

AGP[®] NEWS

Serving Cooperatives and Agricultural Producers

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**OUR PEOPLE MAKE
THE DIFFERENCE**

A MESSAGE FROM AGP'S CEO



Sergeant Bluff, IA Fall 2022

EMPLOYEE DEVELOPMENT

Marketing, Operations & Accounting Teams Connect in Omaha



In September, AGP hosted leadership groups at Company headquarters in Omaha, NE. Early in the month, AGP's Operations and Merchandising teams met to discuss a number of topics including harvest preparation, project reviews, market dynamics, supply chain disruptions, and transportation challenges.

Later in the month, AGP Accounting Managers met to discuss goals for the new fiscal year and hear from other business unit leaders. AGP recognizes the value gained by these types of team gatherings and appreciates the dedicated employees that make it possible.



Top: Tony Stepanek (standing), Vice President of Engineering, provides an update on current AGP projects to marketing and operations leaders.

Right: Accounting Managers listen to an update from AGP's Information Systems team about the benefits of incorporating the latest technology into their workflow.

IN THIS ISSUE

- 3 Employee Development
- 4 Port News
- 6 Q&A: New Component Premium
- 8 Member News
- 9 International Markets
- 10 Welcome to AGP
- 11 Policymakers



On this cover of *AGP News* you will find a key factor in AGP's success -- our people. These photos were taken in September at two managers meetings. Each fall, AGP brings in plant leadership from accounting, operations, and marketing areas to learn from one another. I have been fortunate to be a part of the meetings for many years and fully appreciate how committed our team is to running our facilities safely and under best management practices.

I would like to thank our members, the Board of Directors, and co-workers for your collective contributions to a successful year.

Have a safe harvest.

Chris Schaffer

Chief Executive Officer



On the cover: AGP's Accounting (top photo) and Merchandising and Operations (bottom photo) teams are just some of the nearly 1,100 employees committed to serving the Company's 153 member cooperatives.

Rickers Promoted to Chief Operations Officer



Lou Rickers
AGP Chief
Operations Officer

In late August, Lou Rickers was promoted to AGP Chief Operations Officer. Lou started his career at AGP in 1994 as a Laboratory Technician in Manning, IA. Over the years, he held positions at Sergeant Bluff and Algona, IA. Lou relocated to Omaha, NE as the Director of Biodiesel Operations in 2014. Lou was promoted to Vice President of Operations in 2020 and subsequently to Senior Vice President of Operations in 2021.

In addition to Lou's dedication to AGP, he also proudly served our country for 21 years in the infantry, mostly with the Iowa National Guard. That included stints in Afghanistan in 2004 and 2005. Lou is originally from Westside, IA and is a graduate of Iowa State University with a Bachelor of Science degree in Biology.

AGP Leadership Visits Port of Grays Harbor



Pictured left to right: AGP Board members Bruce Granquist, Matt Ashton, Chuck Schafer, Rob Jacobs, Jay Sunderman, Board Secretary/Treasurer Larry Oltjen, Board Vice Chairman Dean Thernes, Board Chairman Lowell Wilson, and Chris Boshart.

This summer, AGP’s Board of Directors and Management team traveled to the Pacific Northwest and conducted meetings and site visits, including time at the Port of Grays Harbor. The trip began with a business plan review and Board meetings in Seattle, WA, where the group discussed current business dynamics, market expectations, and strategic initiatives for the Company.

After the Seattle meetings, the team traveled south to visit and tour AGP’s export terminal at the Port of Grays Harbor in Aberdeen, WA. The group met with Port management, workers, union representatives, and local tribal leadership. While at the site, Board and Management team members witnessed soybean meal being loaded onto a vessel bound for the Philippines.



Top left: Chris Schaffer, AGP CEO, addresses attendees at the Port of Grays Harbor. Bottom left: Gary Nelson (left), Executive Director of the Port of Grays Harbor, and Schaffer (right) pose with Guy Capoean, Quinault Indian Nation President, and Chrissy Winn, CEO at the Quinault Nation Enterprise Board. Top right: AGP’s Board of Directors tour the Port of Grays Harbor facility. Bottom: Port of Grays Harbor leadership, Port workers, local officials, International Longshore and Warehouse Union (ILWU) workers, tribal leaders, and their families gather with AGP leadership for a large group photo.



Leaders from AGP and many different representatives from the Port of Grays Harbor gather for a photo at Terminal 2.



AGP’s Component Premium Program gives its members the rare opportunity to gain even more value from their soybeans. Since its inception in 1999, the program has paid out over \$80 million for soybeans that go above and beyond to meet higher levels of oil and protein content. Adam Piper, AGP Vice President of Soybean Processing, spoke with AGP News about some exciting changes with the Component Premium Program and why high quality soybeans are so important.



Q: What is AGP’s Component Premium Program and how does it work?

