VITERRA THE AGRICULTURE NETWORK

A world-leading, fully integrated **agriculture network**

Half-year report **2021**

Contents

viterra.com

We believe in the **power of connection.**

Our world-leading, fully integrated agriculture network connects producers and consumers to supply sustainable, traceable and quality-controlled agricultural products. With our talented people, decades of experience and diverse capabilities, we offer innovative solutions to open up pathways and create value for consumers through our supply chains.

As a responsible, long-term business, we will continue to invest in and develop our network, allowing us to meet the needs of a growing world.

Together, we are stronger and achieve more.

A message from our **Chief Executive Officer**

Welcome to Viterra's first public half-year financial report, which looks back at our activities over 2020 and the first half of 2021. We are delighted to take this step in providing greater transparency to our investors, employees, producers and other stakeholders, to keep everyone informed of our progress as a world-leading agriculture network.

Our business marked a historic moment in November 2020 when we rebranded from Glencore Agriculture to Viterra, The Agriculture Network. As one of the world's leading agricultural businesses, we connect consumers to sustainable, traceable and quality-controlled agricultural commodities from a global network of producers. Our new brand emphasises the strength of our network, which unites our talented people, our expertise in managing global agricultural supply chains, our strong relationships with producers, and our strategically located assets, to meet the needs of a growing world.

With our solid reputation, robust and responsive network, and secure financial position, we can face the challenges and pursue the opportunities in our industry with confidence.

Looking back

Despite the obstacles presented by the COVID-19 pandemic, the power of our network has allowed us to achieve many successes.

Through our positive safety culture, we put effective protocols into action, protecting the health and safety of our people and communities and ensuring business continuity. We successfully kept the world's food supply moving at a time of extreme difficulty, and our reliability has been highly valued by our customers.

Over the past year we continued improving our network, reviewing and optimising our business and assets, expanding our marketing networks, strengthening transparency within our supply chains, and increasing our origination presence.

In Europe, we have started construction of our new oilseed refinery in Hungary, purchased the Everi port terminal in Ukraine, expanded our storage and distribution of meal products in the UK, and completed a new Advanced Organic Materials (AOM) facility in Spain. We also completed our rapeseed refinery expansion in the Czech Republic, resulting in additional production gains while reducing costs.

In India, we completed an extensive restoration of port warehouses in Kolkata and invested in the Rajkot pulse processing facility. In South America, we improved the efficiency of our sugar and wheat milling operations in Brazil, and upgraded our port terminal in Galván, Argentina. Since increasing our stake and taking over management of Renova, we have seen improvements in its operations. In Australia, we have made excellent progress with our site optimisation plan, consolidating and investing our assets, which includes the construction of a soybean meal shed to support our protein meal import programme. Additionally, in Canada we continue creating efficiencies with the expansion of six storage and handling facilities.

Results

Globally, we saw strong demand, which presented opportunities to expand our business, increase our trade flows and grow our market share. In processing, good performance across the globe more than

offset lower biodiesel demand and margins. In 2020 our total marketing volumes increased by 14% to almost 90 MMT, with direct sourcing from producers up by approximately 10%.

Our strategic development projects regarding origination and cost efficiency have delivered great outcomes and have strengthened our business. We continued to see strong performance in the first half of 2021, with excellent results across all areas of our business, supported by an increased focus on the services we offer our customers.

Last April, we received our first public investment grade credit ratings of BBB- with a stable outlook. This rating allows us to diversify our funding base, raising money through the debt capital market.

Sustainability

We have a moral obligation to protect our environment, support our communities and do all we can to make our business more sustainable. We have recently signed a sustainability-linked revolving credit facility, which commits us to meeting specific environmental targets.

We are pushing ahead with plans for complete transparency and traceability of commodities throughout our supply chain, particularly in South America. This year we published our soy sustainability policy, which promises to minimise the environmental impact from Viterra's operations, sets minimum standards for social practices and supports the sustainability of our soy supply chains.

The health and safety of our workforce will always remain our number one priority. I am pleased to report zero catastrophic events and zero fatalities, and our 2021 global safety performance metrics remain ahead of target. Further, during 2020 we decreased our injury rate by 34%, compared to 2018. We are well on our way to achieving our five-year goal of a 50% reduction by 2023.

Looking forward

With continued tightness in global supply, we expect the near-term demand for agricultural commodities to remain high. Our global reach, along with our reputation of providing reliable, sustainable, quality-controlled agriculture commodities, will continue to position us to capitalise on these opportunities.

We will continue investing in our network, strengthening relationships and transparency in the supply chain to enhance traceability of commodities, particularly in South America. We will also continue refining the services we provide our producers, expand our marketing networks and find innovative solutions to create value for our customers.

I would like to thank our employees for their hard work and dedication, as well as our stakeholders for sharing our vision and recognising our important role in the agriculture industry.

Together, we are stronger and achieve more.

David Mattiske

Chief Executive Officer

Our **shareholders**

Our sound business structure and strategy, along with the backing of stable investors support our position as a global leader in the sourcing, handling, processing and marketing of agricultural commodities and products.

Since 2016, Viterra has been jointly owned by three shareholders who share our vision and believe us to be well positioned to benefit from strong industry fundamentals that will create rising agricultural demand.

Our shareholders include Glencore, one of the world's largest global diversified natural resource companies, along with CPP Investments, one of the world's largest and fastest growing institutional investors, and BCI, one of Canada's largest institutional investors, all recognise the critical importance of agriculture and support the company's long-term strategy.

Our shareholders

Our **values**

Our values empower our people to behave in ways that contribute to the success of our business as well as treating the world with respect:

We make things happen

Efficient and effective, we get the job done. We empower our people to make well-informed decisions, fast. We are responsive to change and pursue opportunity.

We are responsible

We care for our colleagues, our customers, our communities and our environment. We prioritise safety and sustainability throughout our business, continuously looking to improve our performance and to maximise the positive contribution we make to the world.

We are connected

We value diversity and work inclusively to bring together many minds, many talents and many perspectives. Throughout our network, we collaborate respectfully and build successful partnerships that last.

We are open

We are true to our word. We partner with colleagues and customers in a positive, straightforward way, operating with transparency and integrity to be successful.

We look ahead

We are solutions focused. The future presents us with possibilities. We constantly learn and evolve, developing new ways of doing business to be the leaders in our field.

Who **we are**

Viterra, **The Agriculture Network**

Adding value at every stage of the supply chain

As one of the world's leading agricultural businesses, we connect consumers to sustainable, traceable and quality-controlled agricultural commodities from a global network of producers.

We source grains, oilseeds, pulses, sugar and cotton from the major growing regions, use our extensive network of assets to store, transport and process them into a range of value-added products, and deliver them to the exact quality and specifications consumers expect.

Our network brings together our strong team of talented people, our decades of experience in the global commodity markets, our strong relationships with producers and our assets.

It means we can provide our customers with great service and create pathways to new business.

We have strong quality management processes at every stage of the supply chain. Our customers, our people and our communities can be confident that all our activities are sustainable and safe.

Origination

We source agricultural commodities direct from producers and producer cooperatives in all the main growing regions in the world. Our extensive network of assets is strategically located to support the origination of the highest quality food ingredients.

Storage & handling

We have storage and handling facilities in key growing regions, enabling the quality of products to be maintained and available when consumers need it.

180+
storage facilities in
14 countries

Logistics

Our comprehensive logistics network allows us to oversee our commodities from the producer's gate to the hands of the consumer.

2,000+
owned or leased rail wagons

190+
ocean-going vessels

Processing & refining

We own a range of processing and refining facilities that enable us to ship some of the agricultural commodities we supply as a range of useful products ready for our consumers to use.

30+
processing and refining facilities in
12
countries

Port terminals

We own a network of port terminals in the main exporting countries from which we supply both bulk shipments and containerised product to destination markets all over the world.

25
port terminals in
9
countries

Marketing

We combine our insight and experience with our network of assets and strong relationships with producers to source agricultural commodities and supply them to our consumers around the world.

90m
tonnes of commodities marketed in 2020

marketing offices in
34 countries

History of Viterra

1981

Foundation of Viterra, the Agriculture Network

Glencore plc purchases a **Dutch Grain** Trading Company

1996

Acquisition of initial share in **Moreno, Argentina**

1999

First assets purchased in **Commonwealth of Independent States (CIS)** Region (Ukraine)

2010

First sugar mill acquisition, **Brazil**

2011

Acquisition of **oilseed crush** facilities in Poland, Ukraine and Czech Republic

Viterra **in numbers**

Sales volumes MMT (million metric tonnes)	Global crush capacity	Seaborne trade
90 MMT	**13.5 MMT**	**1,408**
Wheat, corn, barley, soybeans and soybean meal dominant commodities for 2020	Viterra crush capacity	2020 ocean freight voyages

All volumes are calculated per annum and correct as at January 2021.

2012

Foktö (Hungary) construction completed

Dec 2012 **Viterra** acquisition

Major storage and handling player in **Australia and Canada**

2014

Increased stake in **Renova** to 50%

2016

Dec 2016 **CPP/BCI** investment

Company becomes a **standalone** company from Glencore plc.

2019

Dec 2019 **Renova** share acquisition

Increased stake to 66.7%

2020

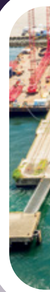
30 Nov 2020 **Viterra rebrand**

Glencore Agriculture rebrands as **Viterra The Agriculture Network**

Global port throughput	EBITDA	Employee number
43.2 MMT	**1,257**	**17,500+**
2020 annual 100% throughput volumes of owned, leased and joint venture ports	USD$m FY 2020	Full-time employees, casual staff and contractors as of 31 December 2020

Our **global footprint**

Pacific port terminal,
Vancouver, Canada



Rio Vermelho sugar mill,
Junueiropólis, Brazil

Site locations correct at time of printing.

Botlek biodiesel processing facility,
Rotterdam, Netherlands

Inner Harbour port terminal,
Adelaide, Australia

- Marketing
- Storage and handling
- Processing and refining
- Port terminals

Our regions: **North America**

22.8 MMT

Canadian port capacity

Canada is a major exporter of wheat, durum, barley, canola and pulses, most of which is exported to the Middle East and Asia. Viterra operates across Canada and the northern United States and is the leading grain marketer and handler in Canada.

Viterra's extensive network spans the entire value chain from origination to export.

In Canada, we benefit from strong connections with grain producers throughout the major growing regions in which we operate. Our network of inland storage and handling facilities enables us to efficiently transport grain from these growing regions to our port terminals, which supply a wide range of international markets. Our local merchandisers work closely with our global trade teams to supply our global agriculture network and pursue arbitrage opportunities.

We offer value-added services in our storage and handling business, such as cleaning, drying and blending to meet customer specifications and enhance margins. Viterra is focused on operational excellence throughout our operations, capturing efficiencies, with exceptional throughput capacity and supported by an extensive rail infrastructure.

Inland and port infrastructure upgrades

In partnership with Canadian Pacific Railway, we are currently undertaking an extensive expansion of our storage and rail capacity at selected sites in our Canadian asset network, upgrading ports and inland storage and handling to enhance efficiencies in assets and logistics. As part of this project, in 2021 we will open a new storage and handling facility and will be completing numerous additional storage and rail expansions.

In the United States we are a leading marketer of raw cotton, supported by our longstanding and reliable relationships with producers, our storage and handling facilities, and efficient transportation networks.

Our two oilseed crushing facilities in Canada and one in the United States are located near key oilseed growing regions, servicing domestic and export markets. These facilities supply consumer demand for soybean oil, expeller pressed canola oil and specialty canola oils. Other key domestic markets include the food services industry, animal feed, and renewable oil refineries.

Bécancour oilseed processing facility, **Bécancour, QC**

Our regions: **South America/Argentina**

11.2 MMT

100% of Timbúes' crush capacity

Argentina is the world's third largest producer of soybeans and the top exporter of soybean by-products, accounting for more than half of the total seaborne soybean meal in the world. Our business in Argentina operates along the full grain and oilseed supply chain, from origination to destination.

Our integrated network of inland storage and handling facilities source grain from the major growing regions in Argentina. This enables us to supply both domestic customers and international markets via our port terminals in Galván, and Timbúes, which is strategically located by the Paraná River.

Our processing business in Argentina operates through our subsidiary, Oleaginosa Moreno Hnos (OMHSA), which covers the full oilseed supply chain, with a heavy focus on soybean and sunflower seed crushing operations within the region. With OMHSA's 66.7% ownership of Renova, we operate one of the largest and most efficient soybean crushing facilities in the world, along with a biodiesel facility in San Lorenzo. Additionally, we have ownership in the Pampa Bio and Patagonia Bioenergia biodiesel businesses.

