3 Employer Contributions and Mistake of Fact. Upon written request of the Employer, the Trustee shall return to the Employer the amount of the Employer's contribution made by the Employer by mistake of fact; provided, however, the Trustee shall not return any portion of the Employer's contribution more than one year after the Employer made the contribution by mistake of fact.

The Trustee shall not increase the amount of the Employer contribution returnable under this Article VI for any earnings attributable to the contribution, but the Trustee shall decrease the Employer contribution returnable for any losses attributable to it. The Trustee may require the Employer to furnish it whatever evidence the Trustee deems necessary to enable the Trustee to confirm that the amount the Employer has requested be returned is properly returnable under ERISA §403(c)(1).



## ARTICLE VII. ADMINISTRATION

7.1 Allocation of Responsibility Among Fiduciaries for Plan and Trust Administration. The Fiduciaries shall have only those specific powers, duties, responsibilities and obligations as are specifically given them under this Plan or the Trust. In general, the Employer shall have the sole responsibility for making the contributions necessary to provide benefits under the Plan, and Seaboard Corporation shall have the sole authority to select the Trustee, appoint members of the Committee, and amend or terminate, in whole or in part, this Plan or the Trust. The Committee shall have the sole responsibility for the administration of this Plan, which responsibility is specifically described herein. The Trustee shall have responsibility to administer the Trust except to the extent that an investment manager may be delegated investment duties pursuant to authority granted under the Trust.

Each fiduciary warrants that any directions given, information furnished, or action taken by it shall be in accordance with the provisions herein authorizing or providing for such direction, information or action. Furthermore, each fiduciary may rely upon such direction, information or action of another fiduciary as being proper hereunder, and is not required to inquire into the propriety of any such direction, information or action. It is intended that each fiduciary shall be responsible for the proper exercise of its own powers, duties, responsibilities and obligations hereunder and shall not be responsible for any act or failure to act of another fiduciary.

7.2 Appointment of Committee. The Plan shall be administered by a Retirement Committee consisting of one or more persons appointed by and serving at the pleasure of the Board of Directors. All usual and reasonable expenses of the Committee shall be paid in whole or in part by the Employer. Any members of the Committee who are Employees shall not receive compensation with respect to their services for the Committee.

7.3 Claims Procedure. The Committee shall make all determinations as to the right of any person to a benefit. Any denial by the Committee of the claim for benefits under the Plan by a Participant or beneficiary shall be stated in writing by the Committee and delivered or mailed to the Participant or beneficiary, and such notice shall set forth the specific reasons for the denial, written to the best of the Committee's ability in a manner that may be understood without legal or actuarial counsel. In addition, the Committee shall afford a reasonable opportunity to any Participant or beneficiary whose claim for benefits has been denied for a review of the decision denying the claim. The Retirement Committee shall establish a separate claims procedure with provisions in accordance with this section 7.3, ERISA Section 503 and the U.S. Department of Labor regulations pursuant to ERISA Section 503.

7.4 Records and Reports. The Committee shall exercise such authority and responsibility as it deems appropriate in order to comply with ERISA and governmental regulations issued thereunder relating to records of Participants' service, Accrued Benefits and the percentage of such benefits which are non-forfeitable under the Plan; notifications to Participants; annual registration with the Internal Revenue Service; annual reports to the U.S. Department of Labor; and reports to the PBGC.

7.5 Other Committee Powers and Duties. The Committee shall have such duties and powers as may be necessary to discharge its duties hereunder, including, but not by way of limitation, the following:

(a) full and complete discretionary authority to construe and interpret the Plan, weigh the evidence presented, decide all questions of eligibility and determine the amount, manner and time of payment of any benefits hereunder;

(b) to prescribe procedures to be followed by Participants or beneficiaries filing applications for benefits;

(c) to prepare and distribute, in such manner as the Committee determines to be appropriate, information explaining the Plan;

(d) to receive from the Employer and from Participants such information as shall be necessary for the proper administration of the Plan;

(e) to furnish the Employer, upon request, such annual reports with respect to the administration of the Plan as are reasonable and appropriate;

(f) to receive and review the periodic valuation of the Plan made by the Actuary;

(g) to receive, review and keep on file (as it deems convenient or proper) financial reports received from the Trustee, and

(h) to appoint or employ individuals to assist in the administration of the Plan and any other agents it deems advisable, including legal and actuarial counsel.

The Committee shall have no power to add to, subtract from or modify any of the terms of the Plan, or to change or add to any benefits provided by the Plan, or to waive or fail to apply any requirements of eligibility for a Pension under the Plan.

7.6 Rules and Decisions. The Committee may adopt such rules as it deems necessary, desirable or appropriate. All rules and decisions of the Committee shall be uniformly and consistently applied to all Participants in similar circumstances. When making a determination or calculation, the Committee shall be entitled to rely upon information furnished by a Participant or beneficiary, the Employer, the legal counsel of the Employer, or the Actuary.

7.7 Committee Procedures. Action by a majority of the Committee shall be deemed to be action of the Committee.

7.8 Authorization of Benefit Payments. The Committee or an authorized representative of the Committee shall issue directions to the Trustee concerning all benefits which are to be paid from the Trust pursuant to the provisions of the Plan.

7.9 Application and Forms for Pension. The Committee may require a Participant to complete and file with the Committee an application for Pension and all other forms approved by the Committee, and to furnish all pertinent information requested by the Committee. The Committee may rely upon all such information so furnished it, including the Participant's current mailing address.

7.10 Facility of Payment. Whenever, in the Committee's opinion, a person entitled to receive any payment of a benefit or installment thereof is under a legal Disability or is incapacitated in any way so as to be unable to manage his financial affairs, the Committee may direct the Trustee to make payments to such person or to his legal representative or to a relative or friend of such person for his benefit, or the Committee may direct the Trustee to apply the payment for the benefit of such person in such manner as the Committee considers advisable. Any payment of a benefit or installment thereof in accordance with the provisions of this section shall be a complete discharge of any liability for the making of such payment under the provisions of the Plan.

7.11 Indemnification of the Committee. The Committee and the individual members thereof shall be indemnified by the Employer and Seaboard Corporation (and not from the Trust) against any and all Liabilities arising by reason of any act or failure to act made in good faith pursuant to the provisions of the Plan, including expenses reasonably incurred in the defense of any claim relating thereto.

7.12 Resignation and Removal. A member of the Committee may resign at any time upon giving written notice to the Employer. The Board of Directors may at any time remove a member of the Committee by written notice to such member.

7.13 Vacancies. Upon the death, resignation, disqualification, or removal of any member of the Committee, the Board of Directors shall fill the vacancy. Should the Board of Directors fail to do so for a period of 60 days, the remaining members of the Committee shall fill the vacancy.

#### **ARTICLE VIII. MISCELLANEOUS**

8.1 Nonguarantee of Employment. Nothing contained in this Plan shall be construed as a contract of employment between the Employer and any Employee, or as a right of any Employee to be continued in the employment of the Employer, or as a limitation of the right of the Employer to discharge any of its Employees, with or without cause.

8.2 Rights to Trust Fund Assets. No Employee shall have any right to, or interest in, any assets of the Trust upon termination of his employment or otherwise, except as provided from time to time under this Plan, and then only to the extent of the benefits payable to such Employee under the Plan. Except as otherwise may be provided under Title IV of ERISA, all payments of benefits as provided for in this Plan shall be payable solely out of the assets of the Trust and none of the Fiduciaries shall be liable therefor in any manner.

8.3 Spendthrift. The interest in this Plan, or any benefits provided hereunder, of or to any Participant or his beneficiary shall in no event be subject to sale, assignment, hypothecation, or transfer by such Participant or his beneficiary, and each Participant or his beneficiary is hereby prohibited from anticipating, pledging, assigning or alienating his interest in this Plan or in any account or benefit hereunder. The interest of any Participant or of his beneficiary shall not be liable or subject to the debts, liabilities, or obligations of the Participant or the beneficiary, nor shall the same or any part thereof be subject to any judgment rendered nor to any levy, execution, attachment, garnishment, or other legal process. This provision shall not apply to qualified domestic relations orders under Code § 414(p) or applicable income tax withholding.

8.4 Qualified Domestic Relations Orders. Nothing, contained in this Plan shall prevent the Trustee, in accordance with the direction of the Retirement Committee, from complying with the provisions of a qualified domestic relations order.

The Retirement Committee shall establish reasonable procedures to determine the qualified status of a domestic relations order. Upon receiving a domestic relations order, the Retirement Committee promptly shall notify the Participant and each alternate payee named in the order, in writing, of the receipt of the order and Plan's procedures for determining the qualified status of the order. Within a reasonable period of time after receiving the domestic relations order, the Retirement Committee shall determine the qualified status of the order and shall notify the Participant and each alternate payee, in writing, of its determination. The Retirement Committee shall provide notice under this paragraph by mailing to the individual's address specified in the domestic relations order, or in a manner consistent with U.S. Department of Labor regulations.

In the case of any payment before a Participant has separated from service, the payment may be made to an alternate payee on or after the date the Participant attains his earliest retirement age. Earliest retirement age for this purpose means the earlier of (i) the date on which the Participant is entitled to a distribution under the Plan, or (ii) on the later of age 50, or the earliest date on which the Participant could begin receiving, benefits under the Plan if he terminated his employment.

For purposes of Article V, the Retirement Committee will treat a former spouse as the Participant's spouse or surviving spouse to the extent provided under a qualified domestic relations order. The joint and survivor annuity requirements of Article V apply separately to the portion of the Participant's vested Accrued Benefit subject to the qualified domestic relations order and to the portion of the Participant's vested Accrued Benefit not subject to the order.

The Trustee shall make any payments or distributions required under this section 8.4 by separate benefit checks or other separate distribution to the alternate payee.

8.5 Exclusions and Separability. Each provision hereof shall be independent of each other provision hereof and if any provision of this Plan proves to be, or is held by any court, tribunal, board or authority of competent jurisdiction to be void or invalid as to any Participant

or group of Participants, such provisions shall be disregarded and shall be deemed to be null and void and no part of this Plan; but such invalidation of any such provision shall not otherwise impair or affect this Plan or any of the other provisions or terms hereof.

8.6 Restrictions of Benefits Payable to Highly Compensated Participants. This section sets forth limitations required by the Internal Revenue Service on the Pension benefits payable to certain Participants effective for Plan Years commencing on or after January 1, 1994. The Plan limits the benefit payable to any Highly Compensated Employee and any Highly Compensated former Employee upon Plan termination to a benefit that is nondiscriminatory under Code §401(a)(4). Prior to Plan termination the annual Pension payable to or on behalf of a Participant who is among the twenty-five (25) highest paid Highly Compensated Employees or Highly Compensated former Employees shall be limited to an amount equal to: (a) the annual Pension that would have been payable to the Participant in the form of a single life annuity; and (b) the amount of the payment the Participant would receive under a social security supplement. This limitation shall not apply in the event that (i) the value of Plan assets is at least equal to 110% of the value of current liabilities (as defined in Code §412(l)(7)) or (ii) the value of benefits (including death benefits payable on behalf of such Participant is less than 1% of the value of current liabilities (as defined in Code §412(l)(7)).

The limitations in this section 8.6 shall automatically become inoperative and of no effect upon a ruling by the Internal Revenue Service that they are not required.

For purposes of this section 8.6, a Highly Compensated Employee shall mean a highly compensated employee under Code §414(q).

8.7 Laws Governing. Except to the extent preempted by Title I of ERISA, as from time to time amended, the laws of the State of Kansas shall govern, control and determine all questions arising with respect to this Plan and the interpretation and validity of its provisions.

8.8 Construction. Wherever appropriate, words used in the singular shall include the plural, the plural shall include the singular, and the masculine shall include the feminine.

8.9 Plan in Effect at Termination of Employment Controls. Unless expressly indicated otherwise, any amendment to this Plan shall not apply to any Participant who has terminated employment prior to the effective date of such amendment.