A: The Component Premium Program is an offering that is unique to our member-owners. It allows our membership to get paid a premium for the soybeans they deliver to our facilities which meet certain criteria for oil and protein. In some rare cases you may get both, but it is fairly common to get one or the other. There is a benefit for each side because we are sharing in the profitability of that soybean and promoting the production of a quality crop.

Q: You described the Component Premium Program as “unique.” What sets this program apart?

A: The Component Premium Program gives our member-owners a competitive advantage to work with producers to promote the value of producing soybeans that increase their market value. That, in turn, helps drive a higher-quality bean to AGP. Ultimately, that drives better returns for producers who focus on seed selection and agronomic practices that assist in producing soybeans that the marketplace desires.

Q: The Component Premiums have changed. Tell us about it and why now was a good time to raise it.

A: The market demand for oil is the driving force. AGP felt the timing was right to incentivize the production of high oil yielding soybeans, due to the recent increase in demand for fats and oils in the United States. This gives us the ability to share that value back with our members and the producers that are growing the higher quality soybeans. The new Component Premium schedule took effect October 1st and is going to allow producers to get up to 10 cents on oil and three cents on protein. Potentially, a 13 cent per bushel premium in total can be earned on every load delivered to an AGP processing facility. That is over and above the negotiated contract price.



Q: Give a quick explanation as to how the Component Premium payments work.

A: We pay the premium on an as-is basis, not moisture adjusted. Therefore, the drier the soybean, the higher the other constituents will be -- the protein and oil. That is due to the protein and oil being more concentrated in each bushel.

Q: What can a farmer do to potentially increase the oil content of their soybeans?

A: Mother Nature often has the largest impact on oil content. Typically, if we see moisture stress late in the growing season, that drives oil content of the bean higher. Maturity groups of seed appear to have an impact on oil content, as we often see shorter maturity correlate with higher oil content.

Q: Any final words you would like to leave us with?

A: Remember this new Component Premium schedule started on the first of October, so any soybeans coming in now are included. We are trying to share and promote the visibility back to the producer that is delivering to the cooperative or AGP directly. We want you to look at seed selection and make a conscious effort to increase that constituent value of oil and protein, and ultimately not reduce any yield potential there. The Component Premium Program will continue to incentivize high yielding oil when selecting varieties going forward.



AGP Ag Processing Inc		Component Premium Schedule	
Percent Oil @ As Is Moisture Premium		Protein Premium 37% or Higher As Is Moisture	
19.4 or less	None	None	
19.5 to 19.7	3.0 cents	3.0 cents	
19.8 to 20.0	4.0 cents	3.0 cents	
20.1 to 20.3	6.0 cents	3.0 cents	
20.4 to 20.6	7.0 cents	3.0 cents	
20.7 to 20.9	8.0 cents	3.0 cents	
21.0 and higher	10.0 cents	3.0 cents	
* Minimum oil required is 19.5% to receive protein premium		* Minimum protein required is 33% to receive oil premium	
* Premiums adjusted to market conditions		* Sample grade soybeans do not qualify for component premiums	
* As is moisture			

- Revillo Farmers Elevator in Revillo, SD named Tom Guinan new General Manager succeeding Byron Ruhr who retired. Prior to joining Revillo Farmers, Tom served as VP of Grain Procurement at Landus Coop in Ames, IA for four years; Grain Origination Manager at Ag Partners In Albert City, IA for two years; and various positions with Cargill in Blair, NE for 19 years. He grew up in Missouri Valley, IA.
- Frontier Ag, Inc. in Goodland, KS named Stan Remington CEO/President. Stan previously was COO at Goodland. Prior to joining Frontier Ag, Inc., Stan served as CEO of Ag Partners Cooperative in Seneca, KS.
- Hoven Equity Exchange in Hoven, SD named Slade Ruffing new General Manager succeeding Rob Rausch who retired. Prior to joining Hoven Equity, Slade owned a seed cleaning business in Wolf Point, MT.
- Co-Alliance Cooperative, Inc. moved their main office from Avon, IN to Indianapolis, IN. Kevin Still is the President and CEO for Co-Alliance.
- Farmers Cooperative Company in Readlyn, IA named Nate Snyder as CEO/General Manager replacing Jeff Brunscheon who retired. Prior to joining Farmers Coop, Nate worked at Cargill.



2022 Annual Meeting
January 19 & 20, 2023



featuring entertainment
by Josh Turner

**MARK
YOUR
CALENDAR**

AGP Celebrates Co-op Month

**CO-OPS
BUILD
ECONOMIC
POWER**

October is National Co-op Month. As a federated cooperative, AGP celebrates this year's theme of "Co-ops Build Economic Power." This theme encompasses AGP's commitment to its member-owners and the communities where we do business. We believe cooperatives like AGP play a vital role in providing economic stability for rural communities, retaining farmer ownership and control in the production and distribution chain, ensuring a safe and affordable food supply, and protecting the environment.