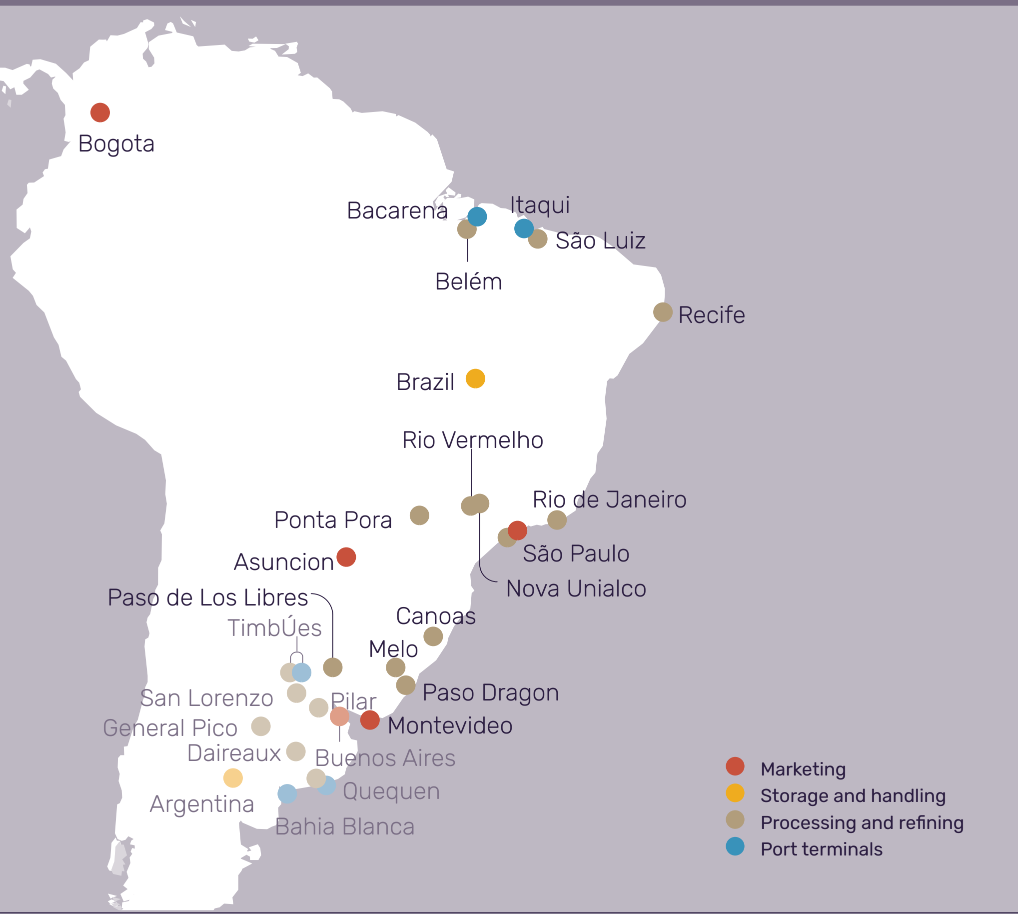
Renova Timbúes

Timbúes, one of the largest soybean crushing facilities in the world, has an annual crushing capacity of 11 MMT and a storage capacity of over 800,000 MT of soybean, meal, husk and oil. The onsite shipping through its port provides access to global markets. The Timbúes crushing facility has an energy co-generation system which allows the facility to be self-sufficient, resulting in a significant cost advantage over many crushing facilities in Argentina.

We also own 50% of Advanced Organic Materials (AOM), which is a leading global supplier of non-GMO antioxidants, Vitamin E and sterols. Furthermore, we own or partly own a range of other smaller processing assets, including rice milling operations in Argentina and Uruguay.

Daireaux oilseed processing facility, **Daireaux, Argentina**

Our regions: **South America/Brazil**



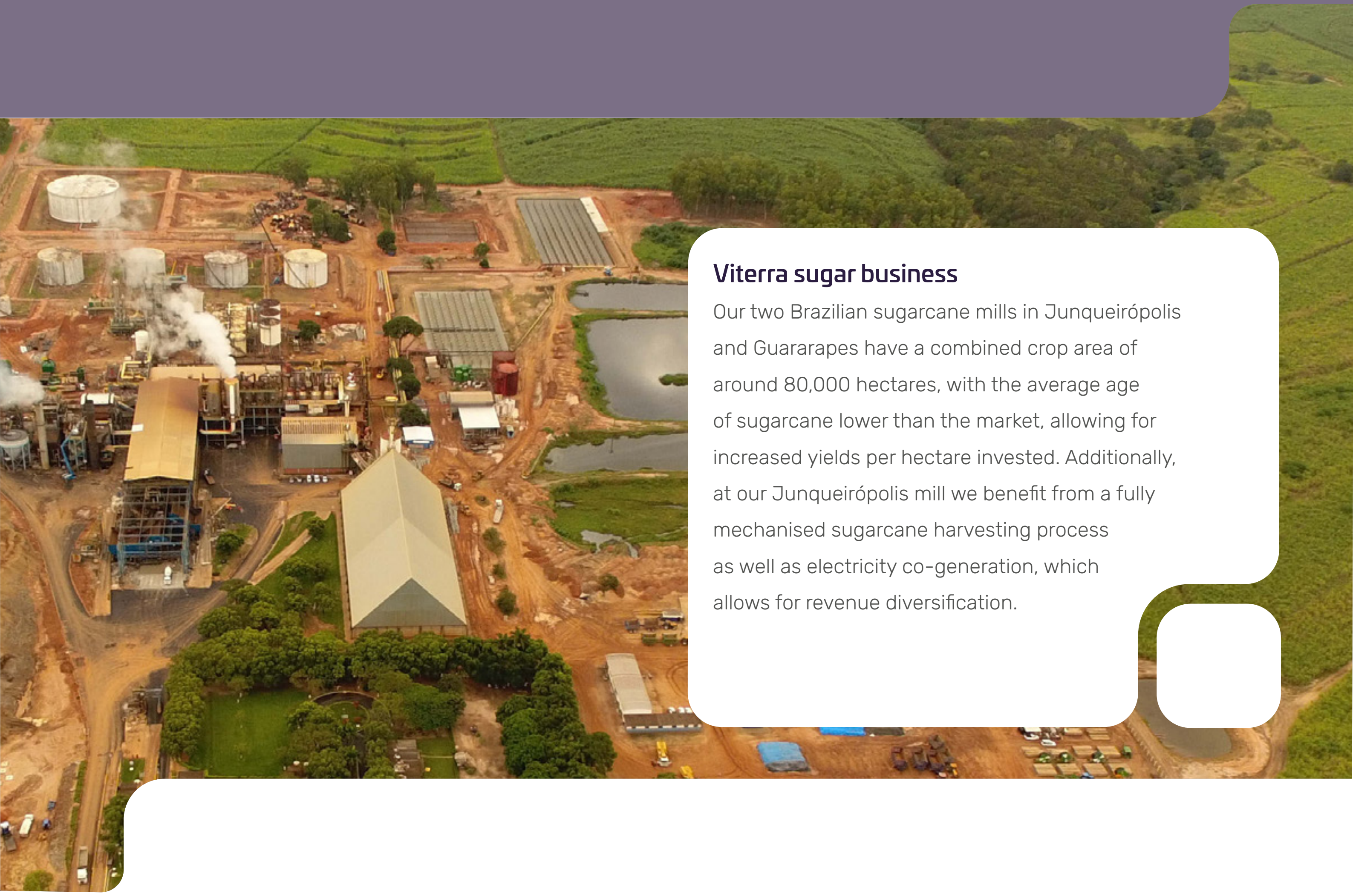
6.7 MMT

operational sugar milling capacity

Brazil is the world's largest exporter of soybeans and we continue to see growth in crop production, and increased exports of soybeans and corn year after year. Brazil is also the top sugar producer in the world. Viterra's business in Brazil focuses on oilseed and grain exports, and soybean crushing, alongside wheat and sugar processing operations.

Our storage and handling business in Brazil complements our global agriculture network by transporting grain and oilseeds from the interior growing regions and exporting them through our two port terminals: Bacarena, which we operate as a joint venture, and our recently expanded, wholly owned Itaqui terminal. We also have throughput agreements with other ports such as Santos and Paranagua.

Brazil is the top sugar producer in the world and accounts for nearly a quarter of global production. Our two integrated sugarcane farming and milling operations include production of sugar, ethanol and electricity.

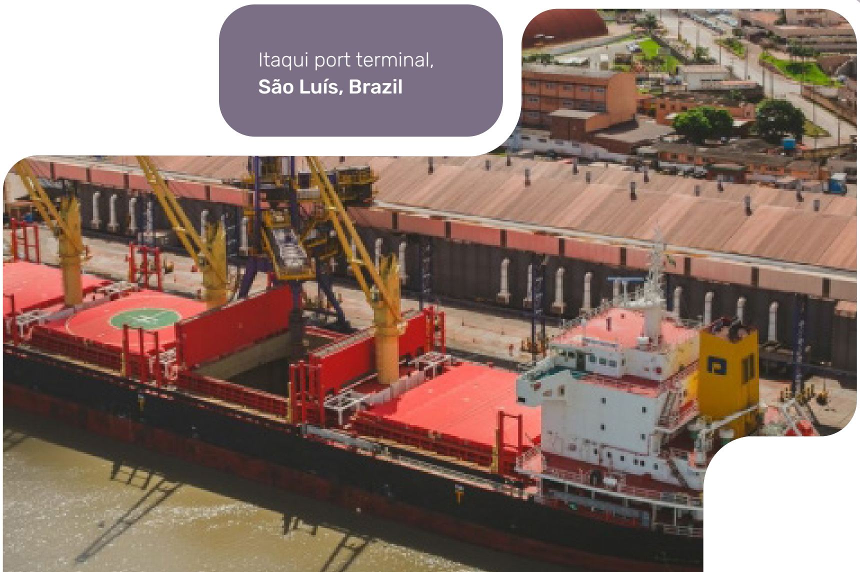


Viterra sugar business

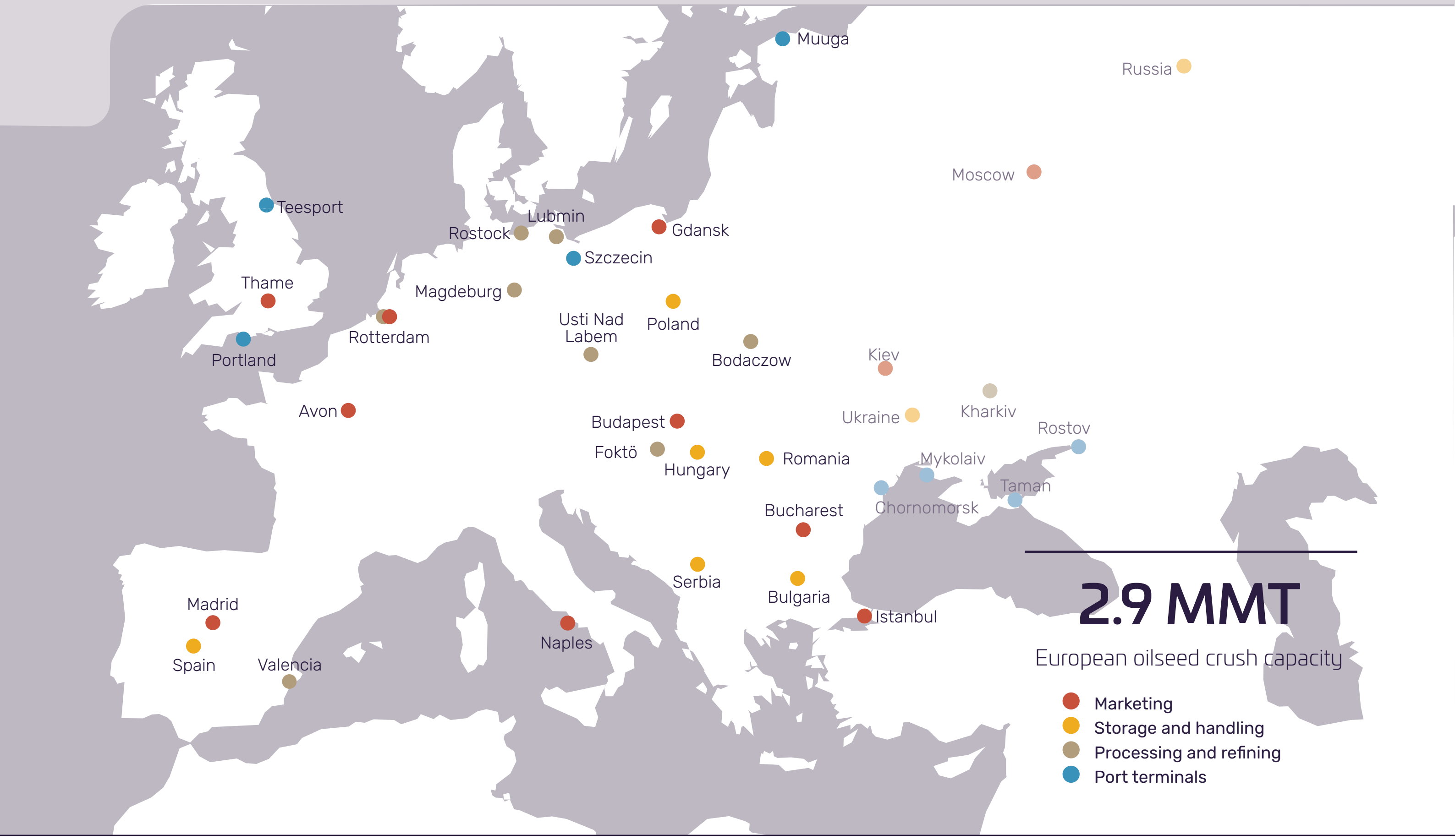
Our two Brazilian sugarcane mills in Junqueirópolis and Guararapes have a combined crop area of around 80,000 hectares, with the average age of sugarcane lower than the market, allowing for increased yields per hectare invested. Additionally, at our Junqueirópolis mill we benefit from a fully mechanised sugarcane harvesting process as well as electricity co-generation, which allows for revenue diversification.

Our six wheat mills across the country have a combined processing capacity of 1.2 MMT, making us a top three wheat miller in Brazil. As wheat imports are necessary to meet domestic consumption, our mills are strategically located near ports terminals. The wheat milling business focuses on servicing the domestic flour market, which includes retail, food service and industrial customers.