8.10 Benefit Restrictions Under Code Section 436. Notwithstanding any provision of this Plan to the contrary, the following benefit restrictions shall apply if the Plan's "Adjusted Funded Target Attainment Percentage", as defined in Code Section 436(j) and herein referred to as the Plan's "AFTAP", is certified by the Plan's Actuary or is presumed under section 8.10(d) hereof to either (i) be less than eighty percent (80%), but not less than sixty percent (60%), or (ii) be less than sixty percent (60%):

(a) If the Plan's actual or presumed AFTAP is either (i) less than eighty percent (80%), but not less than sixty percent (60%), or (ii) would be less than eighty

percent (80%), but not less than sixty percent (60%) taking a Plan amendment increasing benefits into consideration, the following benefit restrictions shall apply:

(i) No Plan amendment which increases Plan benefits, establishes new benefits, changes the rate of benefit accruals or the rate at which benefits become nonforfeitable shall take effect; and

(ii) Except for the lump sum payment of a Participant's entire benefit which is not more than five thousand dollars (\$5,000) under this Plan, no lump sum benefit payment shall be made in excess of an amount equal to the lesser of:

(A) Fifty percent (50%) of the lump sum payment that would otherwise be made without regard to this benefit restriction; or

(B) The present value (determined under guidance prescribed by the Pension Benefit Guaranty Corporation, using the interest and mortality assumptions in Code Section 417(e)) of the maximum guarantee with respect to the Participant under Section 4022 of ERISA; and

(C) Provided further that:

(1) a restricted Participant's remaining unrestricted benefit may be paid in the form of a single life annuity or any Actuarial Equivalent, as defined in Article I hereof, optional form of payment;

(2) only one partial lump sum payment, as described in this section 8.10(a)(ii) may be made during any period when the benefit restrictions of this section 8.10(a) applies; and

(3) if benefit payments are made to a Participant, the Participant's Spouse and/or other Beneficiary and/or an Alternate Payee with respect to the Participant, all such persons shall be treated as one Participant for the purpose of the one partial lump sum payment rule described in section 8.10(a)(ii)(C)(2) hereof.

(iii) The benefit restrictions set forth in this section 8.10(a) shall apply during the period described in section 8.10(f) hereof.

(b) If the Plan's actual or presumed AFTAP is less than sixty percent (60%) the following benefit restrictions shall apply:

(i) The benefit restriction described in Section 8.10(a)(i) hereof;

(ii) Except for the lump sum payment of a Participant's entire benefit which is not more than five thousand dollars (\$5,000) under this Plan, no lump sum benefit shall be paid;

shall be paid; and

(iii) No “unpredictable contingent event benefit”, as defined in Code Section 436(b)(3)

(iv) Benefit accruals under this Plan shall cease.

(c) The Actuary’s actual AFTAP certification for each Plan Year, beginning January 1, 2010, shall be as of each January 1. The Actuary may also provide one of the following “range AFTAP certifications”, which shall have the same effect as an actual AFTAP certification:

(i) an AFTAP of at least 100%;

(ii) an AFTAP of at least 80%; or

(iii) an AFTAP of at least 60%.

If the Actuary provides a “range AFTAP certification”, then as soon as reasonably practicable thereafter the Actuary shall provide the Administrator with an actual AFTAP certification as of the applicable January 1. An actual AFTAP certification or an AFTAP range certification by the Actuary shall be calculated in accordance with Code Sections 430 and 436 and the Treasury Regulations and other guidance thereunder.

(d) If no actual or range AFTAP certification has been provided by the Actuary for a Plan Year, the Plan’s presumed AFTAP under Code Section 436(h) shall be as follows:

<b>Dates</b>	<b>Presumed AFTAP Percentage</b>
January 1 to March 31	The Plan’s AFTAP for the immediately preceding Plan Year shall be presumed to be the Plan’s AFTAP
April 1, to September 30	The Plan’s AFTAP for the immediately preceding Plan Year, reduced by ten percent (10%)
October 1 to December 31	The Plan’s AFTAP shall be presumed to be less than sixty percent (60%)

Notwithstanding the foregoing, if the Actuary’s actual AFTAP certification for the Plan Year beginning January 1, 2009 only would be less than sixty percent (60%), the Plan’s AFTAP for such date shall be deemed to be the same as the Actuary’s actual AFTAP certification for the Plan as of January 1, 2008, provided the Actuary’s January 1, 2008 AFTAP certification for the Plan is greater than the Plan’s actual January 1, 2009 AFTAP. This “deemed January 1, 2008 AFTAP” provision shall not apply to a

determination of whether the Plan's January 1, 2009 AFTAP is eighty percent (80%) or more.

(e) No lump sum payment shall be made by this Plan during any period in which the Employer is a debtor in a case under Title 11, United States Code, or a similar federal or state law, unless the Actuary for the Plan certifies that the Plan's AFTAP is not less than one hundred percent (100%).

(f) The beginning date for a period of benefit restrictions under this section 8.10, except for the benefit restriction described in section 8.10(a)(ii), Section 8.10(b)(ii) or section 8.10(e), shall be the earlier of:

- the date the Actuary provides the Administrator with the Plan's AFTAP certification for the applicable Plan Year which is either less than eighty percent (80%), but not less than sixty percent (60%), or less than sixty percent (60%); or
- the date the Plan's AFTAP is presumed under section 8.10(d) to be either less than eighty percent (80%), but not less than sixty percent (60%) or less than sixty percent (60%).

The beginning date for the benefit restrictions described in section 8.10(a)(ii), section 8.10(b)(ii) or section 8.10(e), i.e., a partial or complete restriction or the payment of lump sum benefit payments, shall be the earliest of:

- the date the Actuary provides the Administrator with the Plan's AFTAP certification for the applicable Plan Year which is either less than eighty percent (80%), but not less than sixty percent (60%), or less than sixty percent (60%);
- the date the Plan is presumed under section 8.10(d) to be less than either eighty percent (80%), but not less than sixty percent (60%) or less than sixty percent (60%); or
- in the case the Employer is in bankruptcy, as described in section 8.10(e), the date of the bankruptcy filing.

The end of a period of benefit restrictions shall be the date the Plan's Actuary provides the Administrator with a certification of the Plan's AFTAP, as a result of which the Code Section 436 benefit restrictions described in this section 8.10 no longer apply due to one or more of the following:

- A deemed or elected reduction of any available Code Section 430(f)(6) prefunding Plan credit balance and/or a Code Section 430(f)(7) funding standard carryover credit balance;



- Employer contributions, including for the cost of unpredictable contingent event benefits or an increase in Plan liabilities due to a Plan amendment increasing Plan benefits; or
- Security provided by the Employer pursuant to Code Section 436(f) and the Treasury Department regulations thereunder, i.e., either a surety bond in an appropriate amount or an escrow of cash or United States Treasury obligations which mature in three (3) years or less with a bank or similar institution.

(g) The Administrator shall provide written or electronic notice to Plan Participants and beneficiaries, pursuant to U.S. Department of Treasury regulations within 30 days after:

(i) the date the Plan's AFTAP is either certified by the Actuary or presumed (as described in section 8.10(d)) to be less than eighty percent (80%), but not less than sixty percent (60%); or

(ii) the date the Plan is certified by Actuary or is presumed (as described in section 8.10(d)) to be less than sixty percent (60%).

This notice shall address the following benefit restrictions, if applicable: unpredictable contingent event benefits, limitations on lump sum payments and limitations on benefit accruals (but is not required to provide a notice with respect to a restriction on Plan amendments increasing benefits).

(h) The following benefit payment provisions shall apply if the restrictions described in section 8.10(a)(ii), section 8.10(b)(ii) or section 8.10(e), which restrict lump sum benefit payments, apply:

(i) A Participant's Spouse, other Beneficiary or alternate payee entitled to a benefit payment with an Annuity Starting Date during the period of the benefit restriction shall be afforded the opportunity to elect one of the following benefit payment alternatives:

(A) A partial lump sum payment pursuant to section 8.10(a)(ii) and the annuity form of payment described in section 8.10(a)(ii)(C)(1); or

(B) A life annuity or other Actuarial Equivalent, as defined in Article I, optional annuity form of payment provided by this Plan; or

(C) A partial lump sum payment pursuant to section 8.10(a)(ii) and a deferral of the remaining benefit until after the period of benefit restrictions under this section 8.10 cease; or

(D) Deferral of any payment or commencement of benefits until after the period of benefit restrictions under this section 8.10 cease.

(ii) After the period of benefit restrictions cease, the Participant, Spouse, other Beneficiary or alternate payee shall be afforded the opportunity to elect to resume the payment of benefits in a newly elected form of payment beginning on a new Annuity Starting Date elected by the Participant, Spouse, other Beneficiary or alternate payee, which shall not be earlier than ninety (90) days after the Actuary provides the Plan Administrator with a certification that the period of benefit restrictions has ceased because of the Actuary's certification of the Plan's then AFTAP. The benefits which may be resumed after the period of benefit restrictions cease, shall automatically include any benefit accruals which ceased during the period of a benefit restriction under this section 8.10.

8.11 Expenses. The Company may determine whether a particular Plan expense is a settlor expense which the Employer must pay, or is a non-settlor expense which may be paid by the Plan. The reasonable non-settlor expenses incident to the operation and administration of the Plan may be paid out of the Trust. These expenses may include, but are not limited to, the compensation of personnel and advisors and the cost of compliance with the bonding requirements specified in ERISA. The Company shall determine whether the Employer will pay any or all non-settlor reasonable Plan expenses or whether the Plan must bear the expense. The Company, at its discretion, may elect at any time, to pay part or all thereof directly, and any such election shall not bind the Company as to its right to elect with respect to the same or other expenses at any time to have such compensation paid from the Trust.

#### **ARTICLE IX. AMENDMENTS**

Seaboard Corporation reserves the right to make from time to time any amendment or amendments to this Plan which, subject to section 11.5, do not cause any part of the fund to be used for, or diverted to, any purpose other than the exclusive benefit of Participants or their beneficiaries; provided, however, that Seaboard Corporation may make any amendment it determines necessary or desirable, with or without retroactive effect, to comply with ERISA. Any such amendment shall be by instrument executed by an appropriate officer or agent of Seaboard Corporation and authorized by the Board of Directors of Seaboard Corporation.

No amendment to the Plan shall be effective to the extent that it has the effect of decreasing a Participant's Accrued Benefit. Notwithstanding the preceding sentence, a Participant's Accrued Benefit may be reduced to the extent permitted under Code §412(c)(8). No amendment to the Plan may reduce or eliminate benefits protected under Code §411(d)(6) determined immediately prior to the adoption date (or, if later, the effective date) of the amendment. An amendment reduces or eliminates Code §411(d)(6) protected benefits if the amendment has the effect of either (1) eliminating or reducing an early retirement benefit or a retirement-type subsidy, or (2) except as provided by Treasury regulations, eliminating, any optional form of benefit. In the case of a retirement-type subsidy, the preceding sentence shall apply only with respect to a Participant who satisfied (either before or after the amendment) the pre-amendment conditions for the subsidy. In general, a retirement-type subsidy is a

subsidy that continues after retirement, but does not include a qualified Disability benefit, a medical benefit, a social security supplement, death benefit (including life insurance), or a plant shutdown benefit (that does not continue after retirement age). Furthermore, no amendment to the Plan shall have the effect of decreasing a Participant's vested interest determined without regard to such amendment as of the later of the date such amendment is adopted, or becomes effective. The Committee shall disregard an amendment to the extent application of the amendment would fail to satisfy this paragraph.

## **ARTICLE X. SUCCESSOR EMPLOYER AND MERGER OR CONSOLIDATION OF PLANS**

10.1 Successor Employer. In the event of the dissolution, merger, consolidation or reorganization of the Employer, provision may be made by which the Plan will be continued by the successor; and, in that event, such successor shall be substituted for the Employer under the Plan. The substitution of the successor shall constitute an assumption of Plan liabilities by the successor and the successor shall have all of the powers, duties and responsibilities of the Employer under the Plan.

