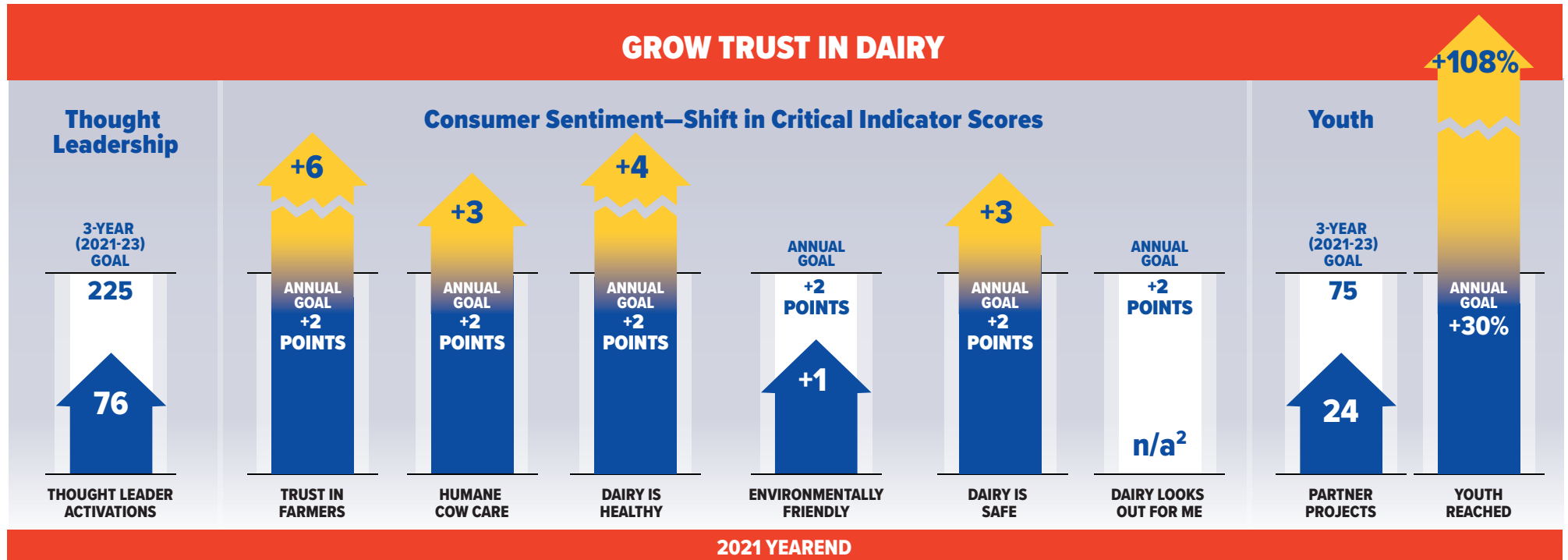
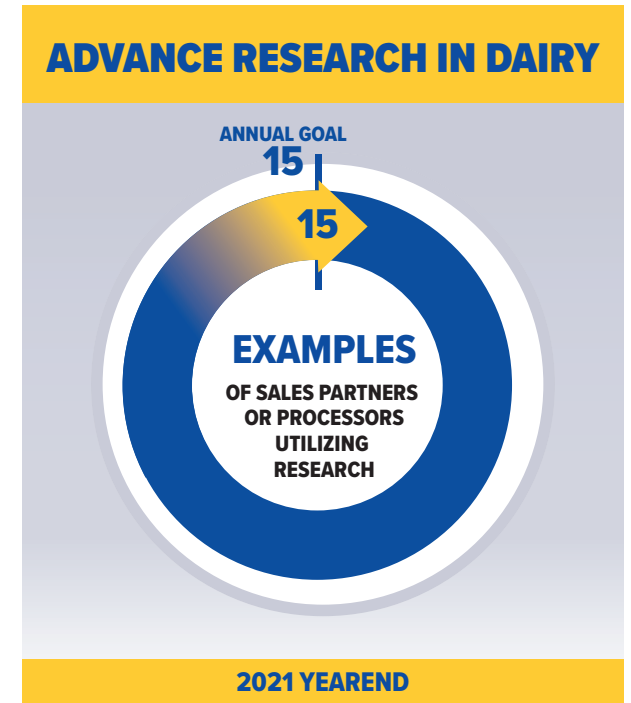
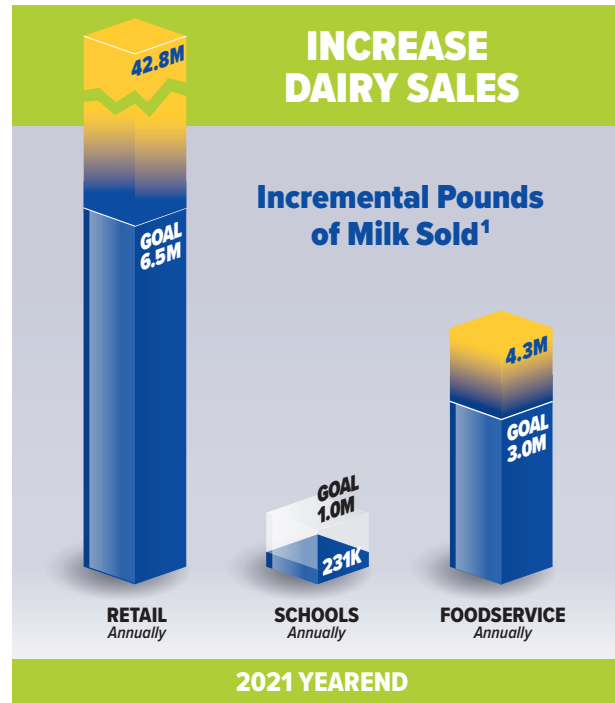




