



# DAKOTA PROVISIONS LLC

2020 Corporate Responsibility Report





# Letter from our CEO

2020 marks the 14th year of operation for Dakota Provisions and our mission to preserve our Earth has not lessened. Our company remains dedicated to fully supporting our Dakota Provisions Sustainability Program. Our program's importance is evidenced by the company's insistence on having a senior level employee manage this activity, as well as an additional management level employee handling the day-to-day sustainability efforts.

Our efforts have produced some steady results. Accomplishments in the last year include: 9% reduction in natural gas usage; 3% in water usage; and 2% reduction in waste going to the landfill.

In working with our local community and state and through our continued commitment we will strive for, and will not be satisfied, until we have the same spirit and effort displayed by all our 1000+ employees and their friends and neighbors in their own homes and neighborhoods. We work diligently to be viewed as a positive influence both locally and statewide.

I am proud of our past accomplishments and look forward to providing greater emphasis and positive results in this important portion of our company efforts.

To all of our associates, suppliers, community, statewide and national friends participating in this effort, I want to express my heartfelt thanks for the work accomplished so far and remind everyone that “SERVING OUR CUSTOMERS WHILE PRESERVING OUR EARTH” is a daily part of our companies and associate's efforts. It is also the right thing to do for our company, our associates, our communities, our state, our country and our planet.

Cordially,  
Jordan Woodbury  
President/CEO



# The Eleventh Report

Thank you for your interest in our eleventh Dakota Provisions LLC Corporate Responsibility Report. Unless noted otherwise, all data in this report covers the company's fiscal year 2020, which ended January 3<sup>rd</sup>, 2021. Our reporting boundary covers all activities for two processing facilities, the corporate office, cold storage facility and two warehouses which are all located in Huron, South Dakota. It also includes two employee stores, Wyshbone Market in Huron, SD and Wyshbone Market in Brookings, SD. At the end of 2020 we were owned by 43 growers in South Dakota, North Dakota and Minnesota.

Dakota Provisions LLC plans to publish its next Corporate Responsibility Report in the summer of 2022. For questions regarding the report please contact Cindy Lowery, Director of Sustainability (605) 353-9637 or at [cindyl@dakotaprovisions.com](mailto:cindyl@dakotaprovisions.com).

**Product Sales:** 32% of products produced are ready-to-eat with 29% going to food service and 3% going to retail. Most products are shipped throughout the U.S. Approximately 75% of product goes out raw – 25% frozen and 50% fresh. Besides shipping domestically, trim and raw materials are exported to Mexico, Hong Kong, the Middle East and the Caribbean among others. Sales equaled over \$259 million in 2020. Over 115 different products were produced for the reporting period – at least 5 of them were new products.

In the past few years we started moving more of our flocks to “NAE flocks” or “No Antibiotics Ever” . These birds will not receive any antibiotics at any time during the life of the bird. If any flocks during their lifespan need antibiotics, we will distribute antibiotics to them as we do not want any birds to suffer. However, these birds will not be labeled as “NAE” flocks. Some of these flocks are also approved under the Global Animal Partnership program or known as “GAP” birds. At the end of 2020, 21% of all flocks were NAE approved. Of those 9% were also GAP approved.

Continuing in 2020 our feed mills, farms and the processing facility were certified by USDA under the “Process Verified Program”. To be certified:

- Birds must be raised by independent farmers
- Producers are trained on animal handling practices
- No antibiotics used for growth promotion – antibiotics only used for treatment and prevention of illness.
- We are audited at least yearly to assure we maintain this certification.

We are proud to announce that Dakota Provisions has received the following awards/certificates in 2020:

- Safe Quality Foods Certification “Food Safety Code for Manufacturing, Quality Edition 8.1
- “Certified Organic” to the USDA National Organic Program
- Process Verified Program (PVP) Certification



# Governance and our commitment to corporate responsibility

- Our strategic plan incorporates a balanced approach needed to accommodate a 2 to 3% per year average annual growth in volume without sacrificing the health of the environment or the community in which it operates and serves. We follow GAAP standards, USDA/FSIS regulations, FDA regulations and EPA regulations. We use the E-Verify program, SSNVS (Social Security Number Verification System) and background screening as part of our evaluation process for applicants before they are hired. Applicants must pass a 5-panel drug screening process to be hired. We have a signed IMAGE agreement with the Department of Homeland Security (DHS). Our short-term goals include maintaining quality standards, enforcing security mechanisms, managing natural market volatilities and sustaining a strong workforce. The company's long-term production and financial strategy is fixed on distributing 80% of its volume to be sold as further processed, fully cooked product and 20% to be sold in a raw form and in 2021 we will continue to work harder toward this goal. At the end of 2020 we were at 31% further processed, fully cooked product and 69% sold in a raw form. As poultry processing generally carries a number of risks associated with contamination and the health and safety of the animal, the environment, the workforce and the consumer; continued emphasis on taking a proactive role in minimizing overall impacts is one of our goals. The company's model of prioritizing quality, health and safety, environmental and human resources at the forefront of business objectives contributes to its economic performance. We work diligently to minimize impacts such as outbreaks of animal diseases and other serious business events which could have devastating effects on all the poultry industry.
- Operational entities include two manufacturing facilities, corporate office, cold storage facility, two warehouses and one employee market, which are all located in Huron, SD. It also includes another employee market in Brookings, SD. Jordan Woodbury, President/CEO, reports to a Board of Directors. Woodbury's management team consists of the Director of Operations, Chief Financial Officer, Director of Sales & Marketing, Director of Procurement, Director of Logistics, Director of Human Resources, Director of Food Safety/Quality Assurance & Sustainability, Director of Raw Material Supply and Director of Veterinary Services who each oversee their own organizational hierarchies.
- Various committees are responsible for setting organizational strategy and oversight. One such committee is the Sustainability Committee, which is served by the Director of Operations, Raw Operations Manager, RTE Operations Manager, Corporate Mechanical Engineer, Corporate Purchasing Manager, Industrial Engineers, Director of Sales/Marketing, Director of Food Safety/Quality Assurance, Maintenance Managers and the Director of Sustainability who also oversees the committee. Three groups of Safety Committees coordinated by the Safety Manager meet once a month to discuss safety topics and review the previous month's injuries. The CIT Team (Continuous Improvement Team) meets at least once per month to discuss ways to improve employee safety, food safety, production processes and products, upgrade equipment, etc., and consists of different degrees of management from all areas of the company.
- Dakota Provisions LLC participates in SEDEX (Supplier Ethical Data Exchange), which is a non-profit membership organization dedicated to driving improvements in ethical and responsible business practices in global supply chains. It is a web-based platform for sharing information and audit results on four pillars: (1) labor standards; (2) health and safety; (3) environment; and (4) business integrity. As a member, Dakota Provisions LLC is committed to conducting audits and sharing these results within SEDEX. Dakota Provisions LLC was audited in 2014 and 2016 and found compliant for the 4 Pillars SMETA (Sedex Members Ethical Trade Audit) Report. Our report is on the SEDEX website. Our last audit was in December of 2019 and covered both facilities (Dakota Provisions and Dakota Provisions West).