10.2 Plan Assets. In the event of any merger or consolidation of the Plan with, or transfer in whole or in part of the assets and liabilities of the Trust to another Trust held under any other plan of deferred compensation maintained or to be established for the benefit of all or some of the Participants of this Plan, the Plan shall be so merged or consolidated, or the assets of the Trust applicable to such Participants shall be so transferred, only if:

(a) each Participant would (if either this Plan or the other plan then terminated) receive a benefit immediately after the merger, consolidation or transfer which is equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation or transfer (if this Plan had then terminated);

(b) resolutions of the Board of Directors and of any new or successor Employer of the affected Participants authorize such transfer of assets; and, in the case of the new or successor Employer of the affected Participants, its resolutions shall include an assumption of liabilities with respect to such Participants' inclusion in the new plan; and

(c) such other plan and trust are qualified under Code § 401(a) and 501(a).

## **ARTICLE XI. TERMINATION OF PLAN**

11.1 Right To Terminate. In accordance with the procedures set forth in this Article XI, Seaboard Corporation may terminate the Plan at any time. Further, any Employer can cease participation in the Plan at any time in accordance with the provisions of Article XIV. Subject to applicable requirements, if any, of ERISA governing termination of "employee pension benefit plans," Seaboard Corporation shall direct and require the Trustee to liquidate the Trust, or the applicable portion thereof, in accordance with the provisions of this Article XI.

11.2 Partial Termination. Upon termination of the Plan with respect to a group of Participants which constitutes a partial termination of the Plan, the proportionate interest of the Participants affected by such partial termination shall be determined. The determination of such proportionate interest shall be done in accordance with ERISA §4044 and shall be done in an equitable manner, considering the remaining Participants as well as the Participants affected by the termination, and on the basis of the contributions made by the Employer, the provisions of this Article XI, and other appropriate considerations. In no event shall the Participants affected by such partial termination have any interest in or otherwise be entitled to any residual amounts described in section 11.5. After such proportionate interest has been determined, the assets of the Trust shall be allocated and segregated according to such proportionate interest.

The assets of the Trust so allocated and segregated shall be used by the Trustee to pay benefits to or on behalf of Participants in accordance with section 11.3.

11.3 Liquidation of Trust Fund. Upon termination of the Plan or upon termination of employment of a group of Participants which constitutes a partial termination of the Plan, each such Participant's Accrued Benefit, based on his service prior to the date of termination, shall become fully vested and nonforfeitable to the extent funded. The assets of the Trust shall be liquidated (after provision is made for the expenses of liquidation) by the payment or provision for the payment of benefits in the following order of preference:

(a) Certain Benefits Payable Three Years Prior to Termination: The available assets of the Trust shall first be allocated to provide Pensions that become payable three or more years before the effective date of Plan termination, or that could have become payable at the beginning of such three-year period had the Participant not deferred the commencement of his Pension by failing to elect earlier commencement, or that could have become payable had a Participant's retirement occurred immediately prior to the beginning of such three-year period, provided that,

(i) the portion of the Pension payable to a Participant or the beneficiary of a Participant (or that could have been payable) shall be based on the provisions of the Plan in effect five years prior to the effective date of Plan termination; and for this purpose, the first Plan Year in which an amendment became effective, or was adopted if later, shall constitute the first year an amendment was in effect; and further provided that,

(ii) if the Pension payable under the Plan has been reduced, either by amendment or due to the form in which the Pension is being paid, during the three-year period ending, on the effective date of Plan termination, then the lowest benefit in pay status during such three-year period shall be considered the benefit in pay status for purposes of this category (a).

(b) Other Benefits Eligible For Termination Insurance: To the extent that the amount of a Pension has not been provided in the foregoing category (a), the remaining assets shall be allocated to provide any Pension provided under the Plan for a Participant whose employment terminated prior to the effective date of Plan

termination, or any immediate or deferred Pension that would have been payable to or on behalf of a Participant had his employment terminated for a reason other than death on the effective date of Plan termination, provided that the amount of a Pension to be provided under this category (b) shall be determined as follows:

(i) the portion of the Pension payable to a Participant or the beneficiary of a Participant (or that could have been payable) based on the provisions of the Plan in effect five years prior to the effective date of Plan termination; and for this purpose, the first Plan Year in which an amendment became effective, or was adopted if later, shall constitute the first year an amendment was in effect; plus

(ii) the portion of the Pension payable to a Participant or the beneficiary of a Participant which would have been included in (i) above had the Plan or a Plan amendment been in effect five years prior to the effective date of Plan termination, determined as follows: 20% for each Plan Year (less than five) that the Plan or an amendment thereto was in effect, multiplied by the amount that would have been included under subparagraph (i) for such Participant or beneficiary had the Plan or the amendment been in effect for five Plan Years as of the effective date of Plan termination; provided that,

(iii) no benefit payable under this category (b) to a Participant or beneficiary shall exceed an amount with an Actuarial Value of a monthly benefit in the form of a life-only annuity commencing at age 65 equal to \$750 multiplied by a fraction, the numerator of which is the contribution and benefit base determined under section 230 of the Social Security Act in effect at the effective date of Plan termination and the denominator of which is such contribution and benefit base in effect in calendar year 1974, which is \$4,500, as of January 1, 2009. Such benefit base shall be adjusted each calendar year thereafter pursuant to ERISA Section 4022(b)(3)(B).

(c) Other Vested Benefits: To the extent the amount of a Pension has not been provided in the foregoing categories (a) and (b), the remaining assets shall be allocated to provide the benefit payable under the Plan to or on behalf of a Participant whose employment terminated prior to the effective date of Plan termination, or that would have been payable to or on behalf of a Participant had his employment terminated for a reason other than death on the effective date of Plan termination, in the following order of preference:

(i) to any Participant who had retired prior to the effective date of Plan termination, or who was eligible to retire on the effective date of Plan termination under said section;

(ii) to any Participant whose employment had terminated prior to the effective date of Plan termination with entitlement to a Deferred Vested Pension or who would have been eligible for a Deferred Vested Pension had his employment terminated on the effective date of Plan termination.

(d) Other Benefits: To the extent that the amount of a Pension has not been provided in the foregoing categories (a), (b) and (c), the remaining assets shall be allocated to provide the benefit accrued under the Plan, without regard to the satisfaction of the vesting requirements of this Plan, with respect to each Participant whose employment had not terminated as of the effective date of Plan termination, according to the respective Actuarial Value of each such Participant's Accrued Benefit.

If the assets of the Trust applicable to any of the above categories are insufficient to provide full benefits for all persons in such group, the benefits otherwise payable to such persons shall be reduced proportionately. The Actuary shall calculate the allocation of the assets of the Trust in accordance with the above priority categories, and certify his calculations to the Fiduciaries. The provisions of this section 11.3 are intended to comply with the provisions of ERISA (and any regulations issued thereunder). If there is any discrepancy between the provisions of this section 11.3 and the provisions of ERISA, such discrepancy shall be resolved in such a way as to comply with ERISA. No liquidation of assets and payment of benefits (or provision therefor) shall actually be made by the Trustee until after it is advised by the Employer in writing that applicable requirements, if any, of ERISA governing termination of employee pension benefit plans have been, or are being complied with or that appropriate authorizations, waivers, exemptions or variances have been, or are being, obtained.

11.4 Manner of Distribution. Subject to the foregoing provisions of this Article XI, any distribution after termination of the Plan may be made, in whole or in part, to the extent that nondiscrimination in value results, in cash, in securities or other assets in kind (based on their fair market value as of the date of distribution), or in nontransferable annuity contracts providing for Pensions commencing at Normal Retirement Date, as the Committee in its discretion shall determine. Any such distribution shall be made in accordance with the applicable provisions of the Code and the regulations thereunder.

11.5 Residual Amounts. The Employer shall not receive any amounts from the trust fund upon termination of the Plan except that, and notwithstanding any other provision of the Plan, (i) the Employer shall receive such amounts, if any, as may remain after the satisfaction of all liabilities of the Plan and arising out of any variations between actual requirements and expected actuarial requirements, and (ii) the Employer may receive the amount of any contribution made under mistake of fact or disallowed as a deduction as provided in section 6.3.

## **ARTICLE XII. TOP-HEAVY RULES**

12.1 Minimum Benefit. If this Plan is top-heavy in any Plan Year, the Plan guarantees a minimum Normal Retirement Pension for each Non-Key Employee who is a Participant in the Plan. The minimum Normal Retirement Pension is equal to the applicable percentage of the Non-Key Employee's average annual Compensation (excluding Compensation for Plan Years during which the Plan is not top heavy). The applicable percentage is two percent (2%) multiplied by the number of Years of Service (not to exceed 10) earned as a Non-Key Employee Participant in top-heavy Plan Years. The Plan satisfies the minimum benefit for a Non-Key

Employee if the Non-Key Employee's Accrued Benefit at the end of the top-heavy Plan Year is at least equal to the minimum Normal Retirement Pension. For purposes of this paragraph, a Non-Key Employee Participant includes any Employee otherwise eligible to Participate in the Plan but who is not a Participant because his Compensation does not exceed a specified level. A Non-Key Employee for purposes of this paragraph shall also include any Participant who completed at least 1,000 Hours of Service during the Plan Year even though such Participant may not be an Employee on the last day of the Plan Year. For purposes of applying this Article XII, the Committee shall express the Participant's Accrued Benefit and minimum Normal Retirement Pension as a single life annuity at Normal Retirement Age.

12.2 Minimum Vesting. If a Participant's employment is terminated while the Plan is top-heavy, the following vesting schedule shall be applied with respect to such Participant notwithstanding any provision in this Plan to the contrary:

Credited Service at Termination Date	Percent of Accrued Benefit Vested
Less than 2 years	0%
2 years	20%
3 years	40%
4 years	60%
5 years or more	100%

For purposes of satisfying the minimum benefit requirements of Code §416(c)(1) and the Plan, in determining years of Credited Service with the Employer, any years of Credited Service with the Employer shall be disregarded to the extent that such Credited Service occurs during a Plan Year when the Plan benefits (within the meaning of Code §410(b)) no Key Employee or former Key Employee.

The vesting schedule described above shall not apply to any Participant unless the Participant has accumulated at least one Hour of Service after the Plan becomes top-heavy. If the Plan becomes a top-heavy Plan and subsequently ceases to be such, the vesting schedule described above shall continue to apply in determining the deferred vested benefit of any Participant who has at least three Years of Service on the last day of the last top-heavy Plan Year. Notwithstanding the foregoing, no change in the vesting schedule shall reduce the then vested percentage of any Participant.

12.3 Additional Accruals. If, at the end of any top-heavy Plan Year, a Non-Key Employee Participant's Accrued Benefit is not at least equal to his minimum Normal Retirement Pension, the Non-Key Employee Participant shall earn the additional accrual necessary to increase his Accrued Benefit to the minimum Normal Retirement Pension. The Non-Key Employee Participant's Accrued Benefit shall never be less than his minimum Normal Retirement Pension, regardless of the Plan's top-heavy status in Plan Years subsequent to a Plan Year in which he earned an additional accrual under this Article XII.

12.4 Compensation Limitations. For purposes of determining the minimum Normal Retirement Pension under section 12.1, the Committee shall calculate a Participant's average annual Compensation by disregarding Plan Years in which the Participant did not earn a Year of Service, and by taking the highest average over five (5) consecutive Plan Years (or, if the Participant did not receive Compensation during five (5) consecutive years, the average of annual Compensation for such lesser period of consecutive years during which the Participant received Compensation).