Itaqui port terminal,
São Luís, Brazil



Our regions: **Europe**



Europe is one of the world's largest grain producing and trading regions. Viterra is a leading importer of soybean meal and corn to European countries, and the top EU grain exporter by volume.

Along with our global head office in Rotterdam, the Netherlands, we operate across Europe, from the United Kingdom to the Eastern region. We have an extensive logistics network, including storage and handling and port terminals in all key European import and export markets, with our business model tailored to the requirements of the market in each country.

Our marketing business includes origination, distribution and export and is supported by a network of regional offices throughout Europe. We have a robust trading presence in export-focused markets such as France, Poland and Romania. We also import from other areas of our business, including soybean meal from Argentina, rapeseed from Ukraine and Australia, durum wheat from Canada, and corn from Ukraine and Brazil for delivery to customers.

We optimise our storage assets portfolio on an ongoing basis to align with regional market requirements, allowing for more efficient use of our assets. Our rail and barge fleet is managed centrally to maximise flow of agricultural commodities. We have long-term access to four well-positioned port terminals (two in the United Kingdom, one in Poland and one in Estonia), which allows us to secure domestic exportable surplus, as well as

Foktö processing facility

Located in Hungary, this facility is part of Viterra's global strategy to build a robust and sustainable sun oil supply chain. The facility's favorable location in Eastern Europe, a key sunseed production area, allows for a significant feedstock advantage over most competitors.

The various upgrades we have made to the facility to improve both production and environmental efficiency make Foktö one of the world's leading facilities of its kind. Construction is currently underway to add a vegetable oil refinery with cutting-edge technology, enabling the production of refined oils from the crude oils currently produced at the existing site, with operations expected to commence in 2022.

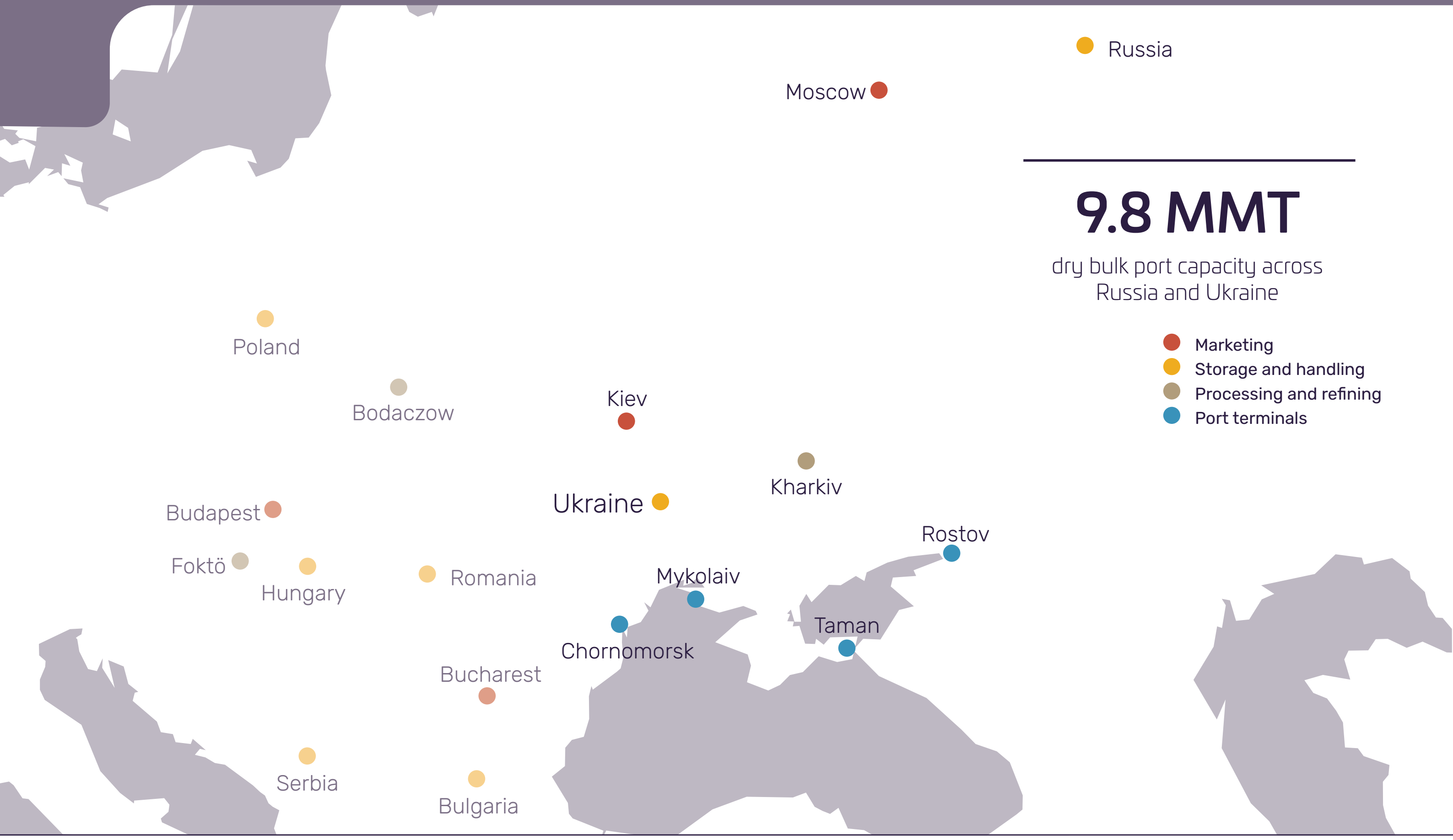
supporting the import of soybean meal from Argentina.

Further, we own significant oilseed processing assets in Europe, representing approximately 2.9 MMT in crush capacity. Our oilseed and vegetable oil processing facilities in Hungary, Poland, Germany and Czech Republic supply the market with food-oils for human consumption, feedstock-oils for biodiesel production and meal for animal feed. We are among the top five players in the European softseed crush market.

Our biodiesel processing facilities in the Netherlands and Germany produce sustainable rape methyl ester and soy methyl ester and high-quality refined glycerine, delivering to markets all over the world.

Magdeburg biodiesel processing facility,
Magdeburg, Germany

Our regions: **Europe/Russia and Ukraine**



9.8 MMT

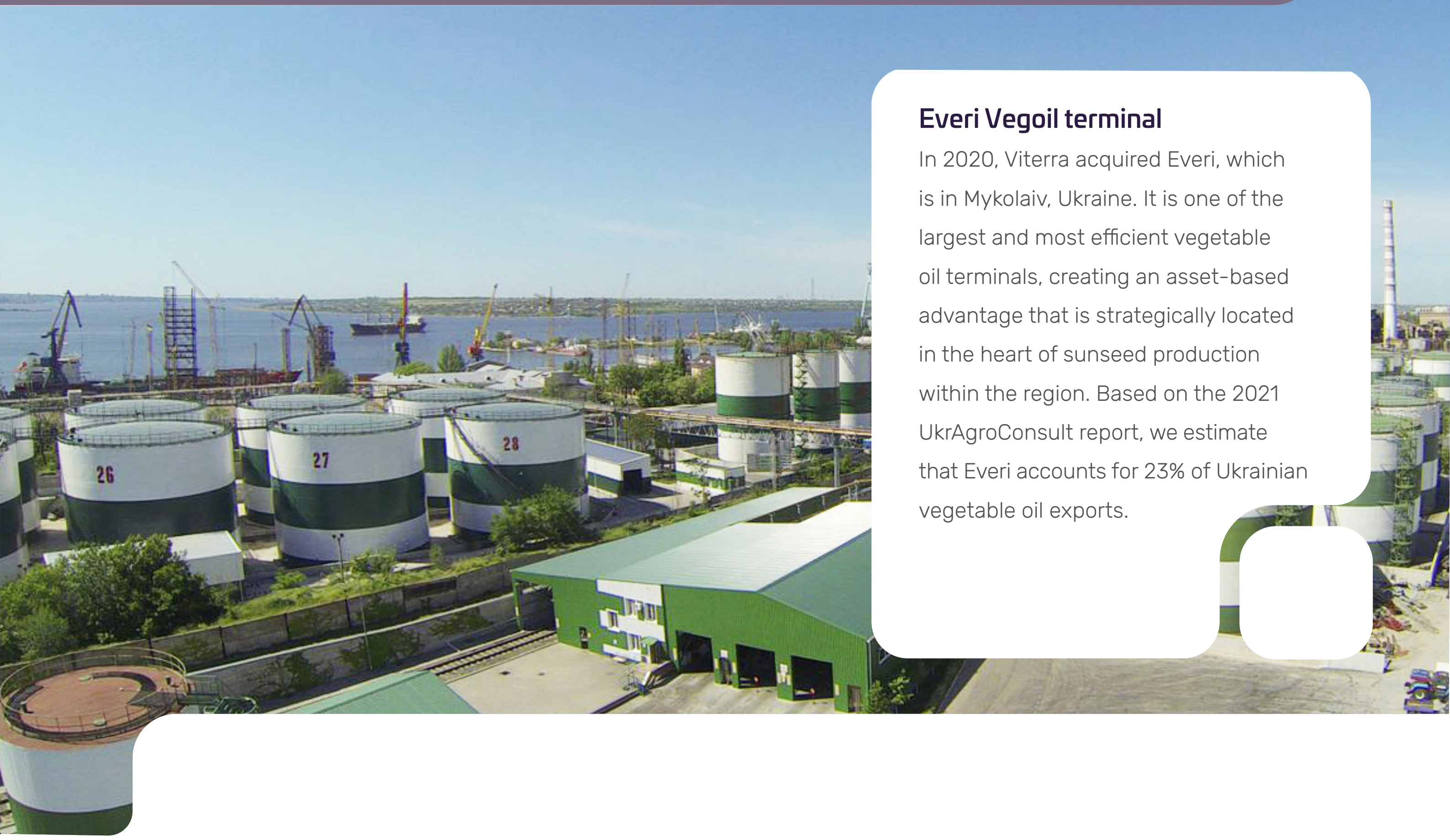
dry bulk port capacity across Russia and Ukraine

- Marketing
- Storage and handling
- Processing and refining
- Port terminals

Russia is a significant wheat exporter, providing up to 20% of the global supply. Ukraine is a stable producer of grains, with major exports of wheat to Africa, barley to the Middle East and corn to the EU and China.

We are one of the top ten exporters from Ukraine and one of the few international exporters of agricultural commodities in the Russian market with access to a strategically located deep-sea port.

Our access to deep-sea port facilities gives our storage and handling businesses a major competitive advantage. We own 50% of the Taman port terminal, part of the most rapidly developing port in the Black Sea, and one of the most advanced grain export facilities in Russia. We also own a shallow water terminal in Rostov port. In Ukraine, we have a 50% stake of the IGT joint venture, which operates a deep-sea grain terminal in the port of Chornomorsk on the Black Sea. In both countries, we are optimising our grain export programme by securing capacity via alternative routes for export.



Everi Vegoil terminal

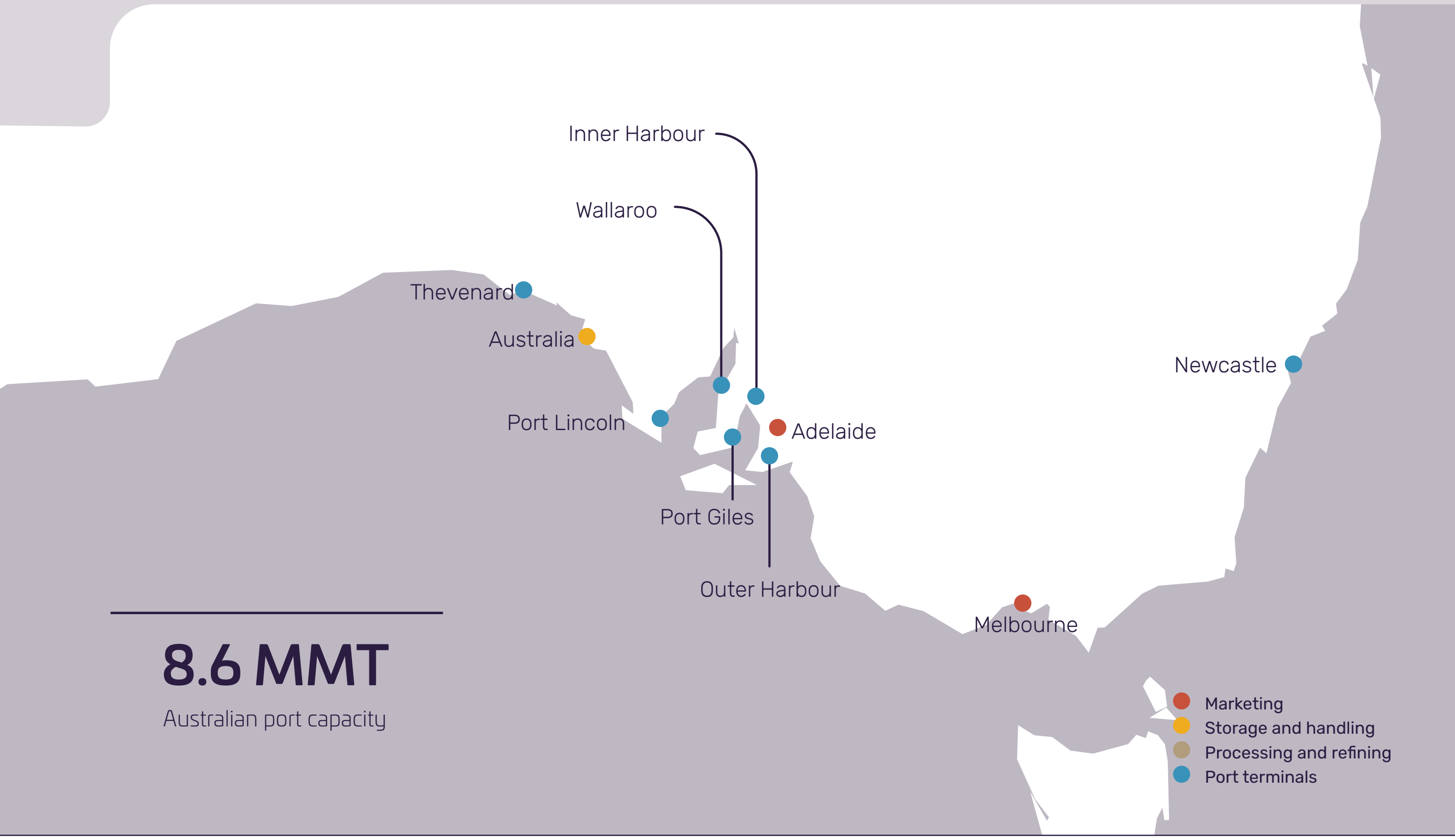
In 2020, Viterra acquired Everi, which is in Mykolaiv, Ukraine. It is one of the largest and most efficient vegetable oil terminals, creating an asset-based advantage that is strategically located in the heart of sunseed production within the region. Based on the 2021 UkrAgroConsult report, we estimate that Everi accounts for 23% of Ukrainian vegetable oil exports.