Cooperatives have been crucial to farmers' livelihoods, the agricultural industry, and the economy of rural America for more than a century. We believe farmers are better equipped to adapt to the opportunities and difficulties facing agriculture in the future, thanks to farmer-owned cooperatives and the reliability of the cooperative business model.

Japan



Andrew Metzger, Senior Merchandiser, and Alex Hines, Merchandiser of Specialty Products, met with Japanese customers to discuss the benefits of AGP's AminoPlus® product.

India



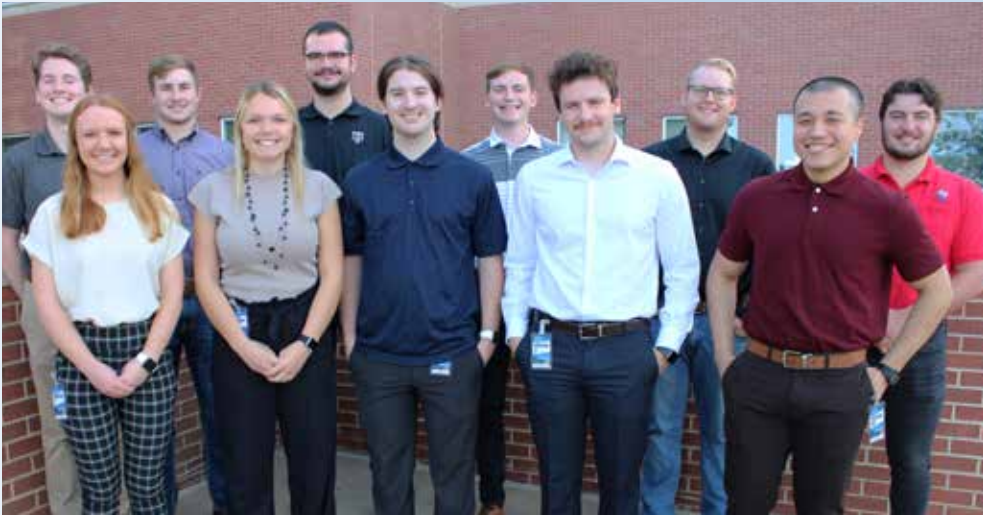
Members of AGP's export team joined the United States Soybean Export Council (USSEC) for a meeting with customers in Hyderabad, India.

SE Asia



The Port of Grays Harbor and reps from AGP hosted a trade team from various Southeast Asian nations to show how soybeans harvested in the U.S. make it to their countries.

AGP Internship Program



Front row, pictured left to right: Bethany Widman, Morningside University; Grace Hill, Iowa State University (ISU); Justin Reed, University of Nebraska-Lincoln (UNL); Theodore Rowbotham, ISU; Moises Cortez, University of South Dakota. Back row, pictured left to right: Jackson Bibb, Auburn University; Jacob Hoffman, UNL; Tim Williams, UNL; Logan Nodine, ISU; Dillon Mohling, ISU; Carson Swartzbaugh, UNL.

Each year, a collection of college students are selected to work as paid summer interns for AGP. The internship program is very hands-on, allowing the students to gain valuable real-world experience they can use after graduation. Many former AGP interns have gone on to work full-time for the Company. In 2022, AGP welcomed 11 interns to serve in the areas of accounting, merchandising, operations, and engineering.

AGP Human Resources Promotes Training for Leadership Development

Recently, AGP hosted employees from various plant locations for the Operations Leadership Development Program (OLDP). The two-day seminar is designed for operations personnel to provide leadership skills, knowledge, and applicable experiences to successfully manage and develop teams to achieve the mission and goals of AGP. Those in attendance heard presentations from AGP leaders, networked with one another to share ideas, and gained some tools to utilize back at their home plant locations. Employees from AGP facilities in Algona, Dawson, Eagle Grove, Hastings, Mason City, St. Joseph, Sergeant Bluff, and the Port of Grays Harbor took part.



Kim Brammer (standing), AGP Director of Development and Recruitment, discusses how different communication styles can be effective when leading teams. Other OLDP speakers covered topics including job safety, performance management, and building a winning workplace culture.

Eagle Grove Hosts Iowa Lt. Governor

Iowa Lieutenant Governor Adam Gregg recently toured AGP’s Eagle Grove, IA plant as part of his annual 99-county tour. Gregg and his team enjoyed learning more about the soybean production process and what the Eagle Grove location does for the community. Pictured left to right are: Pat Russell, Plant Superintendent; Jeff Lampman, Soybean Plant Manager; Adam Gregg, Iowa Lieutenant Governor; Shara Schmeling, Regional Merchandising Manager; Mike Rolo, Soybean Refinery Plant Manager; and Kerry Frields, Senior Merchandiser.



AGP Employees Meet with MO Governor

In late August, Missouri Governor