12.5 Determination of Top-Heavy Status. If this Plan is the only qualified plan maintained by the Employer, the Plan is top-heavy for a Plan Year if the top-heavy ratio as of the determination date exceeds 60%. The top-heavy ratio is a fraction, the numerator of which is the sum of the present value of Accrued Benefits of all Key Employees as of the determination date, determined as if the Participant terminated service as of such determination date, and distributions made within the 1-year period ending on the determination date, and the denominator of which is a similar sum determined for all Employees. The Committee shall calculate the top-heavy ratio by disregarding (i) the Accrued Benefit of any Non-Key Employee who was formerly a Key Employee, (ii) the Accrued Benefit attributable to deductible voluntary employee contributions, (iii) the Accrued Benefit (including distributions, if any, of the Accrued Benefit) of an individual who has not received any Compensation from the Employer or performed any services for the Employer during the 1-year period ending on the determination date, and (iv) proportional subsidies (but non-proportional subsidies shall not be disregarded). The preceding sentence shall also apply to distributions under a terminated plan which, had it not been terminated, would have been aggregated with the Plan under Code §416(g)(2)(A)(i). In the case of a distribution made for a reason other than severance of employment, death, or Disability, this provision shall be applied by substituting "5-year period" for "1-year period." The Accrued Benefits and accounts of any individual who has not performed services for the Employer during the 1-year period ending on the determination date shall not be taken into account. The Committee shall calculate the top-heavy ratio, including the extent to which it must take into account distributions, rollovers and transfers, in accordance with Code §416 and the regulations thereunder. The Committee shall determine present value of Employer-derived Accrued Benefits as of the most recent valuation date for computing minimum funding costs falling within the twelve-month period ending on the determination date, whether or not the Actuary performs a valuation that year, except as Code §416 and the regulations thereunder require for the first and second Plan Year of this Plan.

If the Employer maintains other qualified plans (including a simplified employee pension plan), this Plan is top-heavy only if it is part of the required aggregation group, and the top-heavy ratio for both the required aggregation group and the permissive aggregation group exceeds 60%. The Committee will calculate the top-heavy ratio in the same manner as required by the first paragraph of this section, taking into account all Plans within the aggregation group. To the extent the Committee must take into account distributions to a Participant, the Committee shall include distributions from a terminated plan which would have been part of the required aggregation group if it were in existence on the determination date. The Committee shall calculate the present value of Accrued Benefits and the other amounts the Committee must take into account, under defined contribution plans or simplified employee



pension plans included within the group in accordance with the terms of those plans, Code §416 and the regulations thereunder. The Committee shall value the Accrued Benefits in the aggregated plan as of the most recent valuation date falling within the twelve-month period ending on the determination date, except as Code §416 and the regulations thereunder require for the first and second plan year of a defined benefit plan. The Committee shall calculate the top-heavy ratio with reference to the determination dates that fall within the same calendar year. To determine present value under this section, the Committee shall use the interest and mortality assumptions stated in the definition of Actuarial Value in Article I hereof. For purposes of this section 12.5, a Participant's Accrued Benefit in a defined benefit plan will be determined under a uniform accrual method which applies in all defined benefit plans maintained by the Employer or, where there is no such method, as if such benefit accrued not more rapidly than the slowest rate of accrual permitted under the fractional rule of Code §411(b)(1)(C).

12.6 Definitions. For purposes of applying the provisions of this Article:

(a) "Key Employee" means any Employee or former Employee (including any deceased Employee) who at any time during the Plan Year that includes the determination date was an officer of the Employer having annual compensation greater than \$130,000 (as adjusted under Code §416(i)(1) for Plan Years beginning after December 31, 2002), a 5-percent owner of the Employer, or a 1-percent owner of the Employer having annual compensation of more than \$150,000. For this purpose, annual compensation means compensation within the meaning of Code §415(c)(3). The determination of who is a Key Employee will be made in accordance with Code §416(i)(1) and the applicable regulations and other guidance of general applicability issued thereunder.

(b) "Non-Key Employee" is an Employee who does not meet the definition of Key Employee.

(c) "Determination Date" for any Plan Year is the last day of the preceding Plan Year or, in the case of the first Plan Year of the Plan, the last day of that Plan Year.

(d) "Required Aggregation Group" means:

(i) Each qualified Plan of the Employer in which at least one Key Employee participates; and

(ii) Any other qualified Plan of the Employer which enables a plan described in (i) to meet the requirements of Code §401(a)(4) or Code §410.

(e) "Permissive Aggregation Group" is the required aggregation group plus any other qualified plan maintained by the Employer, but only if such group would satisfy in the aggregate, the requirements of Code §401(a)(4) and Code §410. The Committee shall determine which Plan to take into account in determining the Permissive Aggregation Group.

(f) "Employer" shall mean all the members of a controlled group of corporations (as defined in Code §414(b), of a commonly controlled group of trades or businesses (whether or not incorporated) (as defined in Code §414(c)), or of an affiliated service group (as defined in Code §414(m)), of which the Employer is a part. However, the Committee shall not aggregate ownership interests in more than one member of a related group to determine whether an individual is a Key Employee because of his ownership interest in the Employer.

(g) "Year of Service" - A Plan Year during which an Employee completes at least one thousand (1,000) Hours of Service.

(h) "Accrued Benefit" - Solely for purposes of applying section 12.5, the Committee shall take into account, as part of a Participant's Accrued Benefit, any benefit derived from Participant contributions, except as provided in section 12.5.

(i) "Valuation Date" - The last day of the Plan Year.

### **ARTICLE XIII. BENEFIT LIMITATIONS**

13.1 Limitation on Annual Benefit. Except as otherwise provided below, the provisions of this section 13.1 shall apply to limitation years beginning on or after January 1, 2008.

(a) Notwithstanding any provision of the Plan to the contrary, for any Plan Year, the "annual benefit" otherwise payable to a Participant under this Plan, and under any other defined benefit plan which is subject to Section 415 of the Code and maintained by the Company or any other member of its controlled group of corporations or trades and businesses with the meaning of Code Sections 414(b) and (c), as modified by Code Section 415(h), (referred to in this section 13.1 as the "Company") cannot exceed the lesser of:

(i) \$230,000 (for 2021) (as adjusted, effective January 1 of each year, under Code Section 415(d) in such manner as the Secretary shall prescribe), or

(ii) 100 percent of the Participant's average annual compensation for the Participant's three highest paid consecutive Plan Years; provided, however, benefits of up to \$10,000 a Plan Year can be paid without regard to this 100 percent limitation if the total retirement benefits payable to an Employee under all defined benefit plans (as defined in Code Section 414(j)) maintained by the Company for the present and any prior Plan Years do not exceed \$10,000 and the Company has not at any time maintained a defined contribution plan (as defined in Code section 414(i)) in which the Employee was a Participant.

(b) Notwithstanding the preceding, the limitations set forth above shall be adjusted as follows:

(i) If the Participant has fewer than 10 Years of Service as a Participant, the applicable dollar limitation in paragraph (a)(i) of this section shall be reduced by multiplying such limitation by a fraction, the numerator of which shall be the number of years, or part thereof, of participation in this Plan and the denominator of which shall be 10 years.

(ii) If the Participant has fewer than 10 Years of Service with the Employer, the Compensation limitations in paragraph (a)(ii) of this section shall be reduced by multiplying such limitations by a fraction, the numerator of which shall be the number of years, or part thereof, of service with the Employer, and the denominator of which shall be 10 years.

(iii) Pre-Age 62 benefit adjustment for Limitations Years beginning before July 1, 2007. If the benefit of a Participant begins prior to age 62, the defined benefit dollar limitation set forth in paragraph (a)(i) above applicable to the Participant at such earlier age is an annual benefit payable in the form of a single life annuity beginning at the earlier age that is the actuarial equivalent of the defined benefit dollar limitation applicable to the Participant at age 62 (as adjusted above, if required). The defined benefit dollar limitation applicable at any age prior to age 62 is determined as the lesser of (A) the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using the interest rate and mortality table (or other tabular factor) specified in the Plan's definition of Actuarial Value, and (B) the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using a 5% interest rate and the applicable mortality table as defined in the Plan's definition Actuarial Value. Any decrease in the defined benefit dollar limitation determined in accordance with this paragraph shall not reflect a mortality decrement if benefits are not forfeited upon the death of the Participant. If any benefits are forfeited upon death, the full mortality decrement is taken into account.

(iv) Pre-Age 62 benefit adjustment for Limitation Years beginning on or after July 1, 2007.

(A) Plan does not have immediately commencing single life annuity payable at both age 62 and the age of benefit commencement. If the Annuity Starting Date for the Participant's benefit is prior to age 62 and occurs in a Limitation Year beginning on or after July 1, 2007, and the plan does not have an immediately commencing single life annuity payable at both age 62 and the age of benefit commencement, the defined benefit dollar limitation for the Participant's Annuity Starting Date is the annual amount of a benefit payable in the form of a single life annuity commencing at the Participant's Annuity Starting Date that is the Actuarial Equivalent of the defined benefit dollar limitation (adjusted under subsection (b)(i) of this section 13.1 for Years of Service less than 10, if required) with Actuarial Equivalence computed using a 5% interest rate assumption and the applicable mortality table for the Annuity Starting Date as defined in the Plan's definition Actuarial Value (and expressing the Participant's age based on completed calendar months as of the Annuity Starting Date).

(B) Plan has immediately commencing single life annuity payable at both age 62 and the age of benefit commencement. If the Annuity Starting Date for the Participant's benefit is prior to age 62 and occurs in a Limitation Year beginning on or after

July 1, 2007, and the Plan has immediately commencing single life annuity payable at both age 62 and the age of benefit commencement, the defined benefit dollar limitation for the Participant's Annuity Starting Date is the lesser of the limitation determined under subsection (iv)(A) above and the defined benefit dollar limitation (adjusted under subsection (b)(i) of this section 13.1 for Years of Service less than 10, if required) multiplied by the ratio of the annual amount of the immediately commencing single Life Annuity under the Plan at the Participant's Annuity Starting Date to the annual amount of the immediately commencing single Life Annuity under the Plan at age 62, both determined without applying the limitations of this article.

(v) Post-Age 65 benefit adjustment for Limitation Years beginning before July 1, 2007. If the benefit of a Participant begins after the Participant attains age 65, the defined benefit dollar limitation set forth in paragraph (a)(i) applicable to the Participant at the later age is the annual benefit payable in the form of a single life annuity beginning at the later age that is actuarially equivalent to the defined benefit dollar limitation applicable to the Participant at age 65 (as adjusted above, if required). The actuarial equivalent of the defined benefit dollar limitation applicable at any age after age 65 is determined as (A) the lesser of the actuarial equivalent (at such age) of the defined benefit dollar limitation computed using the interest rate and mortality table (or other tabular factor) specified in section 1.3 of the Plan, and (B) the actuarially equivalent (at such age) of the defined benefit dollar limitation computed using a 5% interest rate assumption and the applicable mortality table as defined in section 1.3 of the Plan. For these purposes, mortality between age 65 and the age at which benefits commence shall be ignored.

(vi) Post-Age 65 benefit adjustment for Limitation Years beginning on or after July 1, 2007.

(A) Plan does not have immediately commencing Single Life Annuity payable at both age 65 and the age of benefit commencement. If the Annuity Starting Date for the Participant's benefit is after age 65 and occurs in a Limitation Year beginning on or after July 1, 2007, and the Plan does not have an immediately commencing straight life annuity payable at both age 65 and the age of benefit commencement, the defined benefit dollar limitation at the Participant's Annuity Starting Date is the annual amount of a benefit payable in the form of a single life annuity commencing at the Participant's Annuity Starting Date that is the Actuarial Equivalent of the defined benefit dollar limitation (adjusted under subsection (b)(i) of this section 13.1 for Years of Service less than 10, if required), with Actuarial Equivalence computed using a 5% interest rate assumption and the applicable mortality table for that Annuity Starting Date as defined in section 1.3 of the Plan (and expressing the Participant's age based on completed calendar months as of the Annuity Starting Date).

(B) Plan has immediately commencing Single Life Annuity Payable at both age 65 and the age of benefit commencement. If the Annuity Starting Date for the Participant's benefit is after age 65 and occurs in a Limitation Year beginning on or after July 1, 2007, and the Plan has an immediately commencing single life annuity payable at both age 65 and the age of benefit commencement, the defined benefit dollar limitation at the Participant's Annuity Starting Date is the lesser of the limitation determined under (vi)(A) above

and the defined benefit dollar limitation (adjusted under subsection (b)(i) of this section 13.1 for Years of Service less than 10, if required) multiplied by the ratio of the annual amount of the adjusted immediately commencing single life annuity under the Plan at the Participant's Annuity Starting Date to the annual amount of the adjusted immediately commencing single life annuity under the Plan at age 65, both determined without applying the limitations of this article. For this purpose, the adjusted immediately commencing single life annuity under the Plan at the Participant's Annuity Starting Date is the annual amount of such annuity payable to the Participant, computed disregarding the Participant's accruals after age 65 but including actuarial adjustments even if those actuarial adjustments are used to offset accruals; and the adjusted immediately commencing single life annuity under the Plan at age 65 is the annual amount of such annuity that would be payable under the Plan to a hypothetical participant who is age 65 and has the same Accrued Benefit as the Participant.