Our efficient inland storage and handling facilities in Ukraine allow for a low-cost operation with a high level of quality control, safety and food safety. Owning our own rail car fleet in Ukraine supports the efficient transportation from origination to destination, which allows us to manage costs.

We own a sunseed crush facility in Ukraine, strategically located in the sunseed production belt. Ukraine is a leading exporter of sunflower oil, accounting for 51% of global seaborne trade in sunseed oil. Its production of sunflower seed is projected to grow by 2.4% annually over the next seven years.

IGT port terminal, **Chornomorsk, Ukraine**

Our regions: **Australia**



8.6 MMT

Australian port capacity

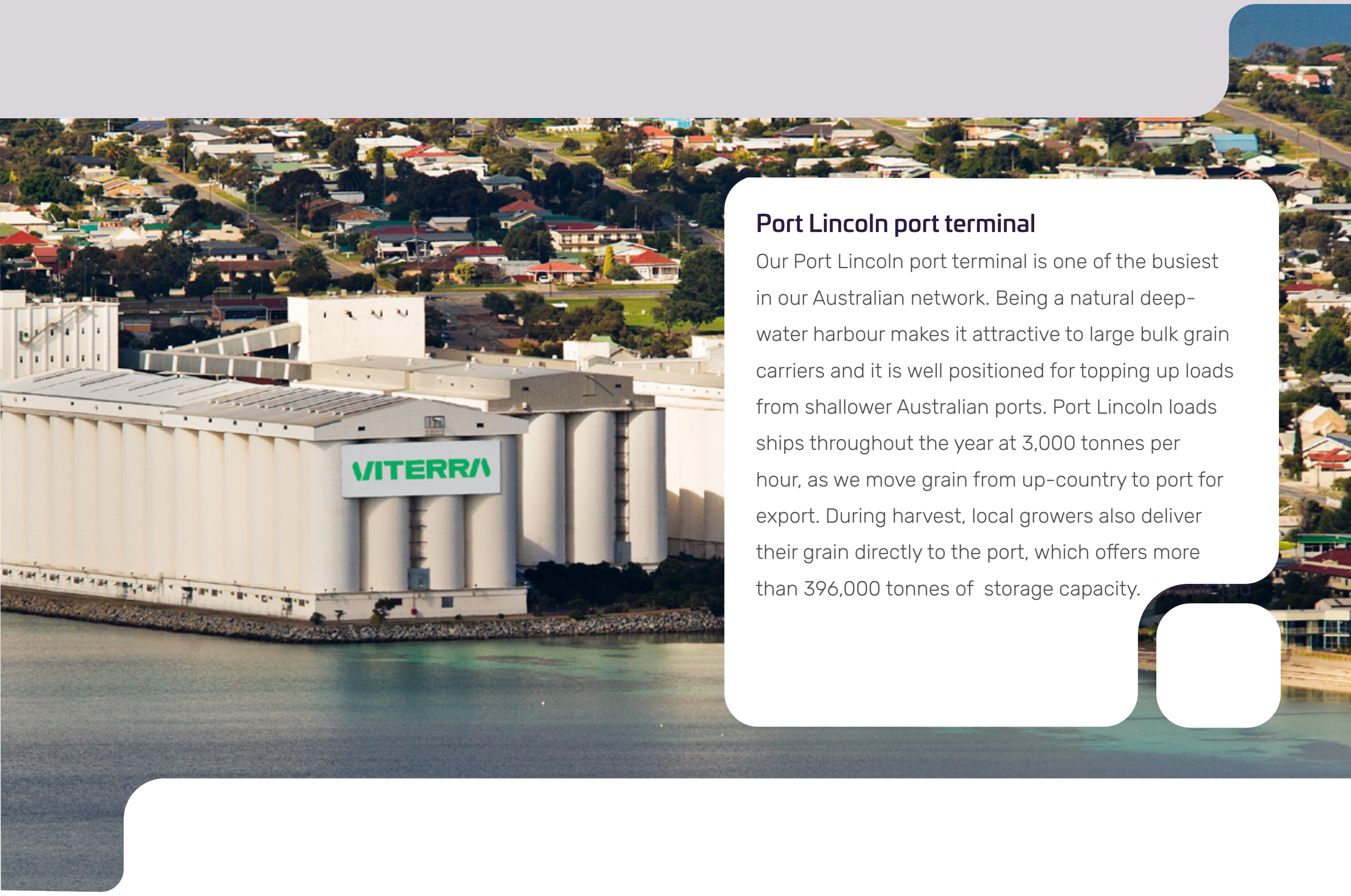
Australia is a major global exporter of wheat, barley, canola and pulses. The bulk of exports are to Asia, the Indian Subcontinent, the Middle East and Europe, with Africa growing in importance.

Viterra is one of the largest grain businesses in the Australian market and our business covers the entire supply chain from the farm gate through to delivering products to domestic and international consumers. We originate, store, handle and transport a range of commodities, including grains, oilseeds, pulses and cotton.

As one of the largest buyers of Australian commodities nationally, we purchase grain directly from Australian growers and supply consumers through our extensive marketing and logistics network, handling seven to nine million tonnes annually.

Our storage and handling network includes around 10 million tonnes of storage capacity, with up-country sites and strategically located port terminals spanning key growing regions in South Australia and Western Victoria. South Australian growers deliver approximately two thirds of the state's crop to us.

We are one of Australia's largest container packing and processing businesses, with facilities in southern and eastern Australia



Port Lincoln port terminal

Our Port Lincoln port terminal is one of the busiest in our Australian network. Being a natural deep-water harbour makes it attractive to large bulk grain carriers and it is well positioned for topping up loads from shallower Australian ports. Port Lincoln loads ships throughout the year at 3,000 tonnes per hour, as we move grain from up-country to port for export. During harvest, local growers also deliver their grain directly to the port, which offers more than 396,000 tonnes of storage capacity.

that provide our business with a large range of supply options. We are also the biggest importer of protein meals into Australia, primarily sourced from our crush facility in Argentina, and supply product to a range of feed manufacturers and consumers.

We have strong quality management and food safety processes throughout every stage of the supply chain to supply our customers with high-quality products that meet their exact specifications.

In addition to our extensive asset network, our business benefits from longstanding producer relationships, national brand recognition, strong global customer relationships and our ability to meet their exacting requirements.

Tailem Bend storage facility,
Tailem Bend, Australia

Seaborne trade

Globally, Viterra has 34 marketing offices located in the major trade corridors, where our talented people offer innovative solutions that open pathways and create value for our customers throughout the supply chain.

Our offices across the regions work closely with our global commodity leads located in Rotterdam to maximise opportunities throughout our network and capture growth in the agricultural commodity seaborne trade.

Our global chartering operation provides vessel transportation for a wide range of agricultural commodities. Our fleet of over 190 vessels under time or voyage charter range in size from Coaster to Panamax. In 2020, our vessels transported more than 30 million tonnes of product to over 300 ports across 60 countries.

Our global shipping fleet allows us to manage origination, quantities and delivery, which allows us to meet the demands of all customers.

Our commodities and the role they play

The commodities we source and market play an essential role in today's world. From the grains and seeds that feed us and our animals, to the cotton that clothes us and the energy products that power vehicles and factories, what we do touches many parts of modern life.

Grains

We are one of the world's leading grain marketers, and one of the top three exporters.

Wheat

Our vast origination networks in Australia, Canada, Mexico, the Black Sea and Europe make us one of the largest suppliers of wheat and durum in the world. Wherever possible, we source our wheat directly from producers and can assure a consistent supply of milling, durum, noodle and feed wheats in both bulk and containers to our consumers.

Corn

We supply both genetically modified (GMO) and non-GMO corn for starch, ethanol and feed products. We have traceability protocols in Europe and CIS that guarantee access to certified sustainable corn and a consistent, safe product.

Our corn activities span our global network, including operations in South America, CIS and Europe.

Sorghum

We market red sorghum from Australia, Argentina and the US, and white sorghum from Ukraine and India. The main destination markets are Asia and Africa. Our consumers import sorghum for feed, and industrial and food products, supported by our regional offices.

Barley

Barley is one of our core commodities. Through our unrivalled network of producers in key supply regions, we provide malt and feed barley tailored to the different demands of our consumers. We are a major supplier to the malting and brewing markets across the globe.

Grains in our food

Grains including wheat, corn, barley, rice and sorghum are key ingredients in the diets of most of the world's population, providing necessary nutrients through staples such as breads, rice, noodles and tortillas. They are also used in the production of animal feed, ethanol, cosmetics and alcohol.

Our commodities and the role they play continued...

Rice

We are a leading supplier of rice from Latin America, thanks to our trusted network of suppliers. In addition, we work with suppliers in the US, India, Vietnam, Thailand and Pakistan.

We process rice into a range of products at our three rice mills – one in Argentina and two in Uruguay, where collectively we also own over 12,000 hectares of rice paddy fields. Between them, our mills process approximately 230,000 tonnes of rice each year. This includes white rice, parboiled rice, cargo parboiled rice and broken rice. Our export markets extend to some of the biggest rice-consuming nations in Europe, South America, Africa and the Middle East. We also operate export storage programmes in Turkey, South Africa and Mexico.

Pulses

We are one of the world's largest suppliers of seaborne-traded pulses, supplying a wide range of products including dry peas and beans, lentils, chickpeas, faba beans, black matpe, green mung beans, canary seed and mustard.

Our extensive network of producers spans the main growing regions of Canada, the US, Australia, the Black Sea and Europe. We sell to consumers in Asia, Africa, the Middle East, North and South America, and Europe, and supply pulses in a range of packing, including bulk vessels, bulk containers, and bagged and bulk totes.

A sustainable food source for people and animals

The demand for pulses is growing, as they become recognised as a nutritious and sustainable food source. They are mainly used in raw, whole form, split or ground into flour to be used in foods such as dals, soups, hummus and meat-free alternative products. The protein and starch are also extracted from pulses and used to enrich products such as plant-based protein powders, snacks and non-dairy drinks.

Pulses are increasingly used in pet and animal feed, as an alternative to soymeal. Viterra is a regular supplier of peas, beans and lupins to the animal, aqua and pet feed markets.

Oilseeds

Through our large producer networks in the main export regions of Brazil, Argentina, Canada, Australia and Europe, we are an industry leader in the origination, processing and distribution of oilseeds.

Vegetable and seed oils

We produce sunflower, rapeseed and soybean oils for consumers in the food and biofuel industries. Sourcing raw product, we process oilseeds in South America, Europe, CIS and Canada and deliver to refiners and biodiesel producers globally. We also produce high-quality, specialty oils such as high-oleic sunseed oil, high-oleic rapeseed oil and non-GMO rapeseed oil.

Protein meals

We supply meal direct from our oilseed crushing facilities. Our interior distribution networks in Poland, the Netherlands, Spain, the United Kingdom and the Baltic region deliver to individual consumers who include end-users and local distributors.

Our world-class crush facility in Argentina supplies soybean meal to consumers in Europe, Australia, New Zealand and South East Asia.

Biodiesel

We process sustainable rape methyl ester and soya methyl ester at our facilities in Europe and Argentina and deliver to markets all over the world.

Glycerine

Our refined glycerine is a high-quality grade product, suitable for use in a wide range of applications including pharmaceutical, food, cosmetics and personal care.

The oils in our cooking

Oilseeds, such as sunflower, soybean and rapeseed, are crushed to create vegetable oil, used both in food and to produce green renewable fuels.

Our commodities and the role they play continued...

Sugar

We have substantial networks of sugar manufacturers in the top sugar-producing regions of Brazil, India, Thailand and Central America. We export in excess of one million metric tonnes of sugar to consumers across Asia, Europe, the Middle East and Africa, and North America and operate approximately 200,000 metric tonnes of owned bulk raw sugar warehousing across Brazil.

Brazil is home to our two sugar and ethanol processing facilities. Between them they farm over 80,000 hectares of sugarcane, and are leading suppliers of bulk raw sugar, as well as local suppliers of hydrous and anhydrous ethanol. The fibrous waste material produced by the cane crushing process, known as bagasse, is used to generate electricity. This sustainable power source enables both facilities to run self-sufficiently and also supplies more than 300,000 MWh of excess electricity per annum to the national power grid.

Cotton

We are a leading marketer of raw cotton. We export from the main producing regions in the US, Australia, Brazil, India and West Africa to textile manufacturers in Asia and other consuming markets. Our consumers include some of the world's leading textile manufacturers. All our cotton is checked at origin and guaranteed by certified inspectors.

We are members of the Better Cotton Initiative, the International Cotton Association and many other regional cotton associations where we play an active role in promoting and guiding the cotton industry.

The cotton we wear

The cotton plant provides fibre for textiles and seed that can be processed into oil for human consumption and meal for animal feed or organic fertiliser. The fibre is the most valuable part of the plant. It is spun into yarn which can be knitted or woven into fabric. Despite competition from man-made fibre, cotton remains the preferred choice for most clothing, toweling and home furnishings due to its softness, breathability and durability.

Food and feed **safety**

We ensure all our food and feed products are consistent, reliable and safe.

We fulfil a crucial role in providing agricultural commodities across the globe. As many of our products are ultimately used in the food or feed industry, we have an important responsibility to ensure that our products are safe.

Our approach to product quality helps to achieve this.

Viterra is committed to supplying safe food and feed products to our customers which comply with all applicable regulatory requirements.

We apply best practice in quality control and food and feed safety management across all our operations and activities. We employ dedicated managers in every region where we operate and have specific food and feed safety teams responsible for each country or asset.

Analysis by high-quality laboratories, both in-house and third party, ensures products delivered to our customers are safe and compliant.

Consumers can be confident that all our food and feed products are safe and suitable for their intended purpose.

Working sustainably right through the supply chain

We operate in a transparent and responsible way that protects our people, our consumers, our communities and the environment.

Our sustainability approach encompasses all of our employees, the entire supply chain of each of our commodities and every community where we operate. It is underpinned by our values and by policies and standards that meet or exceed applicable requirements.

We continually assess our sustainability performance to monitor progress towards our goals and respond where necessary. We share our learnings and experiences with our colleagues around the world to ensure everyone benefits from being a part of our global network.

SAFEAGRI

SafeAgri is our global health and safety programme which focuses on eliminating fatalities, preventing injuries and improving our safety culture. Through SafeAgri, we expect our managers to drive our safety culture and we give all our employees the knowledge and tools they need to create safe workplaces and to perform their work safely. Above all, SafeAgri empowers every individual to stop their work if they do not think it is safe.

We focus on four main areas:

Health and safety

The health and safety of our people is our highest priority. We aim to become an industry leader in both health and safety outcomes.

Environment

We work to reduce our impact on the environment wherever we operate and improve environmental sustainability right along our supply chains.

Community and human rights

We uphold human rights and support the sustainable, long-term development of the local communities where we operate. We aim to deal openly, transparently and inclusively with our communities, listening to and working with anyone affected by our operations.

Food and feed safety

We carry out wide-ranging food safety and quality management procedures so that consumers can be confident that all our food and feed products meet the highest international standards. All products are tested for quality by accredited authorities.

Collaborating internationally

We believe long-term environmental sustainability needs global cooperation, and we contribute to a range of international initiatives. We are one of 200 companies on the World Business Council for Sustainable Development, and sit on its Soft Commodities Forum. We support the 17 United Nations Sustainable Development Goals (SDGs). We also participate in the United Nations Global Compact, a global movement working towards sustainable development.

Management discussion

Contents

H1 2021 **in numbers**

Sales volumes	Revenue
45 MMT Marketing sales volumes	**20** USD$bn

EBITDA	Net income attributable to equity holders
991 USD$m	**425** USD$m

Adjusted net debt	Adjusted net debt to LTM[1] EBITDA
1,980 USD$m	**1.22x**

[1] LTM: Last twelve months.

Funds from operations (FFO)	Total capital expenditure
799 USD$m	**154**[1] USD$m

[1] On a cash basis, including investments.

A message from our **Chief Financial Officer**

Amidst the environment of COVID-19 uncertainty of the past 18 months the importance of global agricultural trade flows continues to be clear, with demand for core food and feed products remaining strong. Viterra's extensive network connecting producers to consumers plays a vital role in maintaining these international supply chains and meeting the needs of a growing world.

Through H1 2021, prices rallied across all our core commodity groups, boosted by strong global demand. The group successfully navigated this environment across all of our core commodity supply chains.

Sustained high demand into Asia boosted seaborne trade for feed grains and vegetable oils, which supported our origination and pipeline networks from Canada, South America and the Black Sea. In Australia, we saw a recovery in earnings compared to 2020 due to the return to average crop sizes after a period of drought. Freight earnings increased year on year, as we were able to rely upon our in-house chartering department capabilities to shelter our commodity business lines against the tightening supply of bulk carrier vessels on the back of growing seaborne traded volumes.

Our asset footprint in Europe and North America allowed us to benefit from strong softseed crush and refining margins supported by new renewable fuel mandates and the lifting of global lockdowns.

Our marketing teams were able to deliver our customers high-quality, traceable products to their required specifications, utilizing our global origination network and capturing arbitrage opportunities. Underpinning our entire supply chain, sits our dedicated risk department, which centrally monitors and manages our exposure in line with our robust risk procedures.

The significant group earnings for the period have allowed us to continue to invest in our business, expanding it and making it more efficient. Sustained cash flow generation has also been fundamental in reducing levels of structural debt.

In March, we renewed our core revolving credit facility, which is linked to our internal sustainability goals. Aligning our sustainability ambitions to our financing terms reinforces Viterra's commitment to the environment and communities we operate in.

In April, we received our first public investment grade ratings of BBB- with a stable outlook from S&P Global Ratings and Fitch Ratings. This milestone was key in allowing us to issue our first public bonds on the debt capital markets, a significant step forward in our strategy to diversify our funding base and extend our debt maturity profile.

Looking ahead, we see a constructive market environment well suited to our diversified and fully integrated business. We maintain our disciplined approach to investments, focusing on opportunities that would strengthen our network and align with our strategic goals. Continued support from our shareholders allows us to secure our position as a global leader in the sourcing, handling, processing and marketing of agricultural commodities.

Peter Mouthaan

Chief Financial Officer

Management discussion

Continued strong performance

Our sales volumes for the six months ended 30 June 2021 were 45 MMT, and predominantly comprising of grains (wheat, corn, barley) and oilseeds (soybean, soybean meal, rapeseed and vegetable oils).

Total revenue was $20 billion, compared to $14 billion for H1 2020, representing a 42% increase. The change was predominantly driven by significant rallies in our core commodity prices, in particular for the soybean complex, rapeseed and biodiesel complex, and feed grains.

Marketing volumes sold

Million tonnes	H1 2021	H1 2020	Change %
Grain	26.5	27.1	-2%
Oilseeds	16.9	15.5	9%
Cotton	0.3	0.3	8%
Sugar	0.8	0.7	15%
Total	**44.5**	**43.6**	2%

EBITDA* for the period was $991 million, a 58% increase from H1 2020. We saw positive contributions across all areas of our business, from origination, storage and handling, and logistics through to processing, seaborne trade and marketing.

H1 2021 saw a small increase in our net financing costs versus the same period in 2020 on the back of higher working capital funding, which was mostly offset by a reduction in the effective interest rate.

Total tax expenses were $162 million for H1 2021, versus $62 million in H1 2020. H1 2021 figures include a one-off tax charge related to a change in the corporate tax rate in Argentina, impacting our deferred tax liabilities. Our adjusted effective tax rate (accounting for tax losses not recognised, foreign currency translation effects, inflation corrections and corporate income tax rate changes) for H1 2021 was 24%.

Net income attributable to equity holders came to $425 million for the period, an increase of 113% versus H1 2020.

Strengthened balance sheet structure

Total non-current assets at period-end, 30 June 2021, were $6.2 billion, versus $5.9 billion at year-end 2020. The change is primarily driven by higher right-to-use assets, which increased on the back of new lease additions and re-measurement of existing right-of-use leases at period-end market prices.

Long-term debt includes $1,986 million revolving credit facilities (RCF), $526 million lease liabilities and $282 million other bank loans. Viterra maintains longstanding relationships with over 50 banks across several geographies and with extensive knowledge of the commodities sector. In April 2021, Viterra issued $1.2 billion of unsecured bonds consisting of two $600 million tranches (five-year and 10-year maturity) as part of our strategy to diversify funding and extend our debt maturity profile.

Short-term debt includes $728 million of secured inventory/receivables facilities, $402 million of lease liabilities and $2,565 million of bilateral bank facilities and other financings.

Equity (excluding non-controlling interests) at H1 2021 came to $4,489 million, an increase of $404 million related to positive earnings for the period.

* Definitions on page 35.

Working capital cycle driven by highly liquid inventories

Total working capital* for the period ending 30 June 2021 was $6.4 billion, versus $5.5 billion at year-end 2020. Working capital requirements historically vary in line with harvest periods in Viterra's key origination regions. Capital requirements are also influenced by major shifts in core commodity prices such as those seen in H1 2021, and subsequently this has been the dominant driver to the change in working capital usage versus prior periods.

The largest component of working capital is readily marketable inventories (RMI), which are considered readily convertible to cash due to their highly liquid nature and available markets. Viterra considers all marketing inventory as RMI and nearly all its production inventory (volumes to be processed or already processed) as RMI given the large demand markets for sub-products. As of 30 June 2021, RMI comprised 98% ($5.4 billion) of total inventories, compared to 97% ($5.5 billion) at year-end 2020.

Leverage

As typically seen across the industry, total funding* is strongly correlated to readily marketable inventory. Given the liquid nature of these inventories it is appropriate to also exclude when considering Viterra's net debt.* On 30 June 2021, our adjusted net debt* was $1,980 million, compared to $1,105 million at year-end 2020. The increase was predominantly driven by higher non-inventory working capital (timing impact of receivable/payable balance and higher mark to market on forward physical contracts due to spike in prices at period-end). Other factors include higher lease liabilities, which were more than offset by positive operating cash flow generation. Our adjusted net debt to last twelve-month EBITDA was 1.22x.

Ample liquidity headroom

Viterra takes a conservative approach to liquidity headroom. The group's policy is to reserve a large part of its RCF undrawn in order to maintain sufficient committed headroom and to mitigate liquidity risk. As of 30 June 2021, Viterra held $2.4 billion available headroom in committed facilities.

Our main facilities consist of:

- 1 year committed USD$3,515 million European RCF (1year extention + 1year term out option)
- 3 year committed USD$570 million RCF (1year + 1year extension)
- 1 year committed USD$310 million Asian RCF (1year extension)

Growth in cash generation supporting investments

Funds from operations (FFO)* is a measure that reflects our ability to generate cash for investment, debt servicing and distributions to shareholders. FFO for H1 2021 was $799 million, an increase of 85% compared to H1 2020 on the back of strong H1 earnings.

Total capital expenditure for the period (on a cash basis, including investments) was $154 million, versus $126 million in H1 2020. Sustaining capex was higher than the previous period as we continued projects that were delayed in 2020 due to the COVID-19 pandemic. Expansionary projects include a refinery construction at our crush facility in Hungary, upgrades to our networks in Canada, Australia and the UK, and investment in the digital post-trade execution joint venture, Covantis (with ADM, Bunge, Cargill, LDC and COFCO).

* Definitions on page 35.

Non-IFRS metric **definitions**

EBITDA	consists of revenue less cost of goods sold and selling and administrative expenses plus share of income from associates and joint ventures and dividend income, adding back depreciation and amortisation.
Working capital	is calculated as accounts receivables, other financial assets, inventories, securities less accounts payable and other financial liabilities.
Total funding	is defined as the total of current and non-current borrowings.
Net debt	is defined as total current and non-current borrowings less cash and cash equivalents.
Adjusted net debt	is defined as total current and non-current borrowings less cash and cash equivalents and readily marketable inventories.
FFO	comprises cash provided by operating activities before working capital changes, less tax and net interest payments plus dividends received.

Other **reconciliations**

Last Twelve Months ("LTM")

US$ million	**FFO**	**EBITDA**
Full year 2020	932	1,257
Less: H1 2020	-432	-629
H2 2020	500	628
Add: H1 2021	799	991
LTM	1,299	1,619

Unaudited condensed interim consolidated **financial statements**

for the six months ended 30 June 2021

Viterra Limited

Contents

Auditor’s review report

To the Directors of Viterra Limited,

Our conclusion

We have reviewed the accompanying Condensed Interim Consolidated Financial Statements for the period from 1 January 2021 to 30 June 2021 of Viterra Limited, based in Jersey.

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information for the period from 1 January 2021 to 30 June 2021 of Viterra Limited is not prepared, in all material respects, in accordance with IAS 34, ‘Interim Financial Reporting’ as adopted by the European Union.

The Condensed Interim Consolidated Financial Statements comprise the condensed consolidated:

- Statement of income for the six months ended 30 June 2021.
- Statement of comprehensive income for the six months ended 30 June 2021.
- Statement of financial position as at 30 June 2021.
- Statement of cash flows for the six months ended 30 June 2021.
- Statement of changes in equity as at 30 June 2021.
- The notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our conclusion

We conducted our review in accordance with International Standards on Auditing, including ISRE Standard 2400, ‘Engagements to Review Historical Financial Statements’. A review of interim financial information in accordance with the ISRE 2400 is a limited assurance engagement. Our responsibilities under this standard are further described in the ‘Our responsibilities for the review of the interim financial information’ section of our report.

We are independent of Viterra Limited in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of Management for the interim financial information

Management is responsible for the preparation and presentation of the interim financial information in accordance with IAS 34, ‘Interim Financial Reporting’ as adopted by the European Union. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the interim financial information that are free from material misstatement, whether due to fraud or error.

Our responsibilities for the review of the interim financial information

Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

Auditor's review report continued...

The level of assurance obtained in a limited assurance engagement is substantially less than the level of assurance obtained in an audit conducted in accordance with the International Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the review, in accordance with ISRE 2400.

Our review included among others:

- Obtaining an understanding of the entity and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the interim financial information where material misstatements are likely to arise due to fraud or error, designing and performing procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion.
- Obtaining an understanding of internal control, as it relates to the preparation of the interim financial information.
- Making inquiries of management and others within the company.
- Applying analytical procedures with respect to information included in the interim financial information.
- Obtaining assurance evidence that the interim financial information agrees with or reconciles to the entity's underlying accounting records.
- Evaluating the assurance evidence obtained.
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle.
- Considering whether management has identified all events that may require adjustment to or disclosure in the interim financial information.
- Considering whether the interim financial information has been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement.

Rotterdam, 9 September 2021
Deloitte Accountants B.V.
Signed on the original: G.M. Dekker

Condensed consolidated statement of **income**

For the six months ended 30 June (unaudited)

US$ million	Notes	2021	2020
Revenue	2	19,871	14,031
Cost of goods sold		(19,098)	(13,550)
Gross margin		**782**	**481**
Selling and administrative expenses		(116)	(113)
Share of income from associates and joint ventures		11	3
Loss on disposals and investments		–	(1)
Other income/(expense) – net	3	2	(32)
Dividend income		2	2
Interest income		3	4
Interest expense	4	(99)	(90)
Income before income taxes		**576**	**254**
Income tax expense	5	(162)	(62)
Income for the period		**414**	**192**
Attributable to:			
Non-controlling interests		(11)	(8)
Equity holders		425	200

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Condensed consolidated statement of **comprehensive income**

For the six months ended 30 June (unaudited)

US$ million	2021	2020
Income for the period	414	192
Other comprehensive loss		
Items not to be reclassified to the statement of income in subsequent periods:		
Loss on financial assets measured at fair value through other comprehensive income	(1)	–
Net items not to be reclassified to the statement of income in subsequent periods:	**(1)**	**–**
Items that are or may be reclassified to the statement of income in subsequent periods:		
Exchange loss on translation of foreign operations	(19)	(156)
Loss on cash flow hedges	(2)	–
Items recycled to the statement of income upon acquisition/ disposal of subsidiaries	–	1
Net items that are or may be reclassified to the statement of income in subsequent periods:	**(21)**	**(155)**
Other comprehensive loss	**(22)**	**(155)**
Total comprehensive income	**392**	**37**
Attributable to:		
Non-controlling interests	(10)	(10)
Equity holders of the parent	402	47

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Condensed consolidated statement of **financial position**

As at 30 June 2021 and 31 December 2020

US$ million	Notes	2021 (unaudited)	2020 (audited)
Assets			
Non-current assets			
Property, plant and equipment	6	4,488	4,170
Intangible assets		1,054	1,062
Investments in associates and joint ventures	7	394	389
Other investments	14	10	10
Advances and loans	8	150	154
Deferred tax assets		83	93
		6,179	**5,878**
Current assets			
Biological assets		19	17
Inventories	9	5,523	5,635
Accounts receivable	10	2,422	2,367
Other investments	14	36	54
Other financial assets	14, 15	2,361	2,035
Cash and cash equivalents	11	311	327
Income tax receivable		50	31
		10,722	**10,466**
Total assets		**16,901**	**16,344**
Equity and liabilities			
Capital and reserves – attributable to equity holders			
Share capital		1	1
Reserves and retained earnings		4,488	4,085
		4,489	4,086
Non-controlling interests		175	189
Total equity		**4,664**	**4,275**
Non-current liabilities			
Borrowings	12, 14	3,983	2,576
Deferred tax liabilities		382	328
Provisions		138	155
Other long-term liabilities		30	28
		4,533	**3,087**
Current liabilities			
Borrowings	12, 14	3,695	4,353
Accounts payable	13	2,407	2,556
Provisions		33	32
Other financial liabilities	14, 15	1,541	2,012
Income tax payable		26	28
Other current liabilities		2	1
		7,704	**8,982**
Total equity and liabilities		**16,901**	**16,344**

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Condensed consolidated statement of **cash flows**

For the six months ended 30 June (unaudited)

US$ million	Notes	2021	2020
Operating activities			
Income before income taxes		576	254
Adjustments for:			
Depreciation and amortisation		322	256
Share of income from associates and joint ventures	7	(11)	(3)
(Decrease)/increase in other long-term liabilities		(1)	5
(Gain)/loss on disposals and investments	3	(2)	1
Impairments		1	–
Other non-cash items – net		(8)	14
Interest expense – net		96	86
Cash generated by operating activities before working capital changes		**973**	**613**
Working capital changes			
Increase in accounts receivable and other financial assets[1]		(404)	(577)
Decrease in inventories[2]		81	704
(Decrease)/increase in accounts payable and other financial liabilities[3]		(632)	863
Total working capital changes		**(955)**	**990**
Income taxes paid		(109)	(90)
Interest received		2	3
Interest paid		(79)	(96)
Net cash (used)/generated by operating activities		**(168)**	**1,420**
Investing activities			
Net cash received from disposal of subsidiaries		–	1
Purchase of investments		(3)	(5)
Proceeds received from sale of investments		24	–
Purchase of property, plant and equipment, and intangibles		(151)	(121)
Proceeds from sale of property, plant and equipment, and intangibles		1	1
Proceeds from dividends received		12	2
Net cash used by investing activities		**(117)**	**(122)**
Financing activities[4]			
Proceeds from issuance of capital market notes[5]		1,189	–
Net proceeds/(repayments) from other non-current bank facilities		105	(780)
Net repayments of current borrowings		(855)	(291)
Repayments of lease liabilities		(167)	(103)
Distributions to non-controlling interests		(3)	–
Net cash generated/(used) by financing activities		**269**	**(1,174)**
(Decrease)/increase in cash and cash equivalents		(16)	124
Foreign exchange movement in cash		–	(3)
Cash and cash equivalents, beginning of period		327	184
Cash and cash equivalents, end of period		**311**	**305**

[1] Includes movements in advances and loans and other financial assets.
[2] Includes movements in biological assets.
[3] Includes movements in other financial liabilities and provisions.
[4] Refer to note 12 for reconciliation of movement in borrowings.
[5] Net of issuance costs of $8 million relating to capital market notes.
The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Condensed consolidated statement of **changes of equity**

For the six months ended 30 June (unaudited)

US$ million	Retained earnings	Share premium	Other reserves	Total reserves and retained earnings	Share capital	Total equity attributable to equity holders	Non-controlling interests	Total equity
1 January 2021	**1,803**	**3,096**	**(814)**	**4,085**	**1**	**4,086**	**189**	**4,275**
Income for the period	425	–	–	425	–	425	(11)	414
Other comprehensive income/(loss)	–	–	(23)	(23)	–	(23)	1	(22)
Total comprehensive income/(loss)	**425**	**–**	**(23)**	**402**	**–**	**402**	**(10)**	**392**
Change in ownership interest in subsidiaries	–	–	1	1	–	1	(1)	–
Distributions paid	–	–	–	–	–	–	(3)	(3)
At 30 June 2021	**2,228**	**3,096**	**(836)**	**4,488**	**1**	**4,489**	**175**	**4,664**

US$ million	Retained earnings	Share premium	Other reserves	Total reserves and retained earnings	Share capital	Total equity attributable to equity holders	Non-controlling interests	Total equity
1 January 2020	**1,420**	**3,096**	**(827)**	**3,689**	**1**	**3,690**	**199**	**3,889**
Income for the period	200	–	–	200	–	200	(8)	192
Other comprehensive income/(loss)	–	–	(153)	(153)	–	(153)	(2)	(155)
Total comprehensive income/(loss)	**200**	**–**	**(153)**	**47**	**–**	**47**	**(10)**	**37**
Distributions paid	–	–	–	–	–	–	–	–
At 30 June 2020	**1,620**	**3,096**	**(980)**	**3,736**	**1**	**3,737**	**189**	**3,926**

The accompanying notes are an integral part of the condensed interim consolidated financial statements.

Notes to the unaudited condensed interim consolidated financial statements

For the six months ended 30 June 2021 (unaudited)

Note 1: Accounting policies

Corporate information

Viterra Limited (the "Company" or "Parent") together with its subsidiaries (the "Group" or "Viterra"), is a leading integrated producer and marketer of agricultural products, with worldwide activities in the production, refining, processing, storage, transport and marketing of agricultural products. Viterra operates on a global scale, marketing and distributing physical commodities mainly sourced from third party producers to industrial consumers, such as those in the oil and food processing industries. Viterra also provides financing, logistics and other services to producers and consumers of commodities. In this regard, Viterra seeks to capture value throughout the commodity supply chain. Viterra's long experience in production, processing, storage and handling, and marketing of commodities has allowed it to develop and build upon its expertise in the commodities which it markets and cultivate long-term relationships with a broad supplier and customer base across diverse industries and in multiple geographic regions.

Viterra Limited is a privately held company incorporated and domiciled in Jersey.

These unaudited condensed interim consolidated financial statements for the six months ended 30 June 2021 were issued on 9 September 2021. The unaudited condensed interim consolidated financial statements do not represent statutory financial statements.

Basis of preparation

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board (IASB) and interpretations of the IFRS Interpretations Committee (IFRIC) as adopted by the European Union (EU) effective for the Company's reporting for the six months ended 30 June 2021.

These unaudited condensed interim consolidated financial statements should be read in conjunction with the Group's audited consolidated financial statements as at 31 December 2020. Certain financial information that is included in the audited annual financial statements but is not required for interim reporting purposes has been condensed or omitted.

The accounting policies applied in the interim financial statements are consistent with those applied in the Group's audited consolidated financial statements as at 31 December 2020. The income tax expense for the six months ended 30 June 2021 is determined by applying the actual effective tax rate to the year-to-date actual tax calculation, as this represents the best estimate of the annual effective tax rate. The impact of tax rate changes which occur in the six-month interim period is annualised over the financial year.

The unaudited condensed interim consolidated financial statements for the six months ended 30 June 2021 have been prepared on a going concern basis. The directors believe there are no material uncertainties that lead to significant doubt that the Group can continue as a going concern in the foreseeable future, a period not less than 12 months from the date of this report.

All amounts are presented in millions of United States Dollars ("USD" or "US Dollar"), unless otherwise stated, consistent with the predominant functional currency of Viterra's operations.

While there is a degree of seasonality in the growing season and procurement of our principal marketable inventories, such as oilseeds and grains, the Group typically does not experience material fluctuations in volume between the first and second half of the year since Viterra is geographically diversified between the northern and southern hemispheres, and sells and distributes products throughout the year.

Notes to the consolidated financial statements continued…

Note 1: Accounting policies continued…

Adoption of new and revised standards

These unaudited condensed interim consolidated financial statements are prepared using the same accounting policies as applied in the audited consolidated financial statements as at 31 December 2020, except for the adoption of a number of clarification revisions to existing accounting pronouncements that became effective for annual reporting period beginning on or after 1 January 2021 and have been adopted by the Group.

(i) Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

The amendments introduce a practical expedient for modifications required by the reform, provide an exception that hedge accounting is not discontinued solely because of the IBOR reform, and introduces disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBOR's to alternative benchmark rates, and how the entity is managing this transition.

Note 2: Revenue

Revenue for the period is comprised of the following:

US$ million	H1 2021	H1 2020
Oilseeds	9,927	6,010
Grain	8,620	7,043
Freight	346	230
Cotton	616	434
Sugar	362	314
Total	**19,871**	**14,031**

Note 3: Other income/(expense) – net

US$ million	H1 2021	H1 2020
Allowance for doubtful other receivables	–	(14)
Change in mark-to-market valuations on other investments held for trading	5	(6)
Change in mark-to-market on non-trade derivatives	2	(5)
Other expenses – net	(5)	(7)
Total	**2**	**(32)**

Note 4: Interest expense

Interest expense for the period is comprised of the following:

US$ million	H1 2021	H1 2020
Capital market notes[1]	(6)	(12)
Revolving credit facility	(21)	(25)
Lease obligations	(16)	(15)
Other bank loans	(54)	(44)
Other	(2)	6
Total	**(99)**	**(90)**

[1] Refer to Note 12: Borrowings.

Note 5: Income taxes

The Group calculates income tax expense for the current period using the tax rate that would be applicable to the expected total annual earnings. The major components of income expense in the condensed consolidated statement of income are:

US$ million	H1 2021	H1 2020
Current income tax expense	(98)	(48)
Deferred income tax expense relating to origination and reversal of temporary differences	(64)	(14)
Total tax expense reported in the statement of income	**(162)**	**(62)**

On 16 June 2021 Argentinian corporate tax rates were amended retroactively for tax years beginning 1 January 2021. The amendment establishes a tiered corporate income tax rate structure, which will result in an increased maximum corporate income tax rate of 35%, instead of 25%. The annualised impact of the change in tax rate results in a deferred tax expense of $63 million, of which the Group has recognised $29 million for the six months ended 30 June 2021.

Adjusting for a $21 million (2020: $22 million) income tax expense related to tax losses not recognised, foreign currency translation effects, inflation corrections and corporate income tax rate changes, income tax expense incurred in the six months ended 30 June 2021 would be $141 million (2020: income tax expense $40 million) resulting in an adjusted effective tax rate of 24% (2020: adjusted effective tax rate of 16%).

Notes to the consolidated financial statements continued...

Note 6: Property, plant and equipment

US$ million	Freehold land and buildings	Plant and equipment	Bearer plants	Total
Gross carrying amount:				
1 January 2021	1,092	5,425	139	6,656
Acquisitions	1	157	11	169
Additions of right-of-use assets	56	421	–	477
Disposals	(7)	(12)	(6)	(25)
Effect of foreign currency exchange movements	13	(25)	8	(4)
Other movements	(13)	(2)	1	(14)
30 June 2021	**1,142**	**5,964**	**153**	**7,259**
Accumulated depreciation and impairment:				
1 January 2021	336	2,091	59	2,486
Depreciation	28	281	7	316
Disposals	(6)	(12)	(5)	(23)
Impairment	–	1	–	1
Effect of foreign currency exchange movements	2	(14)	3	(9)
30 June 2021	**360**	**2,347**	**64**	**2,771**
Net book value 30 June 2021	**782**	**3,617**	**89**	**4,488**
Net book value 31 December 2020	**756**	**3,334**	**80**	**4,170**

Plant and equipment includes expenditure for construction in progress of $248 million (2020: $184 million). Depreciation expenses included in cost of goods sold are $309 million (2020: $249 million) and in selling and administrative expenses $7 million (2020: $5 million). Property, plant and equipment with a carrying amount of $892 million (2020: $895 million) have been pledged to secure borrowings of the Group.

Leases

The Group leases various assets including land and buildings and plant and equipment. As at 30 June 2021 the net book value of recognised right-of-use assets relating to freehold land and buildings was $227 million (31 December 2020: $179 million) and relating to plant and equipment was $672 million (31 December 2020: $405 million). The net book value of obligations recognised under finance lease agreements amounts to $899 million (31 December 2020: $585 million) as at 30 June 2021.

Gross carrying amount of right-of-use assets disposed of during the six months ended 30 June 2021 amounted to $16 million (2020: $81 million) with accompanying accumulated depreciation of $16 million (2020: $80 million).

In respect of these leases, the Group has recognised depreciation charges of $173 million (2020: $110 million) for the six months ended 30 June 2021. The depreciation charges relating to freehold land and buildings was $16 million (2020: $15 million) and relating to plant and equipment was $157 million (2020: $95 million). In this respect, the Group also recognised $16 million (2020: $15 million) interest costs and $28 million (2020: $10 million) income from subleasing right-of-use assets for the six months ended 30 June 2021.

Disclosure of amounts recognised as lease liabilities in the statement of financial position are included in note 12, and future commitments are disclosed in note 16.

Note 7: Investments in associates and joint ventures

US$ million	as at 30.06.2021	as at 31.12.2020
1 January	389	359
Additions	3	16
Share of income from associates and joint ventures	11	16
Share of other comprehensive income from associates and joint ventures	–	2
Dividends received	(9)	(4)
Total	**394**	**389**

Note 8: Advances and loans

US$ million	as at 30.06.2021	as at 31.12.2020
Financial assets at amortised cost		
Loans to associates[1]	24	24
Other non-current receivables and loans	25	31
Non-financial instruments		
Pension surpluses	81	79
Advances repayable with product	10	10
Other non-current receivables	10	10
Total	**150**	**154**

[1] Loans to associates generally bear interest at applicable floating market rates plus a premium.

The Group determines the expected credit loss of other non-current receivables and loans based on different scenarios of probability of default and expected loss applicable to each of the material underlying balances. The movement in loss allowance for financial assets classified at amortised cost is detailed below.

US$ million	as at 30.06.2021	as at 31.12.2020
1 January	4	4
Effect of foreign currency exchange movements	–	(1)
Released during the period	–	1
Total	**4**	**4**

Notes to the consolidated financial statements continued...

Note 9: Inventories

Total inventories of $5,523 million (2020: $5,635 million) comprise $4,710 million (2020: $4,890 million) of inventories carried at fair value less costs of disposal and $813 million (2020: $745 million) valued at the lower of cost or net realisable value.

Readily marketable inventories (RMI), comprising the core inventories which underpin and facilitate Viterra's marketing activities, represent inventories that, in Viterra's assessment, are readily convertible into cash in the short term due to their liquid nature, widely available markets and the fact that price risk is covered either by a forward physical sale or a hedge transaction. Viterra regularly assesses the composition of these inventories and their applicability, relevance and availability to the marketing activities. As at 30 June 2021, $5,387 million (2020: $5,497 million) of inventories were considered readily marketable. This comprises $4,710 million (2020: $4,890 million) of inventories carried at fair value less costs of disposal and $677 million (2020: $607 million) carried at the lower of cost or net realisable value. Given the highly liquid nature of these inventories, which represent a significant share of current assets, the Group believes it is appropriate to consider them together with cash equivalents in analysing Group net debt levels and computing certain debt coverage ratios and credit trends.

No charge has been recognised during 2021 in respect of write-downs of inventory to net realisable value (2020: $nil).

Fair value of inventories is a Level 2 fair value measurement (see note 15) using observable market prices obtained from exchanges, traded reference indices or market survey services adjusted for relevant location and quality differentials. There are no significant unobservable inputs in the fair value measurement of such inventories.

Viterra has a number of dedicated financing facilities, which finance a portion of its inventories. In each case, the inventory has not been derecognised as the Group retains control of the inventory. The proceeds received are recognised as current borrowings (see note 12). As at 30 June 2021, the total amount of inventory secured under such facilities was $578 million (2020: $833 million) and proceeds received and classified as current borrowings amounted to $387 million (2020: $687 million).

Note 10: Accounts receivable

US$ million	as at 30.06.2021	as at 31.12.2020
Financial assets at amortised cost		
Trade receivables[1]	1,563	1,303
Margin calls paid	312	609
Associated companies[1]	14	13
Other receivables[2]	19	12
Non-financial instruments		
Advances repayable with product	191	130
Prepaid expenses	40	25
Other tax and related receivables	283	275
Total	**2,422**	**2,367**

[1] Collectively referred to as receivables presented net of loss allowance.
[2] Includes loans receivable in the amount of $4 million (2020: $4 million), present net of loss allowance.

Viterra has a number of dedicated financing facilities, which finance a portion of its receivables. The receivables have not been derecognised, as the Group retains the principal risks and rewards of ownership. The proceeds received are recognised as current borrowings (see note 12). As at 30 June 2021, the total amount of trade receivables secured was $784 million (2020: $416 million) and proceeds received and classified as current borrowings amounted to $341 million (2020: $308 million).

Note 10: Accounts receivable continued...

The movement in the loss allowance is detailed below:

US$ million	as at 30.06.2021	as at 31.12.2020
1 January	91	86
Released during the period	(13)	(32)
Charged during the period	23	70
Utilised during the period	(2)	(33)
Total	**99**	**91**

Note 11: Cash and cash equivalents

US$ million	as at 30.06.2021	as at 31.12.2020
Bank and cash on hand	234	256
Deposits and treasury bills	77	71
Total	**311**	**327**

There were no restricted cash amounts at either 30 June 2021 or 31 December 2020.

Note 12: Borrowings

US$ million	Notes	as at 30.06.2021	as at 31.12.2020
Non-current borrowings			
Capital market notes[1]		1,189	–
Revolving credit facility[2]		1,986	1,843
Lease liabilities		526	411
Other bank loans		282	322
Total non-current borrowings		3,983	2,576
Current borrowings			
Secured inventory/receivables facilities	9, 10	728	995
Lease liabilities		402	203
Other bank loans[3]		2,565	3,155
Total current borrowings		**3,695**	**4,353**

[1] Includes capitalised issuance costs of $8 million (2020: nil).
[2] Includes capitalised issuance costs of $13 million (2020: $6 million).
[3] Comprises various uncommitted bilateral bank credit facilities and other financings.

Notes to the consolidated financial statements continued...

Note 12: Borrowings continued...

The capital market notes comprise two tranches of $600 million coupon bonds, issued in April 2021. The first tranche of $600 million carries a 2% coupon with maturity in April 2026 and the second tranche of $600 million carries a 3.2% coupon with maturity in April 2031. Interest payments are due bi-annually in April and October of each year, commencing in October 2021. Other non-current bank loans mainly include a loan with an outstanding balance of $205 million (2020: $237 million) at an interest rate of LIBOR +453 basis points (bps), a facility obtained by the Group with an outstanding balance of $15 million (2020: $29 million) at an interest rate of US$ CIRR +0 bps, and various loans received by sugar, wheat milling and port assets in Brazil of $15 million (2020: $28 million) denominated in USD and BRL and bearing various fixed interest rates.

The outstanding secured inventory/receivables facilities of $728 million (2020: $995 million) are comprised of an inventory borrowing base facility of $387 million (2020: $687 million) that accumulates interest at a rate of BBSY +80 bps and a borrowing base facility of $341 million (2020: $308 million) at an interest rate of US$ LIBOR +90 bps as at 30 June 2021.

Revolving credit facility

2021

On 12 May 2021, Viterra signed a $3.515 billion one-year revolving credit facility with a twelve-month borrower's term-out option (to May 2023), and a twelve-month lender's extension option. This facility refinanced the $3.040 billion revolving credit facility signed in 2020.

On 12 May 2021, a $570 million three-year revolving credit facility was signed with two one-year extension options at the lender's discretion.

Funds drawn under the new facilities bear interest at US$ LIBOR plus a margin of 65 and 70 bps per annum, respectively.

On 21 April 2021, Viterra cancelled the €345 million one-year bridge revolving credit facility in accordance with the revolving facility agreement.

2020

On 14 May 2020, Viterra signed a $2.955 billion one-year revolving credit facility with a twelve-month borrower's term-out option (to May 2022), and a twelve-month lender's extension option. This facility refinanced the $2.940 billion revolving credit facility signed in May 2019. On 13 August 2020, this facility was increased to $3.040 billion.

On 14 May 2020, $540 million out of the $600 million three-year revolving credit facility was extended with an additional year, with $60 million out of the $600 million having a remaining tenure of two years. Funds drawn under the new and extended facilities bear interest at US$ LIBOR plus a margin of 75 and 60 bps per annum, respectively.

On 31 July 2020, Viterra signed a €345 million one-year bridge revolving credit facility with a six-month extension option. Funds drawn under the facility bear interest at EURIBOR plus a margin between 110 and 180 bps per annum.

On 16 December 2020, Viterra signed a new $300 million one-year revolving credit facility with a twelve-month lender's extension option. Funds drawn under the facility bear interest at US$ LIBOR plus a margin of 80 bps per annum. No funds were drawn under this facility as at 31 December 2020. This facility was increased with $10 million in February 2021.

Note 12: Borrowings continued…

Reconciliation of cash flow to movement in borrowings

US$ million	H1 2021	H2 2020	H1 2020
Cash related movements in borrowings[1]			
Proceeds from issuance/(repayment) of capital market notes[2]	1,189	(400)	–
Proceeds from/(repayment of) other non-current bank facilities	105	(53)	(780)
(Repayment of)/proceeds from current borrowings – net	(855)	2,207	(291)
Repayments for lease liabilities	(167)	(117)	(103)
	272	1,637	(1,174)
Non-cash related movements in borrowings			
Borrowings acquired in acquisition of subsidiaries	–	30	–
Foreign exchange movements	(3)	61	(81)
Change in lease liabilities	476	110	131
Other non-cash movements	4	(1)	(4)
	477	200	46
Increase/(decrease) in borrowings for the period	749	1,837	(1,128)
Total borrowings – opening	6,929	5,092	6,220
Total borrowings – closing	**7,678**	**6,929**	**5,092**

[1] See consolidated statement of cash flows.
[2] Net of issuance costs of $8 million.

Note 13: Accounts payable

US$ million	as at 30.06.2021	as at 31.12.2020
Financial liabilities at amortised cost		
Trade payables	2,128	2,246
Margin calls received	48	5
Associated companies	7	8
Other payables and accrued liabilities	74	97
Non-financial instruments		
Advances settled in product	40	58
Payables to employee	73	109
Other tax and related payables	37	33
Total	**2,407**	**2,556**

Trade payables typically have maturities up to 90 days depending on the type of material and the geographic area in which the purchase transaction occurs and the agreed terms. The carrying value of trade payables approximates fair value.

Notes to the consolidated financial statements continued...

Note 14: Financial instruments

Fair value of financial instruments

The following tables present the carrying values and fair values of Viterra's financial instruments. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (most advantageous) market at the measurement date under current market conditions. Where available, market values have been used to determine fair values.

Financial assets and liabilities are presented by class in the table below at their carrying values, which approximate the fair values with the exception of $1,189 million of capital market notes, the fair value of which at 30 June 2021 was $1,200 million based on observable market prices applied to the borrowing portfolio (a Level 1 fair value measurement).

US$ million **As at 30 June 2021**	Notes	Amortised cost	FVtOCI[1]	FVtPL[2]	Total
Assets					
Other investments[3]		–	10	36	46
Advances and loans	8	49	–	–	49
Accounts receivable	10	1,908	–	–	1,908
Other financial assets	15	–	–	2,361	2,361
Cash and cash equivalents[4]	11	311	–	–	311
Total financial assets		**2,268**	**10**	**2,397**	**4,675**
Liabilities					
Borrowings	12	7,678	–	–	7,678
Accounts payable	13	2,257	–	–	2,257
Other financial liabilities	15	–	–	1,541	1,541
Total financial liabilities		**9,935**	**–**	**1,541**	**11,476**

[1] FVtOCI – Fair value through other comprehensive income. Loss on equity instruments recognised in other comprehensive income in 2021 comprised $1 million.

[2] FVtPL – Fair value through profit and loss.

[3] Other investments of $40 million are classified as Level 1 measured using quoted market prices with the remaining balance of $6 million being investments in private companies, classified as Level 2 measured using discounted cash flow models.

[4] Classified as Level 1, measured using quoted exchange rates and/or market prices.

Note 14: Financial instruments continued...

US$ million As at 31 December 2020	Notes	Amortised cost	FVtOCI[1]	FVtPL[2]	Total
Assets					
Other investments[3]		–	10	54	64
Advances and loans	8	55	–	–	55
Accounts receivable	10	1,937	–	–	1,937
Other financial assets	15	–	–	2,035	2,035
Cash and cash equivalents[4]	11	327	–	–	327
Total financial assets		**2,319**	**10**	**2,089**	**4,418**
Liabilities					
Borrowings	12	6,929	–	–	6,929
Accounts payable	13	2,356	–	–	2,356
Other financial liabilities	15	–	–	2,012	2,012
Total financial liabilities		**9,285**	**–**	**2,012**	**11,297**

[1] FVtOCI – Fair value through other comprehensive income. Gain on equity instruments recognised in other comprehensive income in 2020 comprised $nil million.
[2] FVtPL – Fair value through profit and loss.
[3] Other investments of $57 million are classified as Level 1 measured using quoted market prices with the remaining balance of $7 million being investments in private companies, classified as Level 2 measured using discounted cash flow models.
[4] Classified as Level 1, measured using quoted exchange rates and/or market prices.

Note 15: Fair value measurements

Fair values are primarily determined using quoted market prices or standard pricing models using observable market inputs where available and are presented to reflect the expected gross future cash in/outflows. Viterra classifies the fair values of its financial instruments into a three-level hierarchy based on the degree of the source and observability of the inputs that are used to derive the fair value of the financial asset or liability as follows:

Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that Viterra can assess at the measurement date; or

Level 2 Inputs other than quoted inputs included in Level 1 that are observable for the assets or liabilities, either directly or indirectly; or

Level 3 Unobservable inputs for the assets or liabilities, requiring Viterra to make market-based assumptions.

Level 1 classifications include futures and options that are exchange traded, whereas Level 2 classifications primarily include swaps and physical forward transactions which derive their fair value primarily from exchange quotes and readily observable broker quotes.

It is Viterra's policy that transactions and activities in trade related financial instruments be concluded under master netting agreements or long form confirmations to enable balances due to/from a common counterparty to be offset in the event of default, insolvency or bankruptcy by the counterparty.

The following tables show the fair values of the derivative financial instruments including trade related financial and physical forward purchase and sale commitments by type of contract and non-current other financial liabilities as at 30 June 2021 and 31 December 2020. Other assets and liabilities which are measured at fair value on a recurring basis are biological

Notes to the consolidated financial statements continued...

Note 15: Fair value measurements continued...

assets, marketing inventories, other investments, and cash and cash equivalents. Refer to notes 9, 11 and 14 for disclosure in connection with these fair value measurements. There are no non-recurring fair value measurements.

Other financial assets
US$ million

As at 30 June 2021	Level 1	Level 2	Level 3	Total
Commodity related contracts				
Futures	268	–	–	268
Options	25	–	–	25
Physical forwards	1	1,890	–	1,891
Financial contracts				
Foreign currency and interest rate	–	177	–	177
Total	**294**	**2,067**	**–**	**2,361**

Other financial liabilities
US$ million

As at 30 June 2021	Level 1	Level 2	Level 3	Total
Commodity related contracts				
Futures	342	–	–	342
Options	23	–	–	23
Physical forwards	2	1,036	–	1,038
Financial contracts				
Foreign currency and interest rate	–	138	–	138
Total	**367**	**1,174**	**–**	**1,541**

Other financial assets
US$ million

As at 31 December 2020	Level 1	Level 2	Level 3	Total
Commodity related contracts				
Futures	172	–	–	172
Options	22	–	–	22
Swaps	–	3	–	3
Physical forwards	1	1,545	–	1,546
Financial contracts	–	–	–	–
Foreign currency	3	289	–	292
Total	**198**	**1,837**	**–**	**2,035**

Other financial liabilities
US$ million

As at 31 December 2020	Level 1	Level 2	Level 3	Total
Commodity related contracts				
Futures	695	–	–	695
Options	12	–	–	12
Physical forwards	2	1,016	–	1,018
Financial contracts				
Foreign currency	–	287	–	287
Total	**709**	**1,303**	**–**	**2,012**

Note 15: Fair value measurements continued…

During the period no amounts were transferred between Level 1 and Level 2 of the fair value hierarchy and no amounts were transferred into or out of Level 3 of the fair value hierarchy for either other financial assets or other financial liabilities.

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table provides information about how the fair values of these financial assets and financial liabilities are determined, in particular, the valuation techniques and inputs used.

Fair value of financial assets/financial liabilities US$ million			as at 30.06.2021	as at 31.12.2020
Futures – Level 1		Assets Liabilities	268 (342)	172 (695)
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			
Options – Level 1		Assets Liabilities	25 (23)	22 (12)
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			
Swaps – Level 2		Assets Liabilities	– –	3 –
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, as required.			
Significant unobservable inputs:	None			
Physical Forwards – Level 1		Assets Liabilities	1 (2)	1 (2)
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			
Physical Forwards – Level 2		Assets Liabilities	1,890 (1,036)	1,545 (1,016)
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, such as history of non-performance, collateral held and current market developments, as required.			
Significant unobservable inputs:	None			
Foreign currency – Level 1		Assets Liabilities	– –	3 –
Valuation techniques and key inputs:	Quoted bid prices in an active market			
Significant unobservable inputs:	None			
Foreign currency – Level 2		Assets Liabilities	177 (138)	289 (287)
Valuation techniques and key inputs:	Discounted cash flow model Inputs include observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities. Prices are adjusted by a discount rate which captures the time value of money and counterparty credit considerations, as required.			
Significant unobservable inputs:	None			

Notes to the consolidated financial statements continued…

Note 16: Future commitments

Capital expenditure for the acquisition of property, plant and equipment is generally funded through the cash flow generated by the respective industrial entities. As at 30 June 2021, $105 million (2020: $138 million), of which 99% (2020: 89%) relates to expenditure to be incurred over the next year, was contractually committed for the acquisition of property, plant and equipment.

Viterra procures seagoing vessels/chartering services to meet its overall marketing objectives and commitments. As at 31 December 2021, Viterra has committed to future vessel hire costs to meet future physical delivery and sale obligations for an amount of $429 million (2020: $106 million), of which $352 million, or 82% (2020: 98%), of the total charters is for services to be received over the next two years. Once the chartering date is reached, the vessels and related liabilities are accounted for as leases.

Total future commitments relating to leases are aged as follows:

US$ million	2021	2020
Within 1 year	280	104
Between 2 and 5 years	155	3
After 5 years	1	2
Total	**436**	**109**

As part of Viterra's ordinary sourcing and procurement of physical commodities and other ordinary marketing obligations, the selling party may request that a financial institution act as either a) the paying party upon the delivery of product and qualifying documents through the issuance of a letter of credit or b) the guarantor by way of issuing a bank guarantee accepting responsibility for Viterra's contractual obligations. In addition, Viterra is required to post pension guarantees in respect of its future obligations. As at 30 June 2021, $308 million (2020: $254 million) of such commitments have been issued on behalf of Viterra, which will generally be settled simultaneously with the payment for such commodity or rehabilitation and pension obligation.

Note 17: Contingent liabilities

The amount of corporate guarantees in favour of third parties as at 30 June 2021 was $23 million (2020: $24 million).

The Group is subject to various claims which arise in the ordinary course of business as detailed below. These contingent liabilities are reviewed on a regular basis and where practical an estimate is made of the potential financial impact on the Group. As at 30 June 2021 and 31 December 2020, the Group identified no material contingent liabilities.

In March 2019, the Competition Commission of India visited the office of the Group's business in India. Management currently understands this relates to suspected allegations of cartelisation in the years 2015 and 2016. While the Group believes the allegations have no grounds, the investigations are ongoing and the outcome is currently uncertain.

Litigation

Certain legal proceedings, claims and unresolved disputes are pending against Viterra in respect of which the timing of resolution and potential outcome (including any future financial obligations) are uncertain and no liabilities have been recognised in relation to these matters.

Environmental contingencies

Viterra's operations are subject to various environmental laws and regulations. Viterra is in material compliance with those laws and regulations. Viterra accrues for environmental contingencies when such contingencies are probable and reasonably estimable. Such accruals are adjusted as new information develops or circumstances change. Recoveries of environmental remediation costs from insurance companies and other parties are recorded as assets when the recoveries are virtually certain. At this time, Viterra is unaware of any material environmental incidents at its locations.

Tax audits

Viterra is exposed to tax risks and uncertainty over tax treatments. Viterra assesses its tax treatments for all tax years open to audit based upon the latest information available. For those that are not expected to be accepted by tax authorities, the Group records its best estimate of these tax liabilities, including related interest charges. Viterra uses the most likely amount or expected value of the tax treatment in line with IFRIC 23. Inherent uncertainties exist in estimates of tax contingencies due to complexities of interpretation and changes in tax laws. Whilst Viterra believes it has adequately provided for the outcome of these matters, future results may include favourable or unfavourable adjustments to these estimated tax liabilities in the period the assessments are made, or resolved.

In July 2018, the Canada Revenue Agency (CRA) commenced an audit of Viterra Canada Inc.'s tax return for the fiscal year 2014. Following the completion of the audit, the CRA issued a material reassessment in December 2020 for which the Company has not recognised a provision. Although inherent uncertainties exist in estimates of tax contingencies due to complexities of interpretation and changes in tax laws, the Company is of the view that no significant changes are required to be made to its tax position.

Note 18: Subsequent events

No material subsequent events occurred until the date these financial statements were authorised for issue.

Board and Executive

Board

David Mattiske
Chief Executive Officer

Chris Mahoney
Non-Executive Director, Glencore plc

Markus Walt
Head of Business Development, Glencore plc

Bruce Hogg
Managing Director, Head of Power and Renewables, CPP Investments

James Bryce
Managing Director, Portfolio Value Creation, CPP Investments

Lincoln Webb
Senior Vice-President, Infrastructure and Renewable Resource Capital, BCI

Peter Mouthaan
Chief Financial Officer and permanent board observer

Matthew Weber
Company Secretary

Executive

David Mattiske
Chief Executive Officer

Francis Mardon
Executive Director Oilseeds Marketing

Richard Klein
Executive Manager Chartering

Kyle Jeworski
Executive Director North America

Philip Hughes
Executive Manager ANZ

Peter Mouthaan
Chief Financial Officer

Bas van Hoorn
Executive Director Grains Marketing

Mieke Pattenier
Executive Manager Human Resources & Communications

Celso Bermejo
Executive Manager Brazil

Matthew Weber
General Counsel

Colin Iles
Executive Manager, Marketing Cotton & Sugar

Vladimir Barisic
Executive Manager Argentina

Joanna Lim
Executive Manager Asia

Disclaimer

This document contains statements that are, or may be deemed to be, ‘forward-looking statements’ which are prospective in nature. These forward-looking statements may be identified by the use of forward-looking terminology, or the negative thereof such as ‘outlook’, ‘plans’, ‘expects’ or ‘does not expect’, ‘is expected’, ‘continues’, ‘assumes’, ‘is subject to’, ‘budget’, ‘scheduled’, ‘estimates’, ‘aims’, ‘forecasts’, ‘risks’, ‘intends’, ‘positioned’, ‘predicts’, ‘anticipates’ or ‘does not anticipate’, or ‘believes’, or variations of such words or comparable terminology and phrases or statements that certain actions, events or results ‘may’, ‘could’, ‘should’, ‘shall’, ‘would’, ‘might’ or ‘will’ be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Forward-looking statements are not based on historical facts, but rather on current predictions, expectations, beliefs, opinions, plans, objectives, goals, intentions and projections about future events, results of operations, prospects, financial condition and discussions of strategy. By their nature, forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond Viterra’s control. Forward-looking statements are not guarantees of future performance and may and often do differ materially from actual results.

Neither Viterra nor any of its associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur. You are cautioned not to place undue reliance on these forward-looking statements which only speak as of the date of this document. Other than in accordance with its legal or regulatory obligations, Viterra is not under any obligation and Viterra and its affiliates expressly disclaim any intention, obligation or undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. This document shall not, under any circumstances, create any implication that there has been no change in the business or affairs of Viterra since the date of this document or that the information contained herein is correct as at any time subsequent to its date.

No statement in this document is intended as a profit forecast or a profit estimate. This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any securities. The making of this document does not constitute a recommendation regarding any securities.

The companies in which Viterra Ltd. directly and indirectly has an interest are separate and distinct legal entities. In this document, ‘Viterra’, ‘the Group’ and ‘Group’ are used for convenience only where references are made to Viterra Ltd. and its subsidiaries in general. These collective expressions are used for ease of reference only and do not imply any other relationship between the companies. Likewise, the words ‘we’, ‘us’ and ‘our’ are also used to refer collectively to members of the Group or to those who work for them. These expressions are also used where no useful purpose is served by identifying the particular company or companies.

Enquiries

investor.relations@viterra.com

T: +1 (306) 569 6673
jeff.cockwill@viterra.com

Find out more at
viterra.com

Bringing producers and consumers together in a **world-leading agriculture network**

Find out more at
viterra.com