SCORECARD

BUSINESS OBJECTIVES

DECEMBER 2021



¹ Because COVID created 2020 sales volume anomalies, current year sales (2021) are compared to 2019 trends. ² Indicator has no prior year baseline.

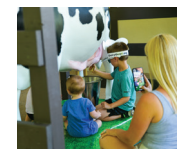
INCREASE DAIRY SALES

- Minnesota-based **Coborn's** optimizes activations to drive both trust and sales at their Coborn's, Cashwise and Marketplace stores which are also located in South Dakota and North Dakota. They often feature "dairy is local" messaging and deliver our sustainability story with farm family features. They engage their shoppers with an assortment of tools like e-commerce, QR codes, dairy recipes, and in-aisle signage. Midwest Dairy supplies market trend data and consumer insights, support for marketing campaigns, and recommendations for product shelf assortment.
- Dierbergs** grocery store activations in Missouri and Illinois use in-store signage and FoodTV video, social media content, website landing page, and print ad circulars, Dierbergs targets Gen Z shoppers and their parents as key customers. In addition to spotlighting dairy's immunity boosting properties, this partner continues to feature dairy farmers' commitment to sustainable farming practices through live virtual experiences for Dierbergs shoppers.
- Our **Pizza Ranch** partnership continued to generate strong results with a reported total of 4.3 million incremental milk pounds in 2021. The frozen breakfast pizza program launched late in prior year carried over into 2021 and product sales remained robust. Midwest Dairy's support extended marketing of the breakfast pizzas—and led to additional support from egg and pork commodity councils. Activations also included a store incentive contest and a "Back to Buffet" promotion. With more than 216 stores across many states, Iowa-based Pizza Ranch continues to value Midwest Dairy's support for promotion and market insights.
- Investing in positive dairy experiences for school-children can also generate sales growth. **Sioux Falls Public Schools** (South Dakota's largest) pledged to expand breakfast programs in 2021. Projections for the breakfast expansion were 3.3 million incremental milk pounds, but only partial roll-out occurred due to staffing and supply chain issues. Initial results showed a 97,308 incremental pound lift from increasing breakfast offerings. Numerous funded Midwest Dairy projects have faced implementation delays due to ongoing challenges as staff shortages, product and packaging outages, equipment delays, and transportation issues have dogged efforts to enhance school meal programs.



GROW TRUST IN DAIRY

- Consumers attending the **College World Baseball Series** in Omaha met dairy farmers, learned about dairy's nutritional benefits to an active and nutritious lifestyle, and sampled a new dairy-based sports hydration beverage. The event attracts families, especially those with high school and college athletes—our target audiences of Gen Z consumers and their parents. This "Get Moo'd Up" activation messaged sustainable nutrition not only onsite at the tournament, but through a large-scale radio media network campaign that targeted consumers via geofencing (tracked consumers from the event to be later served ads/messages). Social influencers were also invited guests to the baseball event space and contributed to content that generated an activation total of nearly 2.4 million on air, digital and social impressions. More than 313,000 impressions were made at the baseball event through foot traffic.
- Environmental sustainability messages** were the devoted content of a social media activation last summer with three paid influencers from Chicago and St. Louis. They produced videos that compared their own sustainability habits with planet-positive practices on dairy farms in Illinois and Iowa; the highly engaging videos reached more than 2.5 million consumers and positive viewer sentiment exceeded social media averages for videos. In a lift study, consumers in the targeted markets showed strong increases between pre- and post-campaign surveys in their perception of dairy farmers, dairy's environmental impact, and dairy's nutrition; consumers also reported a greater intent to purchase dairy as a result of the campaign.
- Undeniably Dairy Grants supporting consumer engagement events and activities** were placed with 103 farmers and groups, such as Dr. Dawn's Dairy Day which educated over 600 children and adults in the Jamestown, ND community.
- As a **medical thought leader** in Arkansas, family medicine practitioner Dr. Derek Lewis joined forces with Midwest Dairy, the Arkansas Medical, Dental and Pharmaceutical Association and the Derek Lewis Foundation to present a series of nutrition tips including lactose intolerance and diabetes guidance.
- Midwest Dairy partnered with Dairy Max and the A. C. Jackson Medical Society to host a **virtual Cheese, Chocolate and Wine event**. Physicians from across Oklahoma attended this virtual meet and greet to learn more about the 2020 Dietary Guidelines for Americans and dairy's role in healthy eating patterns. A cheese and chocolate pairing demonstration by a local cheese monger illustrated how such foods can be included in a healthy diet—and the 24 participating physicians enjoyed their own cheese and chocolate sample box.
- A partnership with the National Medical Association and the National Institute of Health on the program **"All of Us"** aims to get a million African Americans to sign up for research studies. Midwest Dairy was invited to host a **virtual webinar** about nutrition and included an Illinois dairy farmer, a registered dietitian, and a live cooking demonstration.
- Museum partnerships** with family-oriented Science Museum of Minnesota in St. Paul and Grant's Farm in St. Louis provide big venues to introduce dairy-positive information outside traditional classrooms.
- Dairy farm families across our region gave students and teachers a first-hand look at farming through the **Adopt a Cow program which generated a dramatic 108% result in our first year of tracking**. A survey of educators showed about third of students were eating more dairy foods with meals because of this program.



ADVANCE RESEARCH IN DAIRY

- The purpose of this objective is to document the utilization of research or insights by partners. While distribution of data, trend reports, or scientific research findings is important, the greatest value results when information helps to make a business decision or improve products.
- A Midwest Dairy Foods Research Center scientific **study on environmental Listeria** control has led to collaboration with a U.S. ice cream manufacturer. The project is leading to a more robust risk assessment and mitigation model to ensure product safety.
- A **prominent convenience store** based in our territory came to Midwest Dairy for help expanding their milk case. By comparing their store data with nationwide sales patterns, Midwest Dairy assessed the c-store's current strengths and offered recommendations to better position milk in store coolers along with complementary shopper marketing to boost customer awareness. Syndicated data sources show that milk volume at this c-store grew +11.5% year-to-date compared to prior year sales. Comparatively, total U.S. convenience store milk volume sales declined 4.5% during the same period.

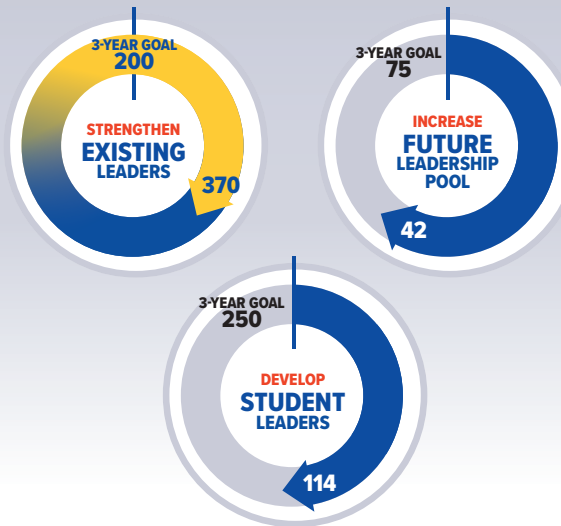


SCORECARD

FOUNDATIONAL OBJECTIVES

DECEMBER 2021

DEVELOP FARM & COMMUNITY LEADERS FOR DAIRY



ENHANCE MIDWEST DAIRY EMPLOYEE CULTURE

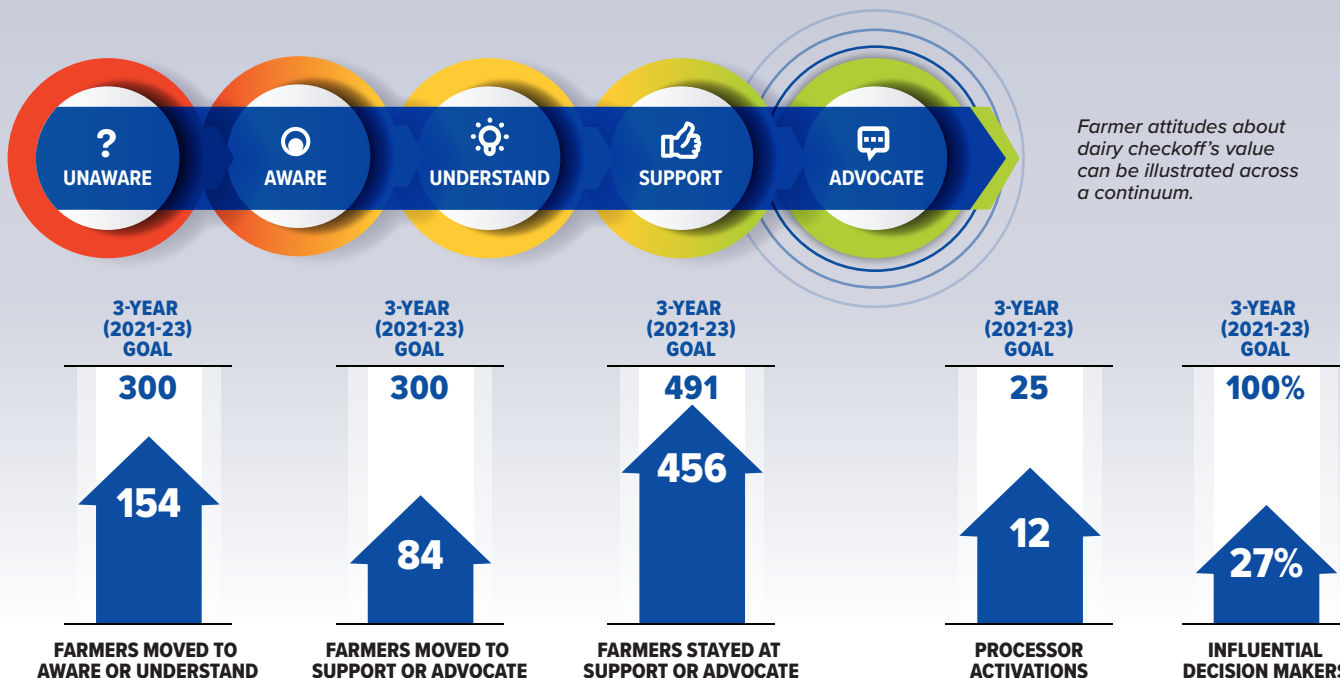
Gallup Q12 scores reflect the status of 12 items that Gallup research has consistently found to measure employee engagement as linked to business outcomes.

Midwest Dairy's mean score for the Q12 questions was **3.91** in August 2021.

Q1	I know what is expected of me at work.	4.04
Q2	I have the materials and equipment I need to do my work right.	4.08
Q3	At work, I have the opportunity to do what I do best every day.	3.64
Q4	In the last seven days, I have received recognition or praise for doing good work.	3.90
Q5	My supervisor, or someone at work, seems to care about me as a person.	4.42
Q6	There is someone at work who encourages my development.	3.82
Q7	At work, my opinions seem to count.	3.50
Q8	The mission or purpose of my organization makes me feel my job is important.	4.04
Q9	My associates or fellow employees are committed to doing quality work.	4.04
Q10	I have a best friend at work.	3.57
Q11	In the last six months, someone at work has talked to me about my progress.	3.96
Q12	This last year, I have had opportunities at work to learn and grow.	3.86

These are baseline mean scores on a 5 point scale as of August 2021.

CREATE DAIRY CHECKOFF ADVOCATES



HOW WE CREATE DAIRY CHECKOFF ADVOCATES

- Featuring examples by several partners in the Kansas City region, farmers from Missouri, Kansas, Illinois, Nebraska and Iowa got a firsthand look at how their dairy checkoff works through partners to grow trust and build sales during an immersive excursion last fall. Wonderscope Children's Museum showed how consumer-friendly messaging connects families to dairy's sustainability story; consumer insights for retail partners and nutrition studies that inform registered dietitians illustrated how dairy checkoff is a valued information source. A visit to Arrowhead Stadium spotlighted collaboration with Kansas City Chiefs to promote healthy childhood nutrition. Attendees practiced their own skills of connecting to consumers with a communication workshop.



- A new **Cooperative and Processor Support (CAPS) program** launched last year to support processors, farmer-owned cooperatives, and dairy food and beverage manufacturers by connecting them to the resources and capabilities of dairy checkoff. Recipients included: Bongards Creameries of Minnesota, for testing of a new moisture sensor to increase cheese consistency and quality at one of their plants and also GoodSport Nutrition, based in Illinois, that needed support for a comprehensive marketing campaign and sampling program for their innovative dairy-based sports hydration beverage targeted at Gen Z consumers.



- Dairy farmers across the region met with 16 key decision-makers serving as state agricultural secretaries/directors at state Departments of Agriculture or Congressional members who authorize or interact with Dairy Checkoff programs. The purpose was to provide informative updates on implementation of dairy checkoff promotional programs such as school meal support, outreach to consumers, and dairy's pledge to reduce greenhouse gas emissions while improving water quality.

HOW WE DEVELOP FARM & COMMUNITY LEADERS

- The **Dairy Ambassador Program** is an educational and leadership opportunity for those who are passionate about dairy. In 2021, 27 ambassadors had opportunities to connect with consumers and share dairy's story while networking with their peers and industry professionals. These future industry leaders spent a year representing dairy farmers in their respective states; they were eligible to apply for scholarships when the year concluded.
- After pandemic disruptions to their schedule, the first cohort of the **Dairy Experience and Agricultural Leadership (DEAL) program** concluded their learning plan in 2021. Participants were nominated because of their interest in dairy promotion and an openness to serving their dairy industry peers as next generation leaders. The DEAL journey includes independent assignments and group experiences such as meeting local dairy leaders, engaging at a consumer event, learning how dairy checkoff works, discovering their individual leadership strength, training for connecting effectively with consumers, practicing media skills and learning about Midwest Dairy leadership opportunities. One of the 13 DEAL graduates reflected, "I learned a wealth of knowledge regarding checkoff and the dairy industry while being in the DEAL program. I learned more about myself, my leadership, and how to communicate with employees and the public."



- A virtual **ENGAGE training** was delivered to 105 Iowa State University students in the Animal Science 411 course titled "Addressing Issues Facing Animal Agriculture." Due to the popularity of the training, this is the fifth semester Midwest Dairy has been invited back to complete the training. The ENGAGE training assists students (or farmers) with tips and techniques to have meaningful conversations with consumers.

WHY WE ENHANCE MIDWEST DAIRY EMPLOYEE CULTURE

- Why do we have this goal? Because **higher employee engagement yields greater performance**, we are committed to ensuring that our farmer shareholders benefit from the best performance of our employees. Engagement (a.k.a. culture) grows through intentional effort.
- Workforce research by global analytics and management research company Gallup, Inc. has consistently found these core questions (the Gallup Q12) are the best indicators of an employee's workplace experience and engagement on the job.
- The **2021 Gallup survey** forms the baseline for future year-over-year progress measures. Since the baseline survey, all Midwest Dairy staff have begun a strengths-based development program aimed to boost individual and team performance.

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