(c) For purposes of this section 13.1, the term "annual benefit" means a benefit payable annually in the form of a single life annuity with no ancillary or incidental benefits and with no employee or rollover contributions.

(i) When retirement benefits under this Plan are payable in any form other than a single life annuity, the determination as to whether the limitations described in this section 13.1 have been satisfied shall be made in accordance with regulations prescribed by the Secretary of the Treasury or his delegate, by adjusting such benefit so that it is the actuarial equivalent value of a single life annuity.

(ii) For limitation years beginning on or after January 1, 2008, if the Participant's retirement benefits are payable in a form to which Code Section 417(e)(3) does not apply, the actuarially equivalent single life annuity shall be equal to the greater of:

(A) the annual amount of the single life annuity payable to the Participant under the Plan commencing at the same Annuity Starting Date as the form of benefit payable to the Participant, and

(B) the annual amount of the single life annuity commencing at the same Annuity Starting Date as the form of benefit payable to the Participant, computed using a 5% interest rate assumption and the applicable mortality table described in Treas. Regs. Sec. 1.417(e)-1(d)(2).

(iii) For limitation years beginning before January 1, 2008, if the Participant's retirement benefits are payable in a form to which Code Section 417(e)(3) does not apply, the actuarially equivalent single life annuity shall be equal to the annual amount of the single life annuity payable to the Participant under the Plan commencing at the same Annuity Starting Date that has the same actuarial present value as the form of benefit payable to the Participant, computed using whichever of the following that produces the greater annual amount: (A) the interest rate and mortality table specified in the Plan for adjusting benefits in the same form; and (B) a 5% interest rate and the applicable mortality table.

(iv) Effective for Limitation Years beginning after December 31, 2005, if the Participant's retirement benefits are payable in a form to which Code Section 417(e)(3) does apply, the actuarially equivalent single life annuity shall be equal to the greatest of:

(A) the annual amount of the single life annuity commencing at the same Annuity Starting Date that has the same actuarial present value as the form of benefit payable to the Participant, computed using the interest rate and mortality table specified in the Plan for actuarial equivalence;

(B) the annual amount of the single life annuity commencing at the same Annuity Starting Date that has the same actuarial present value as the form of benefit payable to the Participant, computed using a 5.5% interest rate and the applicable mortality table described in Treas. Regs. Sec. 1.417(e)-1(d)(2); and

(C) the annual amount of the single life annuity commencing at the Annuity Starting Date that has the same actuarial present value as the form of benefit payable to the Participant, computed using the applicable interest rate for the distribution under Treas. Regs. Sec. 1.417(e)-1(d)(3) and the applicable mortality table for the distribution under Treas. Regs. Sec. 1.417(e)-1(d)(2), divided by 1.05.

(v) If the Participant's retirement benefits are payable in a form other than a single life annuity and Code Section 417(e)(3) applies to such benefit, and the benefit has an Annuity Starting Date occurring in the Plan Years beginning on January 1, 2004 and January 1, 2005, the actuarially equivalent single life annuity shall be equal to the single life annuity commencing on the same Annuity Starting Date that has the same actuarial present value as the Participant's form of benefit, computed using whichever of the following produces the greater annual amount: (i) the annuity benefit computed using the interest rate and mortality table specified in the Plan for determining actuarial equivalence of the Participant's retirement benefits payable in the same form of benefit, or (ii) the annuity benefit computed using a 5.5% interest rate assumption and the mortality table described in Treas. Regs. Sec. 1.417(e)-1(d)(2). Notwithstanding the foregoing, retirement benefits commencing on or after January 1, 2004 and before December 31, 2004 under any form of benefit subject to Code Section 417(e)(e) shall not, solely by reason of a change in the interest rate assumption for the 2004 Plan Year to 5.5%, be less than the amount that would have been payable had the amount been determined using the interest rate specified in the Plan in effect as of the last day of the Plan Year commencing before January 1, 2004.

(d) For purposes of this section 13.1, "compensation" means, except as otherwise expressly provided, a Participant's wages, during the limitation year, within the meaning of Code Section 3401(a) (for purposes of income tax withholding at the source), plus all other payments of compensation to a Participant by the Employer (in the course of the Employer's trade or business) for services to the Employer while employed as a Participant for which the Employer is required to furnish the Participant a written statement under Code Sections 6041(d), 6051(a)(3) and 6052, but determined without regard to any rules that limit the remuneration included in wages based on the

nature or location of the employment or the services performed, and including the amount of any elective contributions made by the Employer on behalf of such Participant that are not includible in the Participant's income under Code Section 125(a), 132(f)(4), 402(e)(3), 402(h)(1)(B), 402(k) or 457(b). Compensation, however:

(i) shall not include any wages paid after a Participant's severance from employment unless such payment is made before the later of: (1) 2½ months after the Participant's severance from employment with the Employer or (2) the end of the "limitation year" that includes the Participant's severance from employment and,

(A) the payment is regular compensation for services actually rendered, such as base salary or wages, commissions, bonuses, or other similar payments, that would have been paid to the Participant while an Employee had he or she continued in employment with the Employer; or

(B) the payment is for unused accrued bona fide sick, vacation, or other leave that the Participant would have been able to use if employment had continued; or

(C) the payment is received by a Participant pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid to the Participant at the same time if the Participant had continued in employment with the Employer and only to the extent that such payment is includible in the Participant's gross income;

(ii) shall include payments to an individual who does not currently perform services for the Employer by reason of a qualified military service (as that term is defined in Code Section 414(u)(5) and section 2.5 hereof), to the extent such payments do not exceed the amounts the individual would have received if he or she had continued to perform services for the Employer rather than entering qualified military service;

(iii) shall include compensation paid to a Participant who is permanently and totally Disabled (as defined in Code Section 22(e)(3)).

(iv) shall be disregarded to the extent it exceeds the annual compensation limit in effect for the "limitation year" under Code Section 401(a)(17), as adjusted annually in accordance with Code Section 401(a)(17)(B). The adjusted annual compensation limit in effect for a calendar year shall be effective for the limitation year beginning in such calendar year.

(e) For purposes of this section 13.1, the "average annual compensation for a Participant's three highest-paid consecutive years" shall mean the Participant's greatest aggregate compensation during the period of three consecutive Plan Years in which the individual was an active Participant in the Plan.

(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.

#### **ARTICLE XIV. PARTICIPATING EMPLOYERS**

14.1 Adoption by Employers. Any company, whether or not an Affiliated Employer, with the consent of Seaboard Corporation may adopt this Plan and become an Employer hereunder. Seaboard Corporation shall notify the Trustee of the names of all such Employers. The Trustee may, but shall not be required to, commingle, hold and invest as one fund all contributions made by Employers, as well as all increments thereof. The assets of the Plan shall, on an ongoing basis, be available to pay benefits to all Participants and Beneficiaries under the Plan without regard to the Employer who contributed such assets.

14.2 Designation of Agent. Each Employer shall be deemed to be a part of this Plan; provided, however, that with respect to all of its relations with the Trustee and Committee for the purpose of this Plan, each Employer shall be deemed to have designated irrevocably the Plan Sponsor as its agent.

14.3 Discontinuance of Participation. Any Employer shall be permitted to discontinue or revoke its participation in the Plan. At the time of any such discontinuance or revocation, satisfactory evidence thereof and of any applicable conditions imposed shall be delivered to the Trustee. Upon direction of such Employer, the Trustee may thereafter transfer, deliver and assign Contracts and other Trust Fund assets allocable to the Participants who are Employees of such Employer to such new Trustee as shall have been designated by such Employer, in the event that it has established a separate pension plan for its Employees; provided, however, that no such transfer shall be made if the result is the elimination or reduction of any Code §411 (d)(6) protected benefits. Alternatively, upon the direction of such Employer, the Trustee as soon as reasonably practicable may distribute to the Participants who are Employees of such Employer in a lump sum the Actuarial Value of their Accrued Benefits; provided, however, that any such distributions shall be subject to the applicable requirements, if any, of ERISA.

#### **ARTICLE XV. MINIMUM DISTRIBUTION REQUIREMENTS**

15.1 General Rules.

(a) Effective Date. The provisions of this Article XV will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year. This Article XV will supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Article XV; provided, however, that this Article XV shall not be considered to allow a Participant or beneficiary



or surviving spouse to delay a distribution or elect an optional form of benefit not otherwise provided in the Plan.

(b) Requirements of Treasury Regulations Incorporated. All distributions required under this article will be determined and made in accordance with the Treasury Regulations under Code Section 401(a)(9).

(c) TEFRA Section 242(b)(2) Elections. Notwithstanding the other provisions of this Article XV other than section 15.1(b), distributions may be made under a designation made before January 1, 1984, in accordance with Section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the Plan that relate to Section 242(b)(2) of TEFRA.

## 15.2 Time and Manner of Distribution.

(a) Required Beginning Date. The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's Required Beginning Date.

(b) Death of Participant Before Distributions Begin. If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(i) If the Participant's surviving spouse is the Participant's sole designated beneficiary, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70½ if later.

(ii) If the Participant's surviving spouse is not the Participant's sole designated beneficiary, then distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

(iii) If there is no designated beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(iv) If the Participant's surviving spouse is the Participant's sole designated beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this section 15.2(b), other than section 15.2(b)(i), will apply as if the surviving spouse were the Participant.

For purposes of this section 15.2(b) and section 15.5, distributions are considered to begin on the Participant's required beginning date (or, if section 15.2(b)(iv) applies, the date distributions are required to begin to the surviving

spouse under section 15.2(b)(i)). If annuity payments irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under section 15.2(b)(i)), the date distributions are considered to begin is the date distributions actually commence.

(c) Form of Distribution. Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with sections 15.3, 15.4 and 15.5 of this Article XV. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code Section 401(a)(9) and the Treasury Regulations. Any part of the Participant's interest which is in the form of an individual account described in Code Section 414(k) will be distributed in a manner satisfying the requirements of Code Section 401(a)(9) and the Treasury Regulations that apply to individual accounts.

### 15.3 Determination of Amount to be Distributed Each Year.

(a) General Annuity Requirements. If the Participant's interest is paid in the form of annuity distributions under the Plan, payments under the annuity will satisfy the following requirements:

(i) the annuity distributions will be paid in periodic payments made at intervals not longer than one year;

(ii) the distribution period will be over a life (or lives) or over a period certain not longer than the period described in section 15.4 or section 15.5;

(iii) once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted;

(iv) payments will either be non-increasing or increase only as follows:

(A) by an annual percentage increase that does not exceed the annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics;

(B) to the extent of the reduction in the amount of the Participant's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in Section 15.4 dies or is no longer the Participant's beneficiary pursuant to a qualified domestic relations order within the meaning of Section 414(p);

(C) to provide cash refunds of employee contributions upon the Participant's death; or

(D) to pay increased benefits that result from a Plan amendment.

(b) Amount Required to be Distributed by Required Beginning Date. The amount that must be distributed on or before the Participant's required beginning date (or, if the Participant dies before distributions begin, the date distributions are required to begin under section 15.2(b)(i) or section 15.2(b)(ii)) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Participant's benefit accruals as of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Participant's required beginning date.

(c) Additional Accruals After First Distribution Calendar Year. Any additional benefits accruing to the Participant in a calendar year after the first distribution calendar year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

#### 15.4 Requirements For Annuity Distributions That Commence During Participant's Lifetime.

(a) Joint Life Annuities Where the Beneficiary Is Not the Participant's Spouse. If the Participant's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Participant and a non-spouse beneficiary, annuity payments to be made on or after the Participant's required beginning date to the designated beneficiary after the Participant's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Participant using the table set forth in Q&A-2 of Section 1.401(a)(9)-6 of the Treasury Regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the Participant and a non-spouse beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain.