# Stakeholder Dialogue

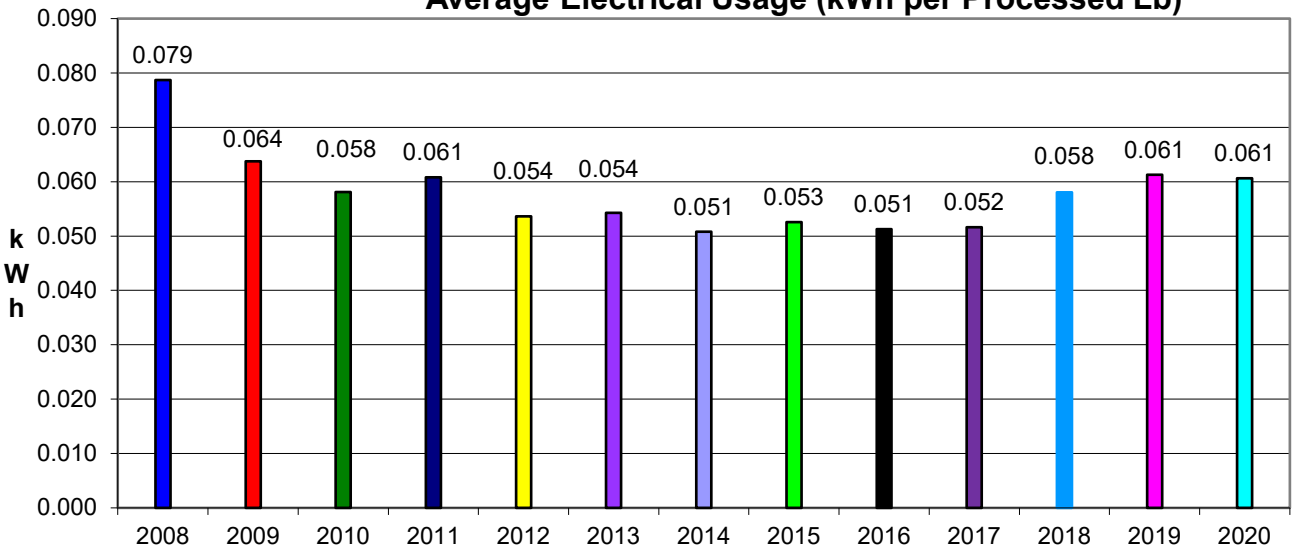
- **Key internal stakeholders are the 43 owner Hutterite Colonies located in South Dakota, North Dakota and Minnesota, top management staff, and employees. Key external stakeholders are Farm Credit Services of America, the Greater Huron Development Corporation and customers providing sales of more than 10%. Internally, colonies are informed of the financial situation at routine Executive Committee and Board of Director (BOD) meetings. Top management is provided a monthly recap of performance and conducts at least two semi-annual meetings with the owner colonies to review financial information. Externally, major lenders have quarterly financial information (internal unaudited) delivered to them and receive annual audited financial statements. The value brought includes positive PR, openness for future lending or investment in DP, and managerial commitment to continued success and process improvement.**

STAKEHOLDER	INTERESTS	DAKOTA PROVISIONS RESPONSIBILITY
INVESTORS	ENSURE THAT OUR BUSINESS IS ETHICAL, RESPONSIBLE, PROFITABLE AND SUCCESSFUL.	OPENLY COMMUNICATE OUR BUSINESS STRATEGY AND PLANS TO ACHIEVE LONG TERM SUSTAINABLE GROWTH.
CUSTOMERS	DELIVER SAFE QUALITY FOOD TO MEET CUSTOMER NEEDS AND DEMANDS.	CONTINUOUSLY IMPROVE THE QUALITY OF OUR PRODUCTS IN A TIMELY MANNER AT A REASONABLE COST.
EMPLOYEES	ASSURE EMPLOYEES WORK IN A SAFE, RESPECTFUL PROFESSIONAL ENVIRONMENT.	TO ENSURE THAT THE COMPANY'S COMMITMENT TO ETHICAL AND RESPONSIBLE BEHAVIOR STARTS AT THE TOP.
SUPPLIERS	COORDINATE TOGETHER TO ASSURE CUSTOMERS NEEDS ARE MET.	PROMOTE THE RELATIONSHIPS WITH BUSINESS PARTNERS TO ENSURE DAKOTA PROVISION'S COMMITMENT TO FOOD SAFETY AND QUALITY, ENVIRONMENTAL, SOCIAL AND ECONOMIC RESPONSIBILITIES.
GOVERNMENT	OPERATE IN ACCORDANCE WITH ALL LOCAL, STATE AND FEDERAL LAWS.	PROVIDE ADEQUATE RESOURCES TO ENSURE OUR FACILITIES OPERATE IN ACCORDANCE WITH ALL APPLICABLE LAWS AND REGULATIONS.
ADVOCACY GROUPS	OPEN DISCUSSIONS WITH SPECIAL INTEREST GROUPS AND ISSUES WITH SOCIETY	COMMUNICATE OUR POSITION AND PROGRESS CLEARLY ON IMPORTANT ECONOMIC, SOCIAL AND ENVIRONMENTAL ISSUES RELATED TO OUR COMPANY AND OUR BUSINESS.

