



Margaret A. Cargill
PHILANTHROPIES

2016 ANNUAL REPORT: LIVING OUR PROMISE



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ON COVER: The Margaret A. Cargill Philanthropies brand promise is featured prominently near the building's entrance: *Engage. Build Trust. Make a Difference.*

RIGHT: Margaret A. Cargill Philanthropies celebrated its move back to an expanded headquarters with a ribbon cutting ceremony for employees and board members in April 2016.



A LETTER FROM THE CEO: PEOPLE, PLACES, AND LIVING OUR PROMISE



Margaret Cargill, our founder, was drawn to people and places. When she met you, she wanted to know all about you—from where you grew up, to what you did, to how you saw the world. And if you happened to live in Minnesota, California, the Pacific Northwest, or any of the other places she had seen and fallen in love with, her blue eyes gleamed with interest. Places were special to Margaret. Only people, and maybe her pets, were more special.

2016 brought a host of changes at Margaret A. Cargill Philanthropies. Many involved refining and integrating our grantmaking strategies, while others involved transitioning legal structures and key operational processes. These changes are summarized in the pages that follow, along with highlights that reflect new activities and progress in our seven distinct grantmaking domains.

I encourage you to read these stories from the field. In reflecting back on 2016 with an eye for themes, it seems clear that many of the most significant changes could easily be sorted into two categories: “People” and “Places.”

A NEW HQ. In April 2016, after more than a year in transition, we moved back to our address on Rowland Road, occupying an

expanded facility that reflects our founder’s intent in various ways. Our new home is infused with the kind of art that energized Margaret—Scandinavian tapestries, Native American sculptures—and it is informed by her environmental values. Sustainable, recycled, and regionally sourced materials comprised more than 90% of our construction efforts, and we employed innovative solar, geothermal, and water management solutions throughout the project. The Preserve, as we call the grounds, also reflects Margaret’s appreciation for contemplation and connection with nature: outdoor meeting areas, walking paths, and a garden surround the expanded building.

A RESTRUCTURED AND EXPANDED STAFF. The first step of integrating the strategies of our individual grantmaking entities into a single organization, becoming what we call “One MACP,” required a restructuring of our work force. In 2016, we reconfigured teams, re-examined our focus in several programmatic areas, laid the groundwork to unify our processes, and hired new staff members. To our delight, our new facility is filling quickly!

All of the changes we initiated or brought to completion in 2016 were aligned with our mission, but they were also rooted in our brand promise: *Engage. Build Trust. Make a Difference.* A decade after Margaret’s passing, our work to invest in the causes and concerns she cared about is beginning to result in significant progress and measurable impact. The decade ahead will bring many changes, to be sure. But MACP’s ongoing focus on people, places, and living our promise to our donor will remain a constant.

We look forward to sharing our successes with you as we move ahead in 2017 and beyond.

Warm Regards,

A handwritten signature in blue ink that reads "Christy Morse". The signature is fluid and cursive, with a large initial 'C'.

Christine M. Morse, CEO and Board Chair
Margaret A. Cargill Philanthropies

OUR COMMON MISSION

To provide
meaningful
assistance and
support to society,
the arts, and the
environment.



2016: A YEAR OF INTEGRATION AND IMMERSION

“We began the year with a map in hand and our destination in sight: Our singular goal was to integrate our teams and grantmaking strategies to drive efficiency and achieve greater impact. We called that effort *One MACP*, and it involved everyone across the organization.”

— PAUL BUSCH, PRESIDENT, MARGARET A. CARGILL PHILANTHROPIES



Margaret A. Cargill
PHILANTHROPIES

Early in 2016, we announced our plan to organize our grant-making teams and strategies under the umbrella of Margaret A. Cargill Philanthropies. We believe that One MACP, as we call this approach, will provide a shared programmatic lens that offers clarity to grantees and increased efficiency and impact in the work done by our staff. We spent 2016 building out and beginning to implement our One MACP approach.

One MACP unites the best of our grantmaking practices, allowing us to maintain the deep connections we've developed with our longstanding grantees and forge stronger relationships with new ones. It also anchors all of our efforts in strategies that are integrated across our grantmaking entities, ultimately helping us make a meaningful, measurable, and sustainable difference against priority problems in our seven domains: Animal Welfare, Arts & Cultures, Disaster Relief & Recovery, Environment, Legacy & Opportunity, Quality of Life, and Teachers.

GRANTMAKING STRATEGY

Led by our boards, we began reviewing our overall grantmaking strategies to ensure they clearly reflect our mission, our donor's intent, and our boards' priorities—and do so with the maximum impact in communities we seek to serve.

We believe an integrated grantmaking strategy will enable us to apply staff expertise where it is most needed, assess risk appropriately as we award and review grants, and work with our grantees more effectively as we investigate potential matches between their programmatic needs and our funding priorities. In addition, we began developing a common set of processes and tools to unify grantmaking activities as we apply our integrated One MACP approach to our domains.

LEFT: This river in the Lalitpur community of western Nepal floods annually. MACP supported MercyCorps' work with the local community to minimize the effects of flooding and river-shifting (see page 12).



ABOVE: The main entrance of the expanded Margaret A. Cargill Philanthropies in Eden Prairie, Minnesota.

PAGE 6: Children playing in the sands of a Vanuatu beach in calmer times. Vanuatu has been struck by several powerful hurricanes over the past decade—including Hurricane Pam in March 2015, which hit the island at the equivalent of a category five hurricane. Several MACP grantees, including Oxfam America, provided much-needed support in its wake.

GOVERNANCE

In 2016, we finalized all the regulatory and legal steps required to proceed with planned governance changes. In 2017, the Philanthropies will operate as two grantmaking entities: Margaret A. Cargill Foundation and Anne Ray Foundation. By streamlining our governance structure, we will be able to operate more efficiently and effectively as we carry out Margaret Cargill's philanthropic wishes. By early 2017, all of our assets will be officially transferred to these new foundations.

HOMEcoming: THE PRESERVE

After more than a year in temporary offices, we moved back to our address on Rowland Road in April 2016, settling quickly in an expanded building that was part renovation, part new addition. Nicknamed "The Preserve," our new home is both beautiful and state-of-the-art, and it treads lightly on our prairie-wetland campus.

Focusing on sustainable design practices, we were able to expand our building's size while reducing its overall environmental impact, including features such as:

- Photovoltaic and solar thermal panels are expected to provide 15% of the electricity required to operate our facility and 70% of the energy needed to heat our water.
- A remarkable geothermal system heats and cools our space.
- Up to 55,000 gallons of rainwater and greywater can be stored onsite, which will be used to sustain the native plantings, gardens, and orchard.
- Low-flow and sensor-activated water fixtures reduce water use by nearly 40%.
- Wood flooring, office doors, plumbing fixtures, lighting, and even rugs and draperies were among the many materials from the existing building that were reused.

- For the new construction, 42% of the materials used were locally sourced and 39% had recycled content. Nearly all of the wood (95%) was Forest Stewardship Council (FSC) certified, meaning it was harvested from responsibly managed forests.

In addition to these sustainability initiatives, it was important to create a welcoming and collaborative space for our employees, partners, and visitors. Our new headquarters feels at times like a home, and that's intentional. We believe strongly that our building should be a place where everyone feels welcomed and can work productively and comfortably.

ENGAGE. BUILD TRUST. MAKE A DIFFERENCE.

We believe the calibrations and clarifications we have made to integrate our domain strategies and unify our approach over 2016 will ultimately benefit our many grantees, create organizational efficiencies, and result in greater and deeper impact across our grantmaking domains.

All of these changes are aimed at fulfilling our mission and positioning MACP for the years ahead. But even as we looked to the future, our most important efforts were in support of the ongoing work of our most vital partners, our grantees. In 2016, we made 375 grants totaling \$263 million across our seven domains, and we have profiled several of those grants in this year's annual report.

Our efforts to realign MACP's structure and strategies in 2016 confirmed our continued dedication to donor intent, as well as our commitment to make a meaningful, measurable, and sustainable difference in the world. It was a year where every effort across Margaret A. Cargill Philanthropies reflected our dedication to *Living Our Promise*.



*Conservation of natural resources
and protection of natural habitats*

AREAS OF INTEREST

Coastal Ecosystems
Freshwater Ecosystems
Tropical Forests
Grasslands

The Northern Great Plains spans five western states and two Canadian provinces, encompassing more than 180 million acres of grassland. This windswept landscape is home to numerous plant species and shelters and supports pronghorn, swift fox, black-footed ferret, and other wildlife populations. One of just four major intact temperate grasslands remaining in the world, the region presents a tremendous opportunity and challenge for large-scale conservation.

PAGE 8: A Supervisory Wildlife Biologist at the U.S. Fish and Wildlife Service at the Charles M. Russell National Wildlife Refuge in Montana stands above the Missouri River.



CONSERVING ECOSYSTEMS

With the aim of sustaining this landscape for generations, in 2016 MACP renewed a grant with the National Fish and Wildlife Foundation (NFWF). Dedicated to sustaining, restoring, and enhancing the nation's fish, wildlife, plants, and habitats, NFWF serves as our thought partner, funding partner, and key intermediary in the Northern Great Plains, making sub-grants that drive multiple field projects and build local capacity. The organization works with the private landowners, Native American tribes, and government agencies that own much of the land to foster management that sustains ecosystem functions, native plant and wildlife populations, and healthy human communities.

Such engagement with local stakeholders reflects MACP's deep commitment to finding locally-driven solutions to environmental conservation issues.

2016 brought additional refinement to MACP's Environment domain goals. We are committed to furthering conservation of ecosystems, with a focus on tropical forests, grasslands, freshwater ecosystems, and coastal marine areas. Our effort to focus on specific ecosystems and geographies helps our boards, staff, and grantees concentrate their efforts and discern whether our grantmaking investments are having a measurable and meaningful impact.

Our strategy for global impact often means partnering with organizations that have seen success and developed expertise in critical regions of the world. In 2016, members of our staff and boards traveled to Indonesia to observe how our funding of initiatives by ClimateWorks Foundation/Climate and Land Use Alliance (CLUA), World Wildlife Fund (WWF), and The Nature Conservancy (TNC) is helping to curb the loss of tropical forests.

TNC, for example, has been working with local communities and governments in East Kalimantan province for more than a decade to establish new, forest-compatible economic alternatives

DOMAIN: ENVIRONMENT

to destruction driven by the spread of unsustainable agriculture, logging, and mining. Collaboration with Indonesian non-governmental organizations and local communities is now paying off in the form of village rights to forest management; strengthened local governance capacity under energetic leaders; a set of promising sustainable enterprises; and a strategy designed to spread this approach to other villages beyond the two dozen communities where TNC currently works.

Concurrently, WWF has been working with eight community groups in Papua province to create village-level maps of important areas in each community. The results have been used to develop sustainable forestry plans and qualify these villages to become the managers of their traditional territories under Papua and Indonesian law. Similar to the TNC example, the next step will be to extend this approach to many more villages to sustain Papua's native forests at a larger scale.

THIS PAGE: Grazing animals like bison are critical for the health of grasslands.

PAGE 10: Blue swimming hole in Merabu village, Berau, East Kalimantan, Indonesia. Merabu is one of the first traditional communities in East Kalimantan to secure legal rights over their forest in the form of a village forest designation. The Nature Conservancy is supporting this community in establishing sustainable resource management activities that protect the forest while improving livelihoods for the community.

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*Disaster preparedness, relief,
and recovery with emphasis on
low-attention natural disasters*

AREAS OF INTEREST

Preparedness

Relief

Recovery

Some disasters strike without warning—a flood devastates a small town, a storm destroys a fishing village. Other disasters develop slowly—a years-long drought leeches water from agricultural fields, a deep-freeze kills livestock and ruins a local economy. Such crises often vanish from the headlines as quickly as a flash flood sweeps through a ravine. Forgotten by journalists and eclipsed by global humanitarian events, the survivors are left to rebuild their lives with few resources.

PAGE 12: A young boy in the Nuwakot District of Nepal, where the American Red Cross implemented recovery activities after the 2015 earthquakes, including housing and water systems reconstruction.



BOLSTERING SUPPORT PRE AND POST DISASTERS

In 2016, in keeping with our mission, MACP supported the American Red Cross in its response to ten underfunded disasters in ten countries with dollars drawn from the International Emergency Response & Recovery Fund (IERRF). The fund, which the American Red Cross can access in times of unexpected need, enables them to deploy staff, provide materials, and implement cash-related relief quickly and efficiently after a disaster strikes. Last year, the Red Cross used financial resources from the IERRF to respond to extreme winter conditions in Mongolia, typhoon flooding in the Philippines, river flooding in Paraguay, and extreme drought in Ethiopia, among other matters. MACP funds helped communities access clean drinking water, medical supplies, food, and shelter in the wake of these disasters.

Last year also brought a deeper focus on the core elements of disaster work: relief, recovery, and preparedness. While we still provide funding for immediate relief, we have begun to look more closely at how to prepare communities for disaster, giving them the tools and systems they need to be more prepared in the face of the next flood, storm, or drought.

In Nepal, MACP grants support disaster risk reduction and ensure its sustainability by incorporating livelihoods into this effort. Communities built on the country's floodplain are unlikely to relocate in the wake of disaster, so finding ways to minimize effects of torrential rains and flooding is essential to the inhabitants' future and economic stability. In addition, households become vulnerable when men in the community migrate to nearby India in search of jobs, and that vulnerability only increases in the wake of a disaster.

MACP has supported Mercy Corps' work to promote the use of sugar cane plantings as a way to stabilize areas adjacent to riverways, which also improves the livelihoods of households in the region. Through Mercy Corps' innovative efforts, instead of migrating to India, men can stay in the community and earn

DOMAIN: DISASTER RELIEF & RECOVERY

income from producing sugar. This in turn helps build the local economy and decrease dependence on imported sugar. In addition, these efforts help keep families intact, with greater capacity to withstand the next flood, which multiplies the benefits of reducing the impact of flooding in areas that have been reinforced by sugar cane fields.

Mercy Corps' disaster preparedness interventions in Nepal have resulted in the protection of nearly 66 hectares through bio-engineering and structural mitigation, and 139 hectares protected by sugarcane farming.

THIS PAGE: A resident of the Kailali District of Nepal weaves a basket at a Disaster Risk Reduction Fair organized by MACP grantee HelpAge and another local partner. Local associations for older people are supporting livelihood activities, such as basket weaving, to bolster income before and after a disaster.

PAGE 14: In 2016, MACP renewed a grant to Catholic Relief Services (CRS). Phase two of this work will focus on community-level preparedness in Central America and Southeast Asia. In Timor Leste (pictured here), CRS will help communities adapt to recurrent drought through sustainable and drought-resilient agricultural practices, as well as through local savings and lending models to help farmers access funds in times of need. PHOTO COURTESY OF JENNIFER HARDY/CRS.





Folk arts, Native American arts, music, tactile art, and artistically significant crafts that foster human creativity

AREAS OF INTEREST

Native Arts & Cultures

Folk Arts & Cultures

Our home on Rowland Road features the Native American and folk arts that our founder, Margaret Cargill, loved. Ms. Cargill's interests in arts and crafts are reflected throughout our offices, with pieces ranging from Scandinavian weavings to First Nations Totem Poles. Her abiding interest in folk arts, Native arts, music, tactile arts, and artistically significant crafts that foster human creativity is also a vibrant part of our mission and central to our grantmaking programs.

PAGE 16: One of the first celebrations of the MACP-funded Finnish-American Folk Art School was the traditional summer festival of *Juhanus*. PHOTO BY ADAM JOHNSON, BROCKIT, INC. PROVIDED COURTESY OF THE FINNISH-AMERICAN HERITAGE CENTER.



EXPANDING OUR SUPPORT FOR ART AND ARTISTS

2016 saw the official launch of MACP's Folk Arts & Cultures program, with an initial focus on Scandinavian American Folk Arts & Cultures in the Upper Midwest. This launch was the result of eighteen months of strategy development and an additional twelve months spent visiting artists, arts organizations, and institutions of higher education. Upon completing this process, we made grants to eight organizations in six states across the Upper Midwest that provide rich support to artistic communities.

Two of the eight organizations we supported in 2016 include:

FINLANDIA UNIVERSITY'S FINNISH-AMERICAN HERITAGE CENTER (FAHC), a cultural center located on the Keewenaw Peninsula of northern Michigan. A preeminent center for Finnish culture in the United States, it offers educational and cultural programs, features permanent and traveling exhibitions, houses an archive, and publishes a Finnish-American newspaper. Our funding will help establish a Finnish-American Folk Arts School aimed at nurturing a new generation of folk artists and the development of three seasonal Finnish cultural festivals—Festival Ruska (fall), Heikin-paiva (winter), and Juhannus (summer)—that reinforce cultural identity and practice.

PARTNERS FOR SACRED PLACES (PSP), a non-sectarian nonprofit focused on supporting historic sacred places. Because churches are anchor institutions for ongoing practice of Scandinavian American folk arts and cultures in many communities, MACP sees great opportunity in connecting with artists through such institutions. Our funding supports PSP's work in multiple historic Scandinavian heritage churches in the Upper Midwest, assisting them with repair and restoration projects and activities that engage local artists and artisans.

DOMAIN: ARTS & CULTURES

Sharing findings from our grantees' work to support arts and cultural development deep within communities is embedded in MACP's approach. In September 2016, we hosted a convening in Seattle of eight Native Arts & Cultures grantees who serve Native artistic and cultural communities of practice in the Pacific Northwest. The event confirmed our commitment to share the progress of our partners, to discuss what we have learned, and to spend time reflecting on methods for measuring impact at the community level. Grantees were inspired and energized by each other's work, and valuable connections were made that will contribute to a supportive network.

As the year closed, we began preliminary research around expanding our grantmaking into Central Appalachia. Our ultimate goal is to support and sustain the intergenerational transfer of artistic skill and cultural knowledge across our regions of interest. Through these efforts, we believe Native arts and cultures and folk arts and cultures will be more deeply understood, more broadly recognized, and more widely practiced.

THIS PAGE AND PAGE 18: In 2016, we engaged a family of Native master artists, Dempsey Bob, Ken McNeil, and Stan Bevan (shown here) to carve Totem Poles that tell the story of Margaret Cargill and her philanthropies. The artists are instructors at MACP grantee Freda Diesing School of Northwest Coast Art, and the poles they created were raised in a traditional ceremony at our headquarters in November of 2016.





Care of domestic and injured wild animals; increasing empathy toward animals among children and adults

AREAS OF INTEREST

Companion Animals

Empathy through Accredited Zoos and Aquariums

Wildlife Rehabilitation and Restoration

Like many cities, Milwaukee has faced economic struggles in recent decades. In neighborhoods where poverty rates are especially high, financial challenges can impact both people and pets. Initial outreach by the Wisconsin Humane Society in one of the city's most disadvantaged communities found that just 9% of the neighborhood's pets were sterilized. Cost, lack of transportation to a sterilization clinic, and distrust of animal welfare organizations were all contributing factors.

PAGE 20: A young dog owner attends a Wisconsin Humane Society Pets for Life public vaccination event in Milwaukee. PHOTO COURTESY OF WISCONSIN HUMANE SOCIETY.



SERVING ANIMALS AND PEOPLE IN URBAN NEIGHBORHOODS

MACP helps local organizations expand capacity to address the needs of animals, both in shelters and in communities. A recent Animal Welfare grant to the Wisconsin Humane Society (WHS) helped launch a low-cost spay/neuter clinic, the first in Milwaukee. The new clinic allows WHS to deliver four times as many surgeries each year through a facility that specializes in low-cost, high-quality, high-volume spay/neuter services.

Our funding also supported WHS's Pets for Life program, a revolutionary approach to companion animal welfare developed by MACP grantee The Humane Society of the United States. Recognizing a lack of trust between animal welfare organizations and low-income community members, and addressing a lack of veterinary services in these areas, the program focuses on building relationships in targeted neighborhoods to provide wellness services for pets, including transportation to the clinic. This support helped expand outreach efforts that are expected to result in approximately 3,000 spay/neuter surgeries in the area.

Last year, WHS added a new dimension to its work by partnering with the University of Wisconsin Shelter Medicine Program. Veterinary students on rotation from the University visit Pets for Life clients in Milwaukee, providing free veterinary care. In addition to helping pets in under-resourced communities, the program gives students a chance to experience the love and dedication these owners have for their pets. The program bridges a significant gap in services and raises awareness of these needs for the next generation of veterinarians.

2016 marked the third year of strategic grantmaking in this domain, allowing us to see projects like these come to fruition. Results also began emerging from the empathy program, where grantees like Woodland Park Zoo, Seattle Aquarium, and Point Defiance Zoo & Aquarium began sharing what they have learned about promoting empathy for animals, along with best practices for assessing effectiveness of these efforts.

DOMAIN: QUALITY OF LIFE

*Supporting life's journey at
vulnerable stages for children,
young adults, families, and
the aging*

One of the newest grantmaking domains to emerge from MACP's strategy development is Quality of Life, which focuses on supporting vulnerable populations in underserved and rural communities.

PAGE 22: Some of Margaret Cargill's earliest charitable giving centered on youth aquatics, particularly swimming lessons and water safety. That support continues with MACP's funding for YMCA of the USA's (Y-USA) many swim programs. PHOTO COURTESY OF Y-USA.



CARING FOR CHILDREN AND AGING POPULATIONS

Our Aging Services work focuses on Minnesota, Wisconsin, North Dakota, South Dakota, Washington, Montana, and Alaska —states with rural areas where services for older adults can be limited. A first-time grantee in this domain was University of North Dakota's (UND) Center for Rural Health. UND is working with the Spirit Lake Nation to help Native elders, focusing on building supports and services that allow them to age in place.

Many older adults prefer to remain at home as they age. MACP's grant will help the University develop services that meet the needs of such individuals—establishing the first qualified service provider agency that is tribally owned in North Dakota. This model could be replicated in other Tribal Communities and reduce problems associated with low numbers of home health aides, nursing assistants, and personal care aides in rural areas.

At the other end of the age spectrum, MACP is working to boost quality of life for young people. With grants to the national YMCA over the past three years, we have supported more than 500 local YMCAs in providing swim lesson scholarships to more than 50,000 children. Drowning is the second leading cause of injury-related death for children under fourteen, claiming two-three lives each day. African American children drown at rates more than five times higher than Caucasian children, with the greatest disparity among children ages eleven-twelve years, where the drowning rate in swimming pools is ten times higher.

Children at the highest risk of drowning in America also have the most limited access to facilities that teach water safety. To help put a stop to this epidemic, the YMCA, with funding from MACP, launched its Safety Around Water program in 2015, teaching young people to master swim skills and offering free swim lessons in underserved communities. Since 2013, MACP has provided support to Y-USA for swim scholarships and programs reaching nearly 57,000 youth. With continued support in 2017, that number will increase to 84,750 youth impacted through our partnership with YMCA of the USA on water safety.

DOMAIN: TEACHERS

Recruitment, training, and retention of qualified people for the teaching profession and maintaining their skills at the highest level

AREAS OF INTEREST

Arts Education

Teaching is a tough but rewarding job, and educators working in rural and remote areas often face added challenges. As part of its larger mission, MACP is dedicated to the recruitment, training, and retention of qualified teachers. By exploring strategies that integrate arts into professional development and providing support for new teachers, MACP hopes to develop creative, resilient teaching professionals.

PAGE 24, TOP: In the remote Bering Strait School District, students and staff often use ATVs to travel to and from school. This photo was taken in Moses Point, near Elim, Alaska, which has a population of 339 residents.

PAGE 24, BOTTOM: A drum made by a student participant in educational programming focusing on native Alaskan arts and cultures.



SUPPORT FOR TEACHERS IN RURAL COMMUNITIES

In Alaska, more than 70% of the teaching workforce is imported from other states, and some of the most remote school districts endure regular teacher turnover of 25-30% annually. A teacher who enters not just a new school community, but a completely new cultural experience, can feel disconnected. Add in a sense of isolation and the challenges mount. When teachers come and go frequently, or when open positions remain unfilled, students can struggle to learn, and schools may lose their connections with the larger community.

MACP is working with SILKAT (Sustaining Indigenous Local Knowledge, Arts and Teaching), a partnership between the University of Alaska Fairbanks, the Bering Strait School District, and Kawerak, Inc., a Native corporation and regional cultural leader. This partnership aims to develop more local teachers, strengthen cultural education for incoming teachers, and offer professional support for the integration of indigenous art and culture into the Bering Strait School curriculum. 2016 marked the completion of the program's two-year launch, and MACP sees great potential for this innovative collaboration to improve the stability of the region's teachers.

By addressing barriers to certification, bringing an indigenous lens to teaching practices, and leveraging the rich cultural and arts assets of rural villages, SILKAT partners are responding to local needs and opportunities. Our hope is that these community-informed efforts will not only continue in the Bering Strait School District, but also offer practical examples of culturally-sustaining teacher preparation and support for educators in other rural areas.



Flexible funding for opportunities aligned with MACP's values and support for specific geographies of importance to our founder, including the Upper Midwest and Southern California

Margaret Cargill believed in the power of ongoing support for the causes and organizations she felt made a difference. In certain communities and in support of her personal interests, she anonymously provided the philanthropic backing that funded both large organizational initiatives and small one-time-opportunity projects. Similarly, MACP's Legacy & Opportunity domain retains ties with many of those legacy organizations Ms. Cargill cherished, offering support for projects that arise in areas that align with her values and philosophy but lie outside our designated domain strategies.

PAGE 26, TOP: The San Diego Humane Society (SDHS) Kitten Nursery provides around-the-clock care for nearly 1,500 underage and orphaned kittens each year. In 2016, SDHS relied on 118 active volunteers in the nursery for everything from providing hands-on animal care, to handling laundry, to cleaning supplies.

PAGE 26, BOTTOM: PBS has found that teachers who use its LearningMedia platform spend less time lecturing, freeing them up to make learning experiences more active.



LONG-TERM RELATIONSHIPS AND NEW OPPORTUNITIES

Our founder's love of animals moved her to support the San Diego Humane Society (SDHS). Over the years, SDHS built a strong and successful model for managing volunteers. But recent mergers with several other organizations overwhelmed its Volunteer Engagement Department, stretching its ability to train, schedule, and retain a thriving volunteer base of more than 2,300 individuals. MACP funding allowed SDHS to hire a business consultant who has helped SDHS analyze and restructure its volunteer management system. The collaborative process helped staff feel more connected to volunteers and the role they play in achieving SDHS's mission. Without MACP support, funding for such an opportunity would be limited.



Long recognized for its quality educational programming on television, PBS also creates interactive platforms and online technologies that deliver curriculum-based content in the classroom. MACP funding has helped PBS connect with students and teachers, offering access to free digital content through its PBS LearningMedia platform. More than 1.6 million educators are registered to access the program's content, representing roughly half of all teachers in the United States. PBS found that students in classrooms using PBS digital content outperformed national assessment norms by ten percentage points.

In Minneapolis, MACP has provided funds to support the renovation and restoration of the Capri Theater of the Plymouth Christian Youth Center, a nonprofit that works with disadvantaged youth and families. In addition to being the only performing arts venue in North Minneapolis, the Capri Theater serves as a community center as well as a theater and art school, making the arts more accessible in an underserved community.

MACP leadership believes that supporting these opportunities and geographies is in keeping with our founder's legacy.

FINANCIALS

MACP 2016 TOTAL YEAR-END ASSETS

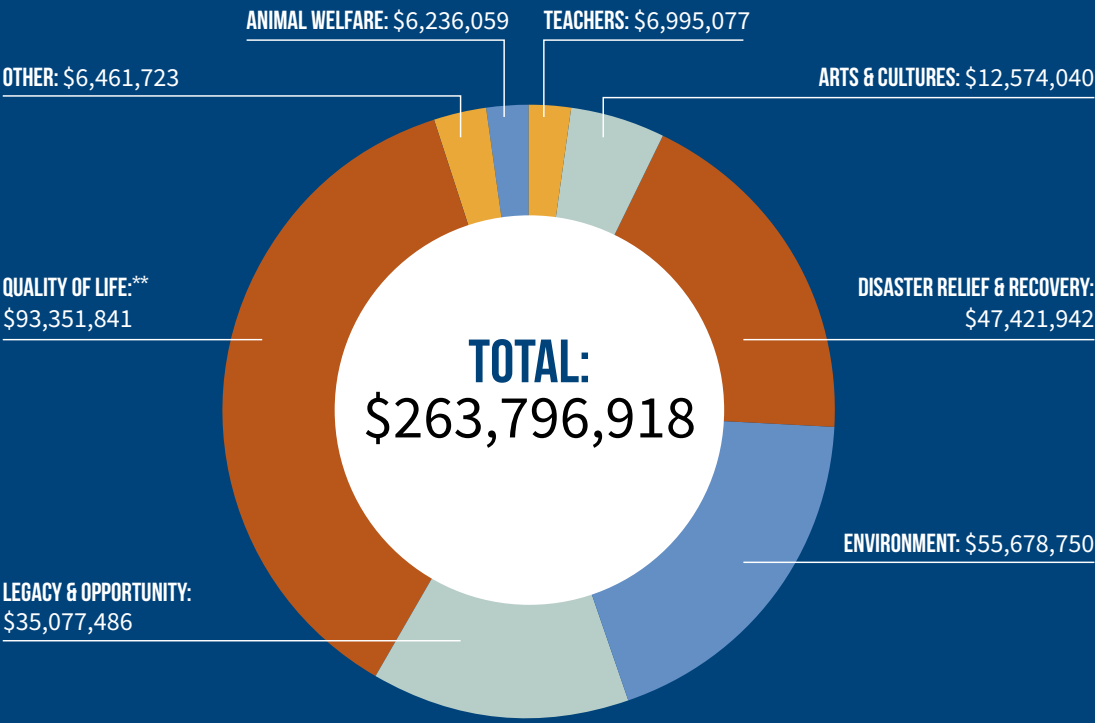
Combined assets of our grantmaking entities: Akaloa Resource Foundation, Anne Ray Charitable Trust, and Margaret A. Cargill Foundation	\$6,695,486,212
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2016 GRANTMAKING

Total number of grants paid in 2016	375*
Total dollar value of grants paid in 2016	\$263,796,918

PAGE 28: Rivers like the Chindwin are the lifeblood of Myanmar and continue to serve as highways for people and goods in many areas. These rivers need to remain clean and free flowing for the benefit of the surrounding environment and people living nearby.

MACP 2016 GRANTMAKING BY DOMAIN:



* This excludes 271 employee matching gifts.

** While Aging Services is the only fully launched program in our Quality of Life domain, Trustees approved significant exploratory and learning grants in additional areas such as Children and Families and Health and Wellbeing to help us understand issues in the field and support development of this domain’s eventual strategies. These 2016 grants are not necessarily indicators of MACP’s ultimate focus.



OUR BOARDS

2016 OFFICERS AND DIRECTORS



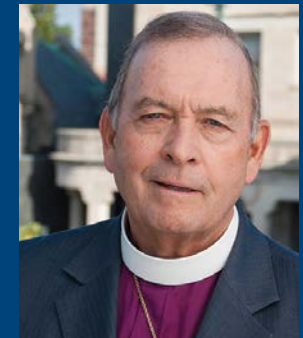
CHRISTINE M. MORSE

CEO and Board Chair:
Akaloa Resource Foundation,
Anne Ray Charitable Trust, and
Margaret A. Cargill Foundation



PAUL G. BUSCH

President and Trustee/Director:
Akaloa Resource Foundation,
Anne Ray Charitable Trust, and
Margaret A. Cargill Foundation



BISHOP JOHN B. CHANE

Trustee:
Anne Ray Charitable Trust



STUART P. TOBISMAN

Director:
Akaloa Resource Foundation



HEATHER KUKLA

General Counsel and
Board Secretary



NAOMI HORSAGER

Chief Financial Officer and
Board Treasurer

PAGE 30: Rainwater is collected using a variety of methods throughout the MACP property, stored in nineteen tanks in the parking garage, and used throughout the year to water the landscaping and gardens.

BACK COVER: The Philanthropies headquarters adjoins a protected wetland and features a native landscape with trees, perennials, and a small orchard of plum, apricot, and apple trees.





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