(b) Period Certain Annuities. Unless the Participant's surviving spouse is the sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Participant's lifetime may not exceed the applicable distribution period for the Participant under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations for the calendar year that contains the Annuity Starting Date. If the Annuity Starting Date precedes the year in which the Participant reaches age 70, the applicable distribution period for the Participant is the distribution period for age 70 under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury

Regulations plus the excess of 70 over the age of the Participant as of the Participant's birthday in the year that contains the Annuity Starting Date. If the Participant's surviving spouse is the Participant's sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Participant's applicable distribution period, as determined under this Section 15.4(b), or the joint life and last survivor expectancy of the Participant and the Participant's surviving spouse as determined under the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Participant's and surviving spouse's attained ages as of the Participant's and surviving spouse's birthdays in the calendar year that contains the Annuity Starting Date.

15.5 Requirements For Minimum Distributions Where Participant Dies Before Date Distributions Begin:

(a) Participant Survived by a Spouse. Except as otherwise provided, if the Participant is survived by a Spouse, the pre-retirement death benefit described in Section 5.5 hereof shall be payable to the Spouse.

(b) No Surviving Spouse. If the Participant is not survived by a Spouse, no death benefit is payable under this Plan.

15.6 Definitions.

(a) Distribution Calendar Year. A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to section 15.2.

(b) Life Expectancy. Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury Regulations.

(c) Required Beginning Date. The April 1 of the calendar year following the later of either the calendar year in which the Participant attains age 70½ or the calendar year in which the Participant retires. For a Participant who is a 5-percent owner (as defined in Code Section 416), such Participant's required beginning date is the April 1 of the calendar year following the calendar year in which the Participant attains age 70½.

15.7 REQUIRED BEGINNING DATE AFTER DECEMBER 31, 2019

(a) Application. This section 15.7 is effective with regard to RMDs required to be made after December 31, 2019.

(b) Delay of Required Beginning Date. An Affected Participant's RBD shall not be earlier than April 1 of the calendar year following the year the Affected

Participant attains age 72. For purposes of determining an Affected Participant's RBD, an Affected Participant will be treated as a more than 5% owner if he or she was a 5-percent owner (as defined in Code §416(i)(B)) as to the Plan Year ending in the calendar year the Participant attains age 72.

(c) Spousal Distributions. If an Affected Participant dies prior to the Participant's RBD, and the Participant's sole Designated Beneficiary is the Participant's surviving spouse, then the RMDs to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 72, if later.

(d) Definitions. A Participant is an "Affected Participant" if the Participant was born after June 30, 1949. An "RMD" is a Required Minimum Distribution as described in Code §401(a)(9). A Participant's "RBD" is the Participant's Required Beginning Date as described in Code §401(a)(9)(C).

#### 15.8 BENEFICIARY RMDs ON OR AFTER JANUARY 1, 2020

(a) Effective Date. Except as provided in Section 15.8(c), Section 15.8 will apply to Participants who die on or after January 1, 2020.

(b) 10-Year Rule. If the distributee of a deceased Participant's account is a Designated Beneficiary who is not an "Eligible Designated Beneficiary," then the Plan will distribute the account in full no later than December 31 of the 10th year following the year of the Participant's death.

(c) Beneficiary Death. If an Eligible Designated Beneficiary dies before receiving distribution of the Beneficiary's entire interest in the Participant's account, the Plan will distribute that interest in full no later than December 31 of the 10th year following the year of the Eligible Designated Beneficiary's death. Similarly, if a Participant died before the Effective Date of this Section 15.8, the limitations of this Section 15.8 shall apply to distributions to the beneficiary of the Participant's Designated Beneficiary.

(d) Eligible Designated Beneficiary. An individual is an "Eligible Designated Beneficiary" of a Participant if the individual qualifies as a designated beneficiary under Code §401(a)(9)(E) and is (1) the Participant's spouse, (2) the Participant's child who has not reached the age of majority (as defined for purposes of Code §401(a)(9)(F)), (3) an individual not more than 10 years younger than the Participant, (4) a disabled individual, as defined in Code §72(m)(7), or (5) an individual who has been certified to be chronically ill (as defined in Code §7702B(c)(2)) for a reasonably lengthy period, or indefinitely. Certain trusts may be treated as Eligible Designated Beneficiaries pursuant to Code §401(a)(9)(H)(iv) and (v). When a child of the Participant reaches the age of majority, the Plan will distribute the child's account in full no later than 10 years after that date.

IN WITNESS WHEREOF, Seaboard Corporation has caused this instrument to be executed by its duly authorized officer and its seal to be affixed hereto this 15th day of November, 2021.

SEABOARD CORPORATION

ATTEST:

\_\_\_\_\_  
/s/ David M. Becker

By: \_\_\_\_\_  
/s/ Robert L. Steer  
President and CEO

(SEAL)

## **SCHEDULE A**

(as revised, effective January 1, 2021)

Seaboard Corporation

A&W Interlining Services Corp.

Seaboard Allied Milling

Seaboard Farms (Poultry Division)

Seaboard Foods Services, Inc.

Seaboard Foods of Missouri, Inc.

Seaboard Power Management, Inc.

Seaboard Transport LLC

Mount Dora Farms Inc.

High Plains Transport LLC

ADDENDA

TO

SEABOARD CORPORATION  
PENSION  
AS AMENDED AND RESTATED  
EFFECTIVE JANUARY 1, 2021

Following is a list of the Addenda to the Seaboard Corporation Pension Plan, Amended and Restated Effective January 1, 2021, 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.

Appendix A

Appendix B

Appendix C

Appendix D

Appendix E

Appendix F

Appendix G

Appendix H

Appendix I

Schedule 1 to Appendix C

Schedule 2 to Appendix C

Schedule 1 to Appendix D

Schedule 2 to Appendix D

Schedule 1 to Appendix E

Schedule 1 to Appendix F

Schedule 1 to Appendix G

Schedule 1 to Appendix H

Schedule 1 to Appendix I



AMENDMENT NO. ONE  
TO THE  
SEABOARD MARINE PENSION PLAN  
AS RESTATED AS OF JANUARY 1, 2021

**THIS AMENDMENT** is made this 15<sup>th</sup> day of November, 2021, by Seaboard Corporation, a Delaware corporation, with principal offices in Merriam, Kansas, herein referred to as the "Company".

**WHEREAS**, the Company sponsors and maintains the Seaboard Marine Pension Plan, which was last restated, effective January 1, 2021, 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 assets and liabilities attributable to deferred vested participants of certain employers and alternate payees related to such participants were previously listed in the Plan as having transferred from the Seaboard Corporation Pension Plan when those assets and liabilities in fact were retained by the Seaboard Corporation Pension Plan;

**WHEREAS**, the Company desires to amend the Plan to document and accurately reflect the transfer and acceptance of assets and liabilities attributable to certain participants that occurred pursuant to the spin off from the Seaboard Corporation Pension Plan effective January 1, 2021 and to reflect the Participating Employers on Schedule A of the Plan.

**NOW, THEREFORE**, the Company hereby amends the Plan as follows effective as of January 1, 2021:

1. The second recital on pages 1-2 of the Plan is hereby revised to add the following subparagraph to section 1) thereof:

e) Mount Dora Farms Inc. (formerly Chestnut Hill Farms, Inc.)

2. The second recital on pages 1-2 of the Plan is hereby further revised to delete the following subparagraphs from section 3) thereof:

g) Seaboard Farms (Poultry Division);

h) A&W Interlining Services Corp.; and

i) Seaboard Allied Milling Corporation."

3. Schedule A of the Plan is hereby deleted and the following Schedule A is substituted in lieu thereof:

**SCHEDULE A**

(effective January 1, 2021)

Seaboard Marine Ltd.

Jacintoport International LLC

Green Island Maritime Inc.

Seaboard Solutions Inc.

SSI Ocean Services Inc.

Mount Dora Farms Inc. (formerly Chestnut Hill Farms, Inc.)

**IN WITNESS WHEREOF**, Seaboard Corporation has executed this Amendment No. One to the Seaboard Marine Pension Plan on the 15th day of November, 2021.

SEABOARD CORPORATION

ATTEST:

/s/ David M. Becker

(SEAL)

By: /s/ Robert L. Steer

Name: Robert L. Steer

Title: President and Chief Executive Officer

EXECUTIVE SUMMARY OF CHANGES  
AMENDMENT NO. ONE TO THE  
SEABOARD MARINE PENSION PLAN

The amendment modifies the Plan to properly reflect the Participating Employers and to reflect the accurate listing of the transfer of assets and liabilities attributable to participants of certain employers and alternate payees related to such participants resulting after the spin off of certain assets and liabilities from the Seaboard Corporation Pension Plan to this Plan. Assets and liabilities attributable to such participants last employed by Seaboard Farms (Poultry Division), A&W Interlining Services Corp., and Seaboard Allied Milling Corporation were not transferred to the Plan but rather they were retained in the Seaboard Corporation Pension Plan. Additionally, Mount Dora Farms (formerly Chestnut Hill Farms, Inc.) was added to Schedule A of the Plan as a Participating Employer.

SEABOARD CORPORATION

NAMED EXECUTIVE OFFICERS' BONUS POLICY

**PURPOSE:** The purpose of this policy ("Bonus Policy") is to establish guidelines for the payment of bonus compensation to the named executive officers of Seaboard Corporation (the "Company").

**AFFECTS:** The Chief Executive Officer, the Principal Financial Officer and the other named executive officers of Seaboard Corporation, as defined in Item 402 of Regulation SK (the "NEO's").

**POLICY:**

1. Bonus Compensation Philosophy. The Company maintains the philosophy that determination of bonus compensation for its executive officers is based upon a recognition that these officers are responsible for implementing the Company's long-term strategic objectives. All executive compensation, including the bonus portion, is designed to attract and retain top executive employees.
2. Basis for Determination of Bonus Compensation. The Board of Directors shall approve the annual bonus amounts based upon the recommendation of the Company's Chief Executive Officer. Except as provided in any Employment Agreement with an NEO, the bonus amounts will be based on a subjective review of the Company's financial performance, an assessment of each such officer's individual contribution to that performance and other discretionary factors.
3. Method and Timing. Payments will be made in cash before March 15 following the end of the fiscal year to which the bonus compensation relates. Except as provided in any Employment Agreement with an NEO, in lieu of paying an NEO his Annual Bonus, the Company may make a Company 162(m) Contribution pursuant to the Seaboard Corporation Post-2018 Non-Qualified Deferred Compensation Plan (the "Plan") to the Account of such NEO thereunder in an amount equal to that portion of such NEO's bonus or a portion of it that constitutes 162(m) Excess Compensation.
4. Compliance with Section 409A of the Internal Revenue Code. It is the intent of the Company that all payments made under this Bonus Policy will be exempt from Section 409A of the Code and the Treasury regulations and guidance issued thereunder ("Section 409A") pursuant to the "short-term deferral" exemption. Notwithstanding any provisions of this Bonus Policy to the contrary, (i) this Bonus Policy shall not be amended in any manner that would cause any amounts payable hereunder that are not subject to Section 409A to become subject thereto (unless they also are in compliance therewith), and the provisions of any purported amendment that may reasonably be expected to result in such noncompliance shall be of no force or effect with respect to this Bonus Policy; and (ii) the Company, to the extent it deems necessary or advisable in its sole discretion, reserves the right, but shall not be required, to unilaterally amend or modify this Bonus

Policy to reflect the intention that this Bonus Policy qualifies for exemption from or complies with Section 409A in a manner that as closely as practicable achieves the original intent of this Bonus Policy and with the least reduction, if any, in overall benefit to a Participant to comply with Section 409A on a timely basis, which may be made on a retroactive basis, in accordance with regulations and other guidance issued under Section 409A. Neither the Company nor the Board makes any representation that this Bonus Policy shall be exempt from or comply with Section 409A and makes no undertaking to preclude Section 409A from applying to the Plan.

EFFECTIVE DATE: As of the 2021 bonus and supersedes all Executive Bonus Policies in effect prior thereto with respect to the named executive officers.