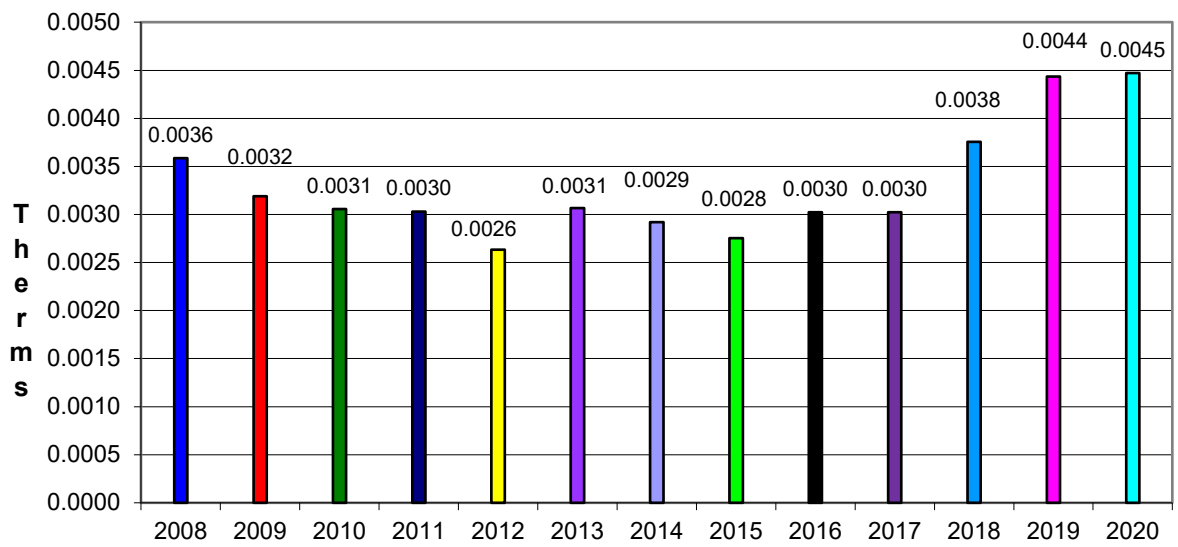


# Environmental – Electric, Gas and Water

Average Electrical Usage (kWh per Processed Lb)

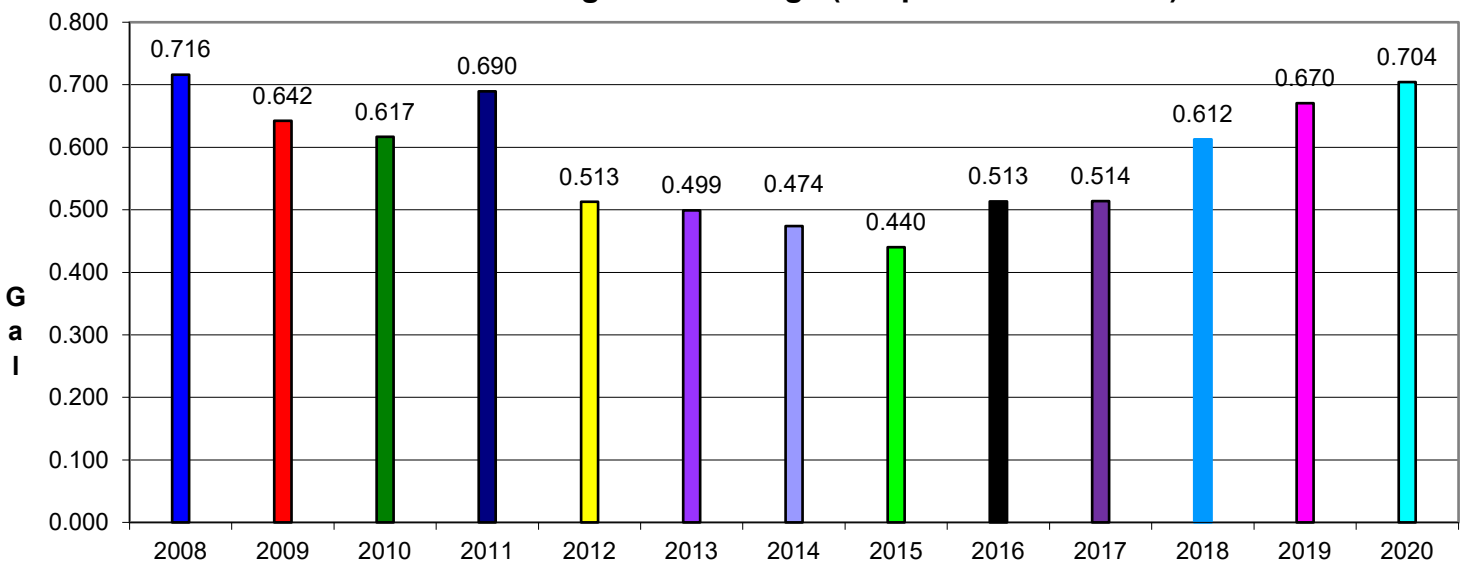


Average Gas Usage (Therms per Processed Lb)



In the past twelve (12) years our environmental usage has moved up and down, we reduced our electrical usage by 23% and our water usage by 2% per processed pound. Gas usage has slightly risen. Our Dakota Provisions West Facility along with the global Covid-19 pandemic have significantly changed the usage for the Dakota Provisions facility in 2020. Keeping that in mind we set our new environmental goals for 2021 to show a reduction in all utilities and water usage by per processed pound using numbers from 2020.

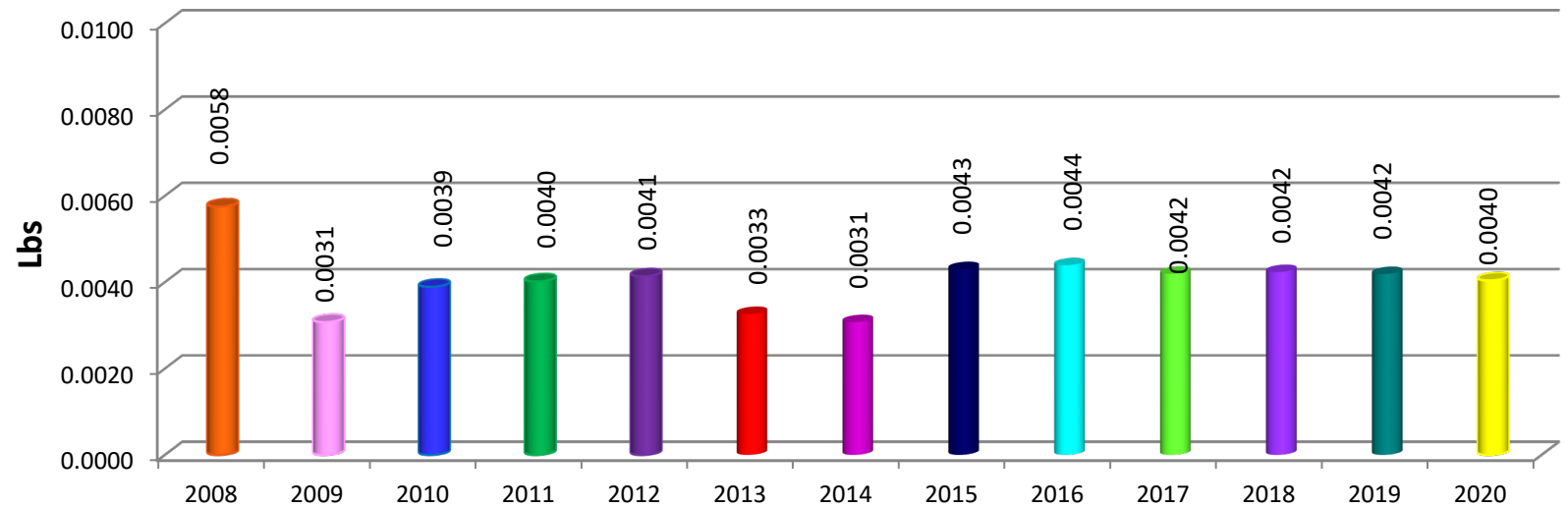
Average Water Usage (Gal per Processed Lb)



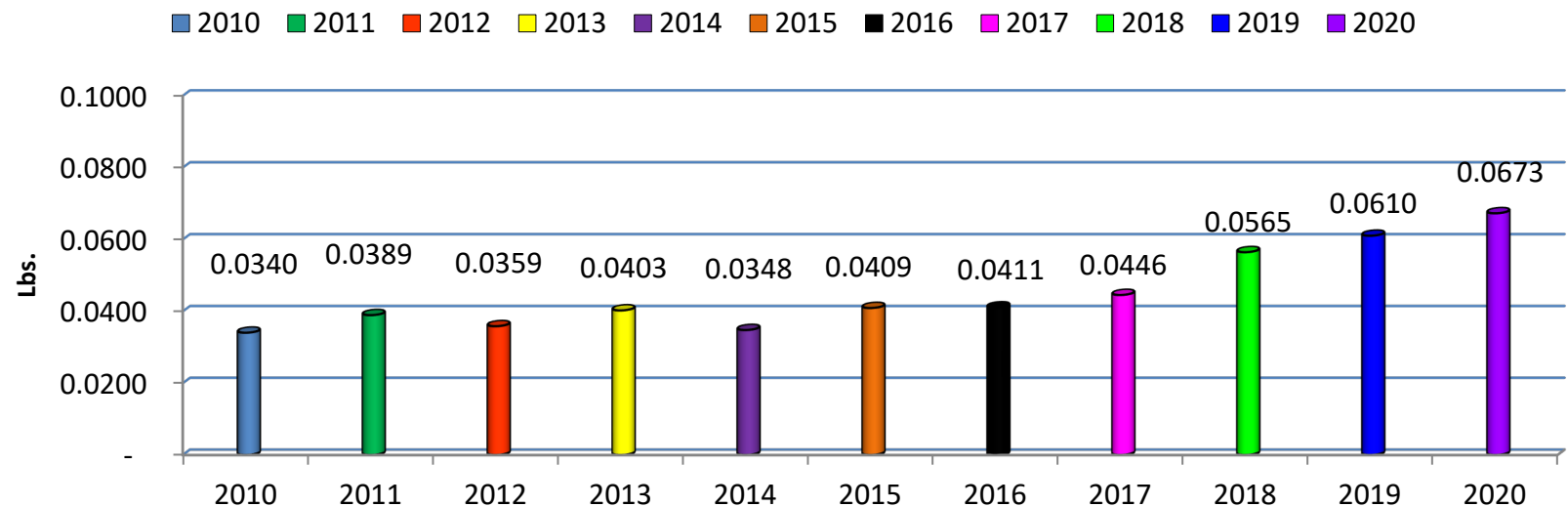
# Environmental – Waste to Landfill and CO2

- In the past twelve (12) years we reduced our landfill waste by 30% per processed pound of product. Our CO2 usage however has continued to increase. We increased 10% in the last year from .061 to .0673 pounds of CO2 usage per processed pound. Since we use CO2 for stunning and have increased the amount of turkeys processed at the facility this has increased our usage of CO2. Along with that we have more turkey meat to cool and use CO2 (dry ice) to cool the product again increasing the amount of CO2 used. The new processing facility is in its third year of processing and we are looking to see what changes that will make in our process this next year with the addition of many new products. Keeping that in mind we set new environmental goals for landfill waste to continue reduction of waste going to the landfill and to begin reducing the CO2 usage by processed pounds in 2021.

## Landfill Waste per Processed Lbs.



## Total CO2 Used per Processed Lbs.

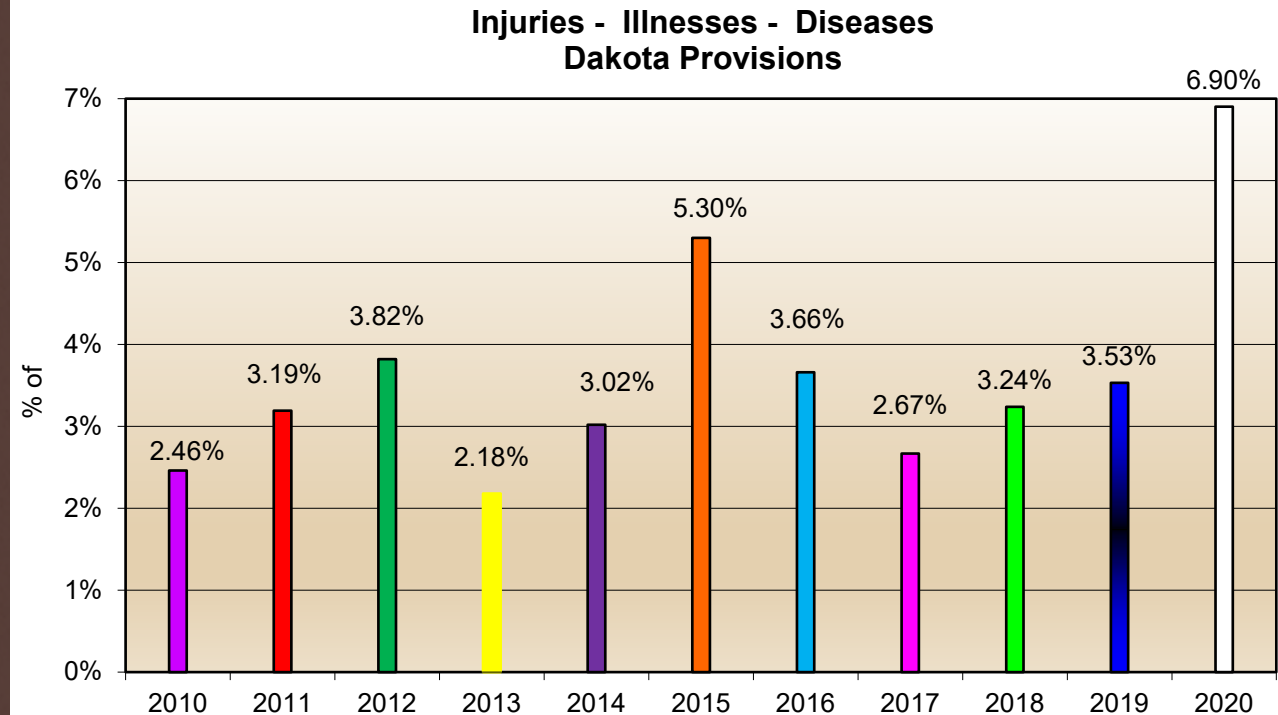
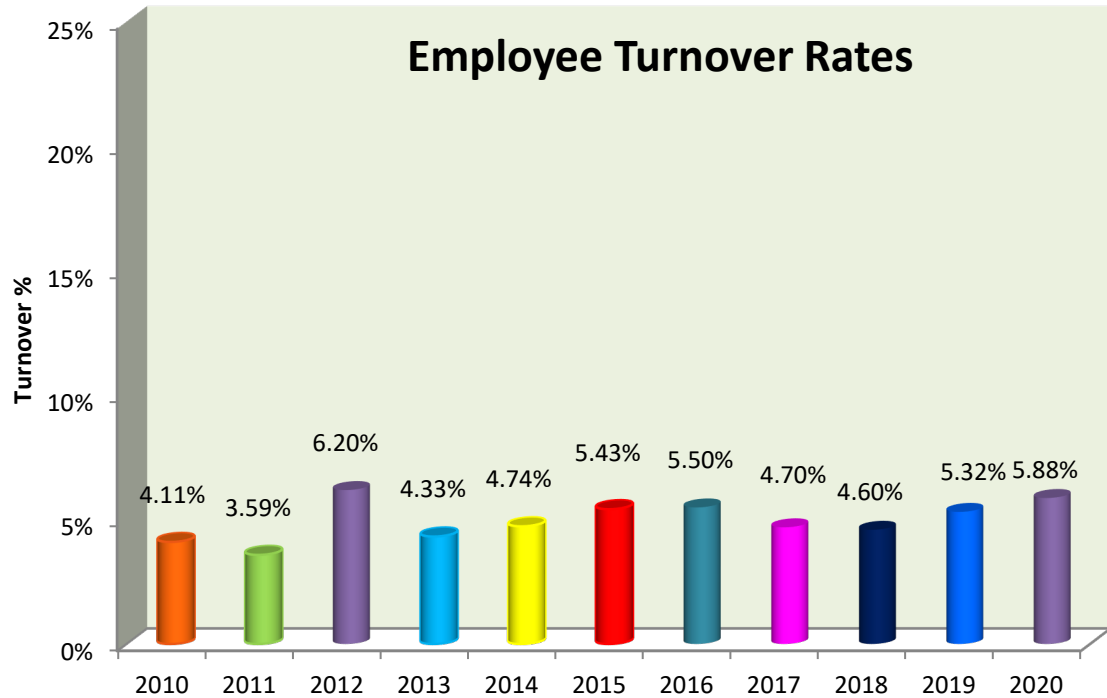


# Employees

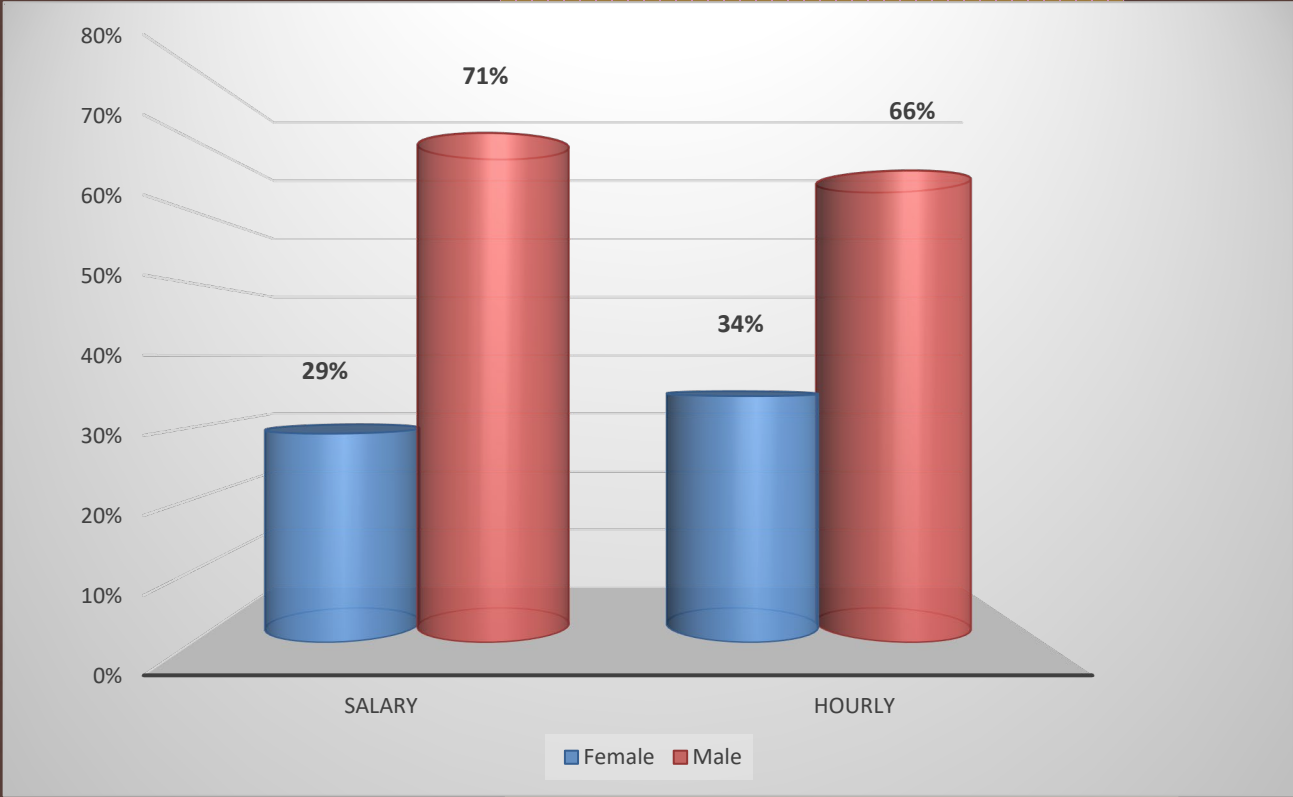
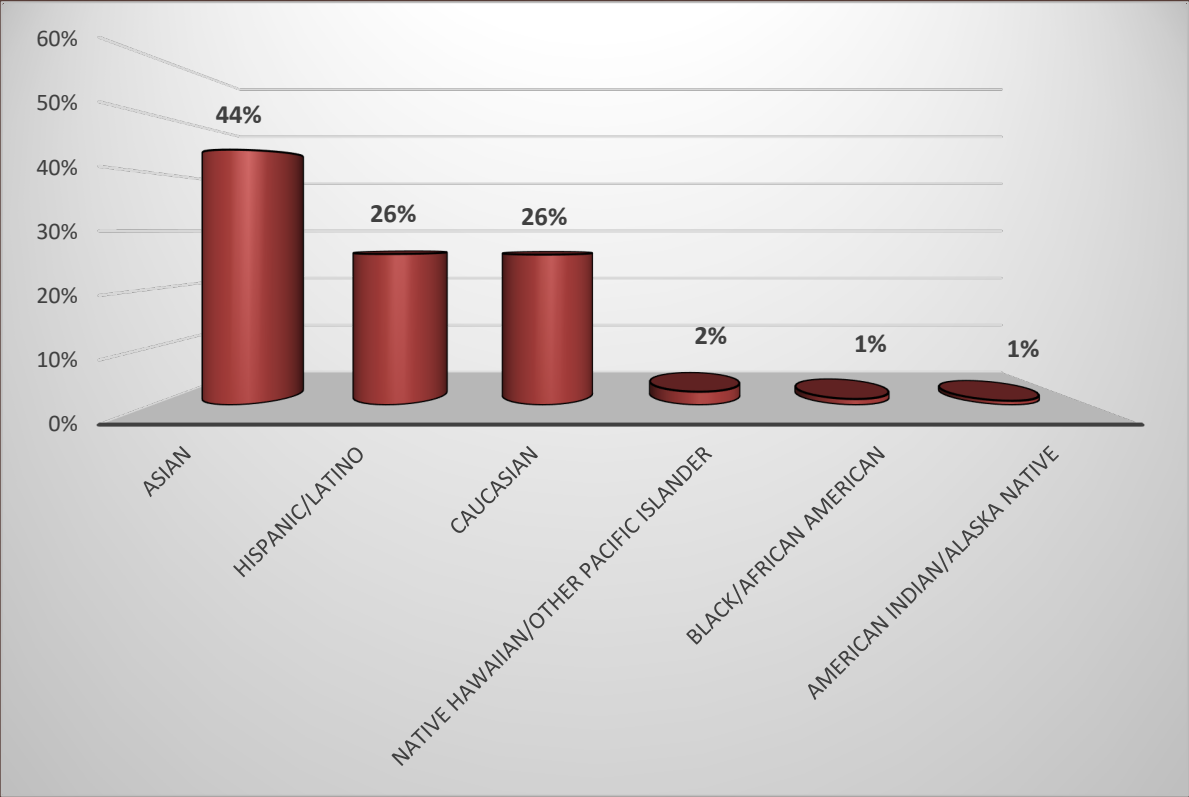
- At the end of 2020, we had 913 employees working for Dakota Provisions. This includes employees at Dakota Gobblers (cold storage warehouse), both Wyshbone Markets (the employee stores), and both DP Warehouses which store processing supplies and equipment. It does not include employees at DaPro, a joint venture between Dakota Provisions and the Boyer Valley Company to use the by-products from Dakota Provisions facility. These employees are paid at least entry level wages that are above local minimum wage. In addition to wages and salaries, employees are offered benefits including medical, eye care and dental benefits, disability, 401k, life insurance, worker's compensation. Our Health Services Department has one full time RN nurse and three fully certified EMT's on duty at the plant. The nurse and one of the EMT's are certified instructors for certifying our employees to conduct training for CPR; 1<sup>st</sup> aid and Bloodborne Pathogens; etc. The nurse also coordinates our Wellness Program that offers "No Smoking" Classes, Healthy Lifestyle Programs (eating plans and exercise programs), mammograms, flu shots and colorectal screenings. We offer Employee Assistance Program and Family and Medical Leave to our employees. We have three Safety Committees that are headed up by our Safety Manager to ensure the workplace is safe for all employees. Health and workplace safety training starts during an employee's orientation. Monthly meetings are held with processing departments covering topics such as health, employee safety, food safety and quality.
- In 2020 the COVID-19 global pandemic heavily impacted Dakota Provisions' employees and day to day operations. In order to protect our staff and ensure a safe working environment Dakota Provisions implemented the following protocols: added dividers between workspaces on production floor as well as at all break room tables, added break room spaces were constructed to aid in distancing employees during breaks, sanitized common areas before and after each break, offered free vaccinations once available, all employees wear masks in production areas and employee temperatures were taken before and after each shift.
- For employees that have just moved to the USA our HR Director offers personal training to help them adapt to our culture such as: Home Ownership; Money Management; Pest Control; Game, Fish and Park Regulations; Drug & Alcohol Prevention; Retirement Plans for Your Future. We also encourage our employees to attend Cornerstone Career Learning Center English Second Language Classes and SMART Training for career development. Dakota Provisions LLC became the first business in South Dakota to participate in the IMAGE Program. This participation was first approved in 2014 and a special award was given to Dakota Turkey Growers for participating. We reapplied in 2015 and was approved for two additional years. This program helps to assure that all employees hired meet US requirements. We are in the process of re-applying to participate again in the IMAGE Program.
- Each Dakota Provision's employee is given a handbook in their native language that covers information on the following issues: At-Will Employment, Equal Opportunity Policy, "Open Door" Communication, Confidential, Proprietary and Trade Secret, Personnel Information, Outside Work and Conflicts of Interest, Privacy and the Right to Inspect, Solicitation and Distribution, Becoming a Regular Employee, Your Supervisor, Alcohol and Drug Free Workplace, Policy on Harassment and Sexual Harassment, Visitors Policy, Security Conditions, Threats of Violence, Rules of Conduct, Reporting Non-Compliance, Mail and Telephone Calls, Requests for Time Off, Food Safety Inspection Service (FSIS), Food Safety, Prohibited Conduct Toward Government Inspectors, Bribery, Threats or Intimidation, Consorting with Government Inspectors, Product Quality, Personal Hygiene and Plant Sanitation, South Dakota Food Safety Certification, Animal Welfare, Rest and Meal Periods, Payday, Hours of Work and Overtime (Production), Temporary Assignment, Holidays, Jury Duty, Funeral Leave, Vacations, Leave of Absence, Military Duty/ Full Time Active Duty, Attendance Policy, Safe Work Practices, Safety Committee, Health Services, Personnel and Medical Files, Employee Assistance Program (EAP), Family and Medical Leave Policy (FMLA) and Health and Dental Insurance.



- 2020 saw a slight increase by less than 1% in turnover for Dakota Provisions from 2019. Industry turnover averages 11 to 13% and Dakota Provisions has been well below that in the last eleven years.
- Our injury/illness rate increased by over 3% in 2020 this increase was primarily caused to less hours worked during the Covid Pandemic. Our top priority is always to make the workplace safer for our employees and we strive to do better in 2021. Zero is the goal!



# Employee Diversity at Dakota Provisions





## Suppliers/Transportation

- Our direction has always been to include sourcing from local and/or minority groups whenever possible. We obtain quotes from vendors, including local vendors and minorities, review quotes and make selection based on criteria – i.e. pricing, service, quality, and other pertinent information. We continue to use SAP software in all facilities to help increase our efficiency and management of our information. The SAP software tracks of all our processing steps from farms to final product. SAP also tracks number and usage of supplies and other information pertinent to our business. At present, we contract with trucking companies to transport our products, supplies, etc. All incoming and outgoing trailers are monitored and inspected before loading or unloading. Any that do not meet our requirements are rejected. Most of our companies are already members of the Smart Way Transport Partners and Affiliates (EPA). We encourage all trucking companies we do business with to also become members if they are not already. The new federal law went into effect in 2018 requiring truck drivers to use electronic monitoring systems (ELD). The monitoring systems are tied to the transmission of trucks and upload their data to the internet. When inspectors check the records, they can see when trucks were in motion and make sure they're not on the road too long. By the end of 2019 all contracted trucking companies were in compliance.

## Community

- Two major initiatives include a ten-year monetary commitment to the GHDC community fund that finances economic development in the Huron/Beadle County area. Additionally, Dakota Provisions remains a partner in a Housing Development group that focus on pre-purchase education, post-purchase education and rehab grants. We encourage and support our employees in volunteering for community projects. Many of our employees served on committees or assisted with the Huron Chamber of Commerce Board of Directors, Day of Caring, Emergency Preparedness Board, Huron Clinic Board, Huron Community Foundation Board, Huron Convention & Visitor's Bureau, Huron Country Club Board, James Valley Housing Board, Kiwanis, National Turkey Federation, Relay for Life, School Diversity Board, Sertoma Club, South Dakota Retailer's Association, South Dakota Poultry Industries Association, United Way of Huron Board of Directors, U.S. Poultry and Egg Export Council, Green Energy Task Force of Huron, Delta Waterfowl, Sioux Council Boy Scouts, Huron Community Backpack Program and the Huron's Lion and Lioness Club. Last year Dakota Provisions employees not only donated their time but also donated over \$19,677 of their wages to the Heartland Region United Way! Employees are very generous when it comes to donating their time and energy but 2020 ended up having most of our community events canceled due to Covid-19. Overall in 2020 Dakota Provisions LLC and their employees donated/sponsored over \$94,408 as a way of giving back. We also donated over 55,000 lbs. of product to help the schools, Senior Citizens Center and Salvation Army feed meals to families that lost their jobs or were displaced due to Covid-19.

# Customers

- The Dakota Provisions Team believes in one thing - extremely high standards for extremely safe and clean food handling. From beginning to end, exceeding our customers' expectations is paramount.
- Our facilities are designed and developed to be completely food safe and easily sanitized. By taking a progressive approach to addressing food safety, we are also taking a proactive approach to the quality of our product that includes real time PCR testing to detect pathogens, multiple interventions to reduce or eliminate contamination and facilities that never mix raw and cooked products. In addition, training and education are essential to our programs. Each employee is required to complete Food Safety Orientation courses on good manufacturing practices, employee hygiene and possible hazards to food safety before entering the processing facility. Our Food Safety Orientation was reviewed and approved by the South Dakota Animal Industry Board and is presented by Quality Management Staff.
- More than 500 years of combined industry experience give Dakota Provisions the confidence and know-how to produce high-quality products for our customers. Our strengths lie in experience, educational background, high-tech machinery and the unsurpassed customer service we provide. Equipped with the latest knowledge in new product development, process engineering, product matching, food safety and quality control, we are skilled in the development and improvement of product, processes and packaging.
- Customer complaints are handled by forwarding each complaint received directly to the Food Safety Quality Manager of each facility while the Director of Food Safety/QA receives a copy for review. The Manager then contacts the appropriate managers, discusses the issue and starts the investigation. After the investigation has concluded and the matter resolved, a written response is sent to the customer stating what corrective actions and preventative measures will be implemented to prevent the problem from occurring again. Quality checks are completed to assure the preventative measures are working.



# Dakota Provisions – “Our Year in 2020”

- Due to the Covid-19 pandemic many of the company events for 2020 were postponed for the safety of our employees.
- Many community events were also postponed due to the pandemic

SD Dept of Health called and said  
“Keep up the good work!”

DP Employees are monitored for symptoms of the Coronavirus before they are allowed to work. Pictured is Po Shoot having his temperature taken by Lori Hook RN.



# Community Pigeon Project

- Dakota Provisions employees helped the Huron Public Library and Huron Strong lift the spirits of local nursing home residents by creating messenger pigeons.





## “BUSINESS AFTER HOURS EVENT AT DAKOTA PROVISIONS CORPORATE OFFICE”

- On Tuesday, March 10<sup>th</sup> over 65 people attended the Business After Hours social at the DP Corporate headquarters. They were given a tour of the offices and provided a tasty meal with refreshments. Business After Hours is a monthly social event sponsored by the Huron Area Chamber of Commerce and Visitors Bureau where members of the community gather at businesses within the community. CEO Ken Rutledge provided the attendees with an update of DP operations, strategies and pinpointed a few of the customers DP provides product to.
- DP served the guests products from the new Dakota 44 line that started its launch in 2020





# Pizza For Everyone...

On Monday, April 6 all employees of DP East, DP West, Dakota Gobblers, DP Warehouse, Wyshbone Market, DP Lab and the DP Corporate Office were treated to hot pizza. The pizza was provided to the employees for their hard work and dedication in keeping Dakota Provisions operating efficiently. Pictured below are DP RTE and RAW employees preparing the pizza line for the various shifts during the day. Also pictured are the full lunch rooms enjoying pizza.





# Turkey Days

- Dakota Provisions held their 12<sup>th</sup> annual Turkey Days celebration complete with the Turkey Days Golf Classic on Friday, September 11<sup>th</sup>. Donations were received in from 37 vendors of Dakota Provisions all over the United States and Canada. The donations were then distributed to the Huron Heartland Hunters Special Olympics Team and the Beadle County Animal Shelter.
- Top Picture – Dakota Provisions Turkey Days Committee presenting donation check of \$15,000 to Huron Heartland Hunters Special Olympics Team. Names: Brady Kappler, Gavin Rutledge, Linda Rutledge, Scott Rutledge, Grady Heffner, Ken Rutledge, Jay Podradski, Cindy Lowery, Patsy Myers, Kara Heffner, Teresa Brossart.
- Bottom Picture -- Dakota Provisions Turkey Days Committee presenting donation check of \$8,531 to Beadle County Animal Shelter. Names: Allen Messimore, Cindy Lowery, Teresa Brossart, Kim Krueger, Kylie Spoonemore and daughter, McKennah Murphy, Denise Griffith.



## 14 TEAMS PARTICIAPATED IN THE DAKOTA PROVISIONS TURKEY DAYS CHARITY GOLF CLASSIC!

- 53 golfers participated in the annual Turkey Days golf classic. Customers, vendors, employees and friends made up the 14 teams that braved the wet elements to participate in the tournament on September 11th. The T-Bird team took first place and the DaPro team finished third. The team of Kevin Skidmore, Tom Drewianka, Mike Bliss and Mark Barrett finished second. This year's sponsor donations that will go to support the Huron Heartland Hunters Special Olympics Team and Beadle County Humane Society.





# Scarecrow Festival 2020

- One event Dakota Provisions was fortunate enough to participate in is the 2020 Scarecrow Festival
- Dakota Provisions ended up winning the “Best in Show” award for the Game of Thrones display
- See the full festival display in the next slide





# Scarecrow Festival 2020





# Report Content Summary

- Throughout the report, Dakota Provisions has included key performance indicators identified by the Global Reporting Initiative (GRI) G3 Sustainability Reporting Guidelines. A context index showing the specific location of the GRI performance indicators included in this Corporate Responsibility Report is below. In instances where financial risk is eminent, financial impact is reported in appropriate reporting. Costs incurred by the company due to environmental and social risks over the past year are confidential in nature and will not be specifically revealed.

GRI DISCLOSURES	PERFORMANCE INDICATORS	PAGE
PROFILE	1.1 STRATEGY AND ANALYSIS	2
	2.1 - 2.10 ORGANIZATIONAL PROFILE	4
	3.1 - 3.4 REPORT PROFILE	3
	3.5 - 3.8 REPORT SCOPE AND BOUNDARY	3
	3.12 GRI CONTENT INDEX	21
	4.1 - 4.4 GOVERNANCE, COMMITMENTS & ENGAGEMENT	4
	4.14 -4.15 STAKEHOLDER ENGAGEMENT	5
ENVIRONMENT	EN3, EN4 DIRECT AND INDIRECT ENERGY USE	6
	EN8 WATER USE	6
	EN22 WASTE BY TYPE AND DISPOSITION	7
	EN16 DIRECT & INDIRECT GREENHOUSE GAS EMISSIONS	7
	EN29 TRANSPORTATION OF GOODS	11
LABOR PRACTICES	LA2 EMPLOYEE TURNOVER	9
	LA7 INJURY RATE	9
	LA13 EMPLOYEE COMPOSITION	10
SOCIETY	SO1 COMMUNITY	11
PRODUCT RESPONSIBILITY	PR1 HEALTH AND SAFETY IMPACTS OF PRODUCTS	12
ECONOMIC	EC3 EMPLOYEE BENEFITS	8