**EMPLOYMENT AGREEMENT**

**This EMPLOYMENT AGREEMENT** (this “Agreement”) is entered into as of November 30, 2020 by and between **SEABOARD FOODS LLC**, an Oklahoma limited liability company (together with any Successor thereto, the “Company”), and Peter Brown (“Executive”).

WITNESSETH:

WHEREAS, the Company desires to employ and secure the exclusive services of Executive upon the terms set forth in this Agreement; and

WHEREAS, Executive desires to accept 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 employs Executive, and Executive hereby accepts such 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 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 on December 31, 2021; provided, however, on December 31, 2021 and on each annual anniversary date of December 31, 2021 (an “Annual Anniversary Date”), 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 under no circumstances extend beyond June 30, 2027. The period during which Executive is employed by the Company pursuant to this Agreement, shall be referred to as the “Employment Period.” In the event the Company gives a Non-Renewal Notice, then Executive’s employment with the Company thereafter shall be “at will,” and except as provided in Section 17 below, shall not be subject to the terms of this Agreement.

(b) Position and Responsibilities. Commencing January 1, 2021, 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 President of Seaboard Corporation or 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.

3. Base Salary. The Company shall pay Executive a base salary at an initial annualized rate of five hundred fifty thousand dollars (\$550,000), which was paid in installments on the Company's regular payroll dates. The Company may adjust such base salary from time to time, in its absolute discretion. 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) Commencing in 2021, Executive shall be eligible to earn an annual bonus ("Annual Bonus") with respect to each calendar year ending during the Employment Period (beginning with 2021) in a maximum amount of \$1,100,000. Fifty percent (50%) of the Annual Bonus will be earned based on the Company's Financial Performance Grid, as established by the Company for each year. The remaining fifty percent (50%) of the Annual Bonus shall be earned based on meeting agreed upon personal objectives ("Personal Objectives"). The Personal Objectives shall be established and agreed to by the Company and the Executive at the beginning of each calendar year. 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) Notwithstanding anything to the contrary contained herein, beginning with Executive's Annual Bonus earned for service beginning in 2021 or after, to the extent any portion of such bonus constitutes 162(m) Excess Compensation, as defined in the Post-2018 Non-Qualified Deferred Compensation Plan, in lieu of paying Executive that portion of such Annual Bonus which is 162(m) Excess Compensation, the Company shall make a Company 162(m) Contribution pursuant to the Seaboard Corporation Post-2018 Non-Qualified Deferred Compensation Plan (the "Post-2018 Deferred Compensation Plan") to the Account of Executive thereunder in an amount equal to that portion of Executive's Annual Bonus that constitutes 162(m) Excess Compensation, and any portion of the Annual Bonus that does not constitute 162(m) Excess Compensation shall be paid to Executive. Executive has been furnished a copy of the Post-2018 Non-Qualified Deferred Compensation Plan and understands that payment to him of any Company 162(m) Contribution contributed to Executive's Account under the Post-2018 Non-Qualified 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 Seaboard Corporation Post-2018 Non-Qualified Deferred Compensation Plan from time to time as permitted by Code Section 409A.

5. Relocation. The Company shall relocate Executive to Kansas City in accordance with the Company's Relocation 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, 401(k) plan, and deferred compensation plan, on the terms and subject to the conditions set forth in such plans, as may be amended from time to time.

(b) The Company shall provide Executive with a car allowance (the tax grossed-up amount is currently approximately \$30,000 per year), and fuel card in accordance with its policy, as in effect from time to time. In addition, the Company shall provide Executive with a company-issued cell phone, subject to the Company's cell phone policy.

(c) The Company shall provide Executive an airplane benefit of 10 hours per year, beginning with 2021, for so long as such benefit is offered to Seaboard employees.

(d) Except for the Annual Bonus, the Company shall not, by virtue of this Agreement, be under any obligation to Executive to maintain any particular plan or program or any particular benefit level under any plan, program or policy. Executive acknowledges that the Company may amend, limit, reduce benefits, and/or terminate such benefit plans, programs, and policies.

7. Expenses; Paid Time Off.

(a) 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.

(b) Paid Time Off. During the Employment Period, Executive shall be entitled to 5 weeks 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 during the Employment Period, whether total or partial, which disability, in the reasonable judgment of the Company, renders Employee unable to perform the essential functions of his job, with or without reasonable accommodation, for a period of one hundred twenty (120) consecutive days or for any one hundred eighty (180) days in any 12 (twelve) month period.



(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 Section 8(f)(ii). For purposes of this Agreement, "Cause" means (i) a material breach by Executive of any provision of this Agreement, including, without limitation, Section 9; (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, provided, however, that Executive shall not have the right to cure any violation of Section 9 hereof.

(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 by giving a written notice of resignation within thirty (30) days after the Company gives a Non-Renewal Notice pursuant to Section 2(a) above (a "Non-Renewal Resignation"). In the event of a termination of Executive's employment by Executive's resignation other than a Non-Renewal Resignation, no termination benefits shall be payable to or in respect of Executive except as provided in Section 8(f)(ii). In the event of a Non-Renewal Resignation by Executive, no termination benefits shall be payable to or in respect of Executive except as provided in Section 8(f)(i).

(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 ninety (90) 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, but not longer than ninety (90) days. 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 on account of a Non-Renewal Resignation by Executive, 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 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 (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 approved 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) an amount equal to the Executive’s Base Salary (at the Base Salary being paid on the Date of Termination) for one (1) year, payable in installments in accordance with the Company’s regular payroll policies, with the first installment being paid on the Company’s regular pay date following the day which is thirty (30) days after the Date of Termination (the “Payment Commencement Date”) (with the first installment being the sum of the Base Salary installments from the Date of Termination through the Payment Commencement Date, and with subsequent installments being based on the Base Salary); and

(B) a lump sum payment equal to 100% of Executive’s salary, such amount to be paid to Executive on the one (1) year anniversary date of the Date of Termination.

(C) 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.

(D) 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.

(E) Notwithstanding anything to the contrary contained herein, to the extent any amount set forth in clause (y) of this Section 8(f)(i) or subsections (A) and (B) of this Section 8(f)(i) constitutes 162(m) Excess Compensation, no such 162(m) Excess Compensation shall be paid and, in lieu thereof, the Company shall make a Company 162(m) Contribution pursuant to the Post-2018 Deferred Compensation Plan to the Account of Executive thereunder. Executive has been furnished a copy of the Post-2018 Non-Qualified Deferred Compensation Plan and understands that payment to him of a Company 162(m) Contribution contributed to Executive’s Account under the Post-2018 Non-Qualified 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 Seaboard Corporation Post-2018 Non-Qualified Deferred Compensation Plan from time to time as permitted by Code Section 409A.

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 the Company or other Person (as defined below in Section 18(k) below) for which Executive performs services, including, but not limited to, consulting services.

(ii) If Executive’s employment shall terminate upon his death or if the Company shall terminate Executive’s employment for Cause or due to Executive’s Disability, or Executive shall resign from his employment, 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.

(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.

(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. 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, 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.

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 the Territory

in any managerial, sales, executive or consultant capacity with respect to Competitive Activities in the Territory.

“The Company Activities” means the businesses of animal production and processing, meat processing (including any further processed meats) and any business acquired or commenced by the Company hereafter or in which the Company owns any interest in.

“Non-Compete Period” or “Non-Solicitation Period” means the time period during the Employment Period and continuing thereafter until the date which is one (1) year after the Date of Termination, no matter whether terminated by the Executive or the Company for any or no reason.

“Territory” means the entire United States of America, Japan, China, South Korea and Mexico and such other geographic areas in which the Company engages in 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.

(a) Executive hereby agrees that Executive will not, either directly or indirectly, alone or in conjunction with any other party:

(i) during the Employment Period, solicit, divert or appropriate or attempt to solicit, divert or appropriate, any then customer for the purpose of providing the customer with services or products competitive with those offered by the Company or its Affiliates during the Employment Period; or

(ii) during the Non-Compete Period, solicit, divert or appropriate or attempt to solicit, divert or appropriate, any customer who was a customer of the Company or any Affiliate and with respect to whom the Executive had material contact or about whom Executive gained Confidential Information at any time during the Employment Period.

(b) Executive hereby agrees that Executive will not, during the Employment Period and the Non-Solicitation Period, either directly or indirectly, alone or in conjunction with any other party, employ, solicit or attempt to employ or solicit any person known by Executive to be an employee, consultant, contractor or other personnel of the Company or its Affiliates, to terminate, alter or lessen that party's affiliation with the Company or its affiliates or to violate the terms of any agreement or understanding between such employee, consultant, contractor or other person and the Company or its affiliates.

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), cell phones, keys, PDAs, Blackberries, 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, 10(d), 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, 10(d), 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). 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. 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 9, 10, 11, 12, 13, 14, 15, 17 and 18 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 Foods LLC  
9000 West 67<sup>th</sup> Street, Suite 200  
Merriam, Kansas 66202  
Attention: President

With a copy to:

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, (i) Controls, is Controlled by, or is under common Control with the first Person, including, but not limited to, a Subsidiary of any such Person, or (ii) has an ownership interest in the first Person, or has an interest owned by the first 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 first Person's assets and liabilities 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 the first Person are transferred.

(l) Notwithstanding anything herein to the contrary, this Agreement shall be interpreted and applied so that the payments and benefits set forth herein either shall be exempt

from or shall comply with the requirements of Section 409A. The Company and Executive intend that the compensation and severance payments to be paid to Executive shall comply with either or both of the short-term deferral or separation pay exceptions to the requirements of Section 409A of the Code, as described in Treasury Regulation §§ 1.409A--(b)(4) and 1(b)(9)(iii) and, therefore, be exempt from the application of Section 409A. Notwithstanding anything to the contrary set forth in this Agreement, any payments and benefits provided under this Agreement that constitute “deferred compensation” within the meaning of Section 409A shall not commence in connection with Executive’s termination of employment unless and until Executive has also incurred a “separation from service” (as defined for purposes of Section 409A). The Company makes no representation or warranty and shall have no liability to Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A but do not satisfy an exemption from, or the conditions of, 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.**

SEABOARD FOODS LLC

By: /s/ Robert L. Steer  
Robert L. Steer, Vice President

Executive:

By: /s/ Peter Brown  
Peter Brown

## 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 Foods LLC, an Oklahoma limited liability company (“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)(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, Seaboard’s parent corporation, Seaboard Corporation, 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.

IN WITNESS WHEREOF, the undersigned parties have executed this Settlement Agreement and Release.

SEABOARD FOODS LLC

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Company Representative

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Employee

STATE OF \_\_\_\_\_ )  
 )ss  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me \_\_\_\_\_, to me personally known, who, after being duly sworn, acknowledged that he/she executed the foregoing Agreement and Release as his/her free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

\_\_\_\_\_  
Notary Public

My commission expires:

\_\_\_\_\_



Seaboard Corporation

Summary of Perquisite for Personal Use of Seaboard Airplane  
(Revised February 14, 2022)

The Board of Directors of Seaboard Corporation previously 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 are currently allotted up to 25 hours of flight time per year for personal use. Each of the other Named Executive Officers are currently 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.

\* \* \*

SUBSIDIARIES OF THE REGISTRANT	NAMES UNDER WHICH SUBSIDIARIES DO BUSINESS	STATE OR OTHER JURISDICTION OF INCORPORATION
African HHB Limited	Same	Liberia
African HHB Shipping Limited	Same	Bahamas
African Jacaranda Shipping Ltd.	Same	Liberia
African Joseph R Shipping Ltd.	Same	Liberia
African Juniper Shipping Ltd.	Same	Liberia
African Kalmia Limited	Same	Liberia
African Kalmia Shipping Limited	Same	Bahamas
African Lily Limited	Same	Liberia
African Lily Shipping Limited	Same	Bahamas
African Magnolia Limited	Same	Liberia
African Magnolia Shipping Limited	Same	Bahamas
African Ship Holdings Limited	Same	Bahamas
Agencia Maritima del Istmo, S.R.L.	Same	Costa Rica
Agencias Generales Conaven, C.A.	Conaven	Venezuela
Alimentos SBF de Mexico S. de R.L. de C.V.	Same	Mexico
All Staple Food, S.A.	ASTA Food	Republic of Congo
Almacenajes del Istmo, S.A.	Same	Panama
BB Kansas Holdings, Inc.	Same	Kansas
Beira Grain Terminal, S.A.	Same	Mozambique
Belarina Alimentos S.A.	Same	Brazil
Borisiak Corp.	Same	Panama
Cape Fear Railways, Inc.	Same	North Carolina
Caravel Holdings LLC	Same	Delaware
Carolina Food Ingredients, S. de R.L. de C.V.	Same	Mexico
Cayman Freight Shipping Services, Ltd.	Same	Cayman Islands
Chestnut Hill Farms Honduras, S. de R.L. de C.V.	Same	Honduras
Compania Inversora de Salta, S.A.	Same	Argentina
CONEMY Holding Company, Ltd.	Same	Bermuda
Corporacion Alto Valle, S.A.S.	ALVASA	Dominican Republic
Daily's Holding Company, Inc.	Same	Delaware
Dalian Sino Fortune Trading Co., Ltd.	Same	China
Eurafrique S.A.	Same	Monaco
Fill-More Seeds Inc.	Same	Saskatchewan
Flour Mills of Ghana Limited	Same	Ghana
Ghana Holdings Limited	Same	Bermuda
Guyana Rice Holdings Limited	Same	Bahamas
H and O Shipping Limited <sup>(1)</sup>	Same	Liberia
High Plains Transport LLC	Same	Oklahoma
I.A.G. (Zambia) Limited	Same	Zambia

SUBSIDIARIES OF THE REGISTRANT	NAMES UNDER WHICH SUBSIDIARIES DO BUSINESS	STATE OR OTHER JURISDICTION OF INCORPORATION
Inmobiliaria SBF S. de R.L. de C.V.	Same	Mexico
InterAfrica Grains (Proprietary) Ltd.	Same	Republic of South Africa
InterAfrica Grains Ltd.	Same	Bermuda
Inversiones Cuenca, Ltda. de C.V.	Same	El Salvador
Inversiones y Servicios Diversos, S.A.	INVERSA	Guatemala
Jacintoport International LLC	Same	Texas
JP LP, LLC	Same	Delaware
Les Grands Moulins d'Abidjan S.A.	Same	Ivory Coast
Les Grands Moulins de Dakar S.A.	Same	Senegal
Les Grands Moulins de Pointe-Noire	GMPN	Republic of Congo
Les Moulins de Madagascar, S.A.R.L.	Same	Madagascar
Maple Creek Farms, LLC	Same	Kansas
Merriam Financial Services, Ltd.	Same	Bermuda
Merriam International Finance, B.V.	Same	Spain
Mission Funding L.L.C.	Same	Delaware
Mission Insurance Corporation	Same	Oklahoma
Mobeira, SARL	Same	Mozambique
Moinho Carlos Guth S.A.	Same	Brazil
Molinos Champion, S.A.	MOCHASA	Ecuador
Mount Dora Farms de Honduras, S.R.L.	Same	Honduras
Mount Dora Farms Inc.	Same	Florida
National Feed Company Limited	Same	Zambia
National Milling Company of Guyana, Inc.	NAMILCO	Guyana
National Milling Corporation Limited	Same	Zambia
Paramount Holdings Ltd.	Same	Bermuda
Paramount Mills (Pty) Ltd.	Same	Republic of South Africa
Pativoire S.A.	Same	Ivory Coast
Prize Milling (PTY) Ltd.	Same	Republic of South Africa
PS International Canada Corp.	Same	Nova Scotia
PS International, LLC	Same	Delaware
PS International S.A.	Same	Argentina
PSI Canada Holdings, LLC	Same	Delaware
PSI Global Exports, Inc.	Same	Delaware
PSI Guyana Inc.	Same	Guyana
RCF 5 & 2 Holdings, LLC	Same	Delaware
Refined Coal Holdings LLC	Same	Kansas
Refined Coal Holdings 2 LLC	Same	Kansas
Representaciones Maritimas y Aereas S.A.	REMARSA	Guatemala
S.B.D. LLC	Same	Delaware
SB Cayman Holdings Ltd.	Same	Cayman Islands
SB Power Solutions Inc.	Same	Delaware

SUBSIDIARIES OF THE REGISTRANT	NAMES UNDER WHICH SUBSIDIARIES DO BUSINESS	STATE OR OTHER JURISDICTION OF INCORPORATION
SBD Power Holdings Ltd.	Same	Cayman Islands
SDM Realty Holdings, L.P.	Same	Texas
SDMRH-GP, LLC	Same	Texas
Sea – Hawk, Inc.	Same	Kansas
Sea Cargo, S.A.	Same	Panama
Seaboard Atlantic Ltd.	Same	Liberia
Seaboard Botswana Holdings Limited	Same	Bahamas
Seaboard Brazil Holdings Ltd.	Same	Bermuda
Seaboard Bulk Services, Ltd.	Same	Bermuda
Seaboard Colombia, Ltd.	Same	Bermuda
Seaboard de Colombia, S.A.	Same	Colombia
Seaboard de Mexico USA LLC <sup>(2)</sup>	Same	Delaware
Seaboard de Nicaragua, S.A.	Same	Nicaragua
Seaboard Energias Renovables y Alimentos S.R.L.	Same	Argentina
Seaboard Energy California, LLC	Same	Delaware
Seaboard Energy Kansas, LLC	Same	Kansas
Seaboard Energy Marketing, Inc.	Same	Oklahoma
Seaboard Energy Missouri, LLC	Same	Missouri
Seaboard Energy Oklahoma, LLC	Same	Oklahoma
Seaboard Energy Renewables, LLC	Same	Delaware
Seaboard Energy, LLC	Same	Delaware
Seaboard Explorer Ltd.	Same	Liberia
Seaboard Foods LLC	Same	Oklahoma
Seaboard Foods Holdings, LLC	Same	Delaware
Seaboard Foods of Iowa, LLC	Same	Delaware
Seaboard Foods of Missouri, Inc.	Same	Missouri
Seaboard Foods Services Inc.	Same	Kansas
Seaboard Freight & Shipping Jamaica Limited	Same	Jamaica
Seaboard Grain of Iowa, LLC	Same	Iowa
Seaboard Guyana Ltd.	Same	Bermuda
Seaboard Holdings Ltd.	Same	Bermuda
Seaboard Holdings Ltd.	Same	British Virgin Islands
Seaboard Honduras S. De R.L. de C.V.	Same	Honduras
Seaboard International Holdings Ltd.	Same	Bermuda
Seaboard Kansas Holdings, Inc.	Same	Kansas
Seaboard Latin America Holdings, Ltd.	Same	Bermuda
Seaboard Logistics, LLC	Same	Kansas
Seaboard Marine (Trinidad) Limited	Same	Trinidad
Seaboard Marine Bahamas, Ltd.	Same	Bahamas
Seaboard Marine Ltd. <sup>(3)</sup>	Same	Liberia

SUBSIDIARIES OF THE REGISTRANT	NAMES UNDER WHICH SUBSIDIARIES DO BUSINESS	STATE OR OTHER JURISDICTION OF INCORPORATION
Seaboard Marine of Haiti S.A.	Same	Haiti
Seaboard Marine of Florida, Inc.	Same	Florida
Seaboard Minoco Ltd.	Same	Bermuda
Seaboard MOZ Limited	Same	Bermuda
Seaboard Overseas (IOM) Ltd.	Same	Isle of Man
Seaboard Overseas (Kenya) Limited	Same	Kenya
Seaboard Overseas Colombia Ltda.	Same	Colombia
Seaboard Overseas Limited	Same	Isle of Man
Seaboard Overseas Management Company, Ltd.	Same	Bermuda
Seaboard Overseas Peru S.A.	Same	Peru
Seaboard Overseas Singapore Pte. Ltd.	Same	Singapore
Seaboard Overseas Trading and Shipping (Proprietary) Limited	Same	Republic of South Africa
Seaboard Patriot Ltd.	Same	Liberia
Seaboard Pioneer Ltd.	Same	Liberia
Seaboard Power Management Inc.	Same	Florida
Seaboard Pride Ltd.	Same	Liberia
Seaboard Solutions de Honduras S.R.L.	Same	Honduras
Seaboard Solutions, Inc.	Same	Delaware
Seaboard Solutions of Haiti S.A.	Same	Haiti
Seaboard Special Crops India Private Limited	Same	India
Seaboard Sun Ltd.	Same	Liberia
Seaboard Transport Canada, Inc.	Same	Delaware
Seaboard Transport LLC	Same	Oklahoma
Seaboard Uruguay Holdings Limited	Same	Bahamas
Seaboard Venture Limited	Same	Bermuda
Seaboard Victory Ltd.	Same	Cayman Islands
Seaboard Voyager Ltd.	Same	Bermuda
Seaboard Zambia Ltd.	Same	Bermuda
Seaboard Zambia Milling Holdings Ltd.	Same	Bahamas
SEADOM, S.A.S.	Same	Dominican Republic
SeaFin Holdings Limited	Same	Bermuda
SeaMaritima, S.A. de C.V.	Same	Mexico
SeaRice Caribbean Inc.	Same	Guyana
SeaRice Guyana, Inc.	Same	Guyana
SeaRice Limited	Same	Bermuda
Secuador Limited	Same	Bermuda
SEEPC (Nigeria) Ltd.	Same	Nigeria
Sermarin Servicios Maritimos Intermodales, C.A.	Same	Venezuela
Shawnee Funding, Limited Partnership	Same	Delaware
Shawnee GP LLC	Same	Delaware
Shawnee Leasing LLC	Same	Oklahoma

SUBSIDIARIES OF THE REGISTRANT	NAMES UNDER WHICH SUBSIDIARIES DO BUSINESS	STATE OR OTHER JURISDICTION OF INCORPORATION
Shawnee LP LLC	Same	Delaware
Shilton Limited	Same	Cayman Islands
Showlands Investments (Pty) Ltd.	Same	Republic of South Africa
Societe Mediterraneenne de Transports	SOMETRA	Monaco
SSI Ocean Services, Inc.	Same	Florida
STI Holdings Inc.	Same	Oklahoma
Sunglo Limited	Same	Bermuda
TFL Life Foods Limited	Same	Nigeria
Transcontinental Capital Corp. (Bermuda) Ltd.	TCCB	Bermuda
United African Grain (IOM) Limited	Same	Isle of Man
United African Grain Limited	Same	Zambia
United African Grain Ltd.	Same	Bermuda
Vinprom Carib Holdings Limited	Same	St. Lucia
Vinprom Holdings, LLC	Same	Delaware

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<sup>(1)</sup> Owns twelve foreign ship holding company subsidiaries

<sup>(2)</sup> Owns three Mexican incorporated subsidiaries

<sup>(3)</sup> Owns four foreign ship holding company subsidiaries

CERTIFICATIONS

I, Robert L. Steer, certify that:

1. I have reviewed this annual report on Form 10-K 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. The registrant's other certifying officer(s) and I are 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 our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us 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 our 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 our 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. The registrant's other certifying officer(s) and I have disclosed, based on our 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 controls 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 controls over financial reporting.

Date: February 15, 2022

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

*(principal executive officer)*

CERTIFICATIONS

I, David H. Rankin, certify that:

1. I have reviewed this annual report on Form 10-K 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. The registrant's other certifying officer(s) and I are 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 our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us 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 our 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 our 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. The registrant's other certifying officer(s) and I have disclosed, based on our 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 controls 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 controls over financial reporting.

Date: February 15, 2022

/s/ David H. Rankin

David H. Rankin

Executive Vice President and Chief Financial Officer

*(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 annual report on Form 10-K for the fiscal year ended December 31, 2021 (the Report) by Seaboard Corporation (the Company), the undersigned, as the Chief Executive Officer of the Company, hereby certifies pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 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: February 15, 2022

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

*(principal executive 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 annual report on Form 10-K for the fiscal year ended December 31, 2021 (the Report) by Seaboard Corporation (the Company), the undersigned, as the Chief Financial Officer of the Company, hereby certifies pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 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: February 15, 2022

/s/ David H. Rankin

David H. Rankin

Executive Vice President and Chief Financial Officer

*(principal financial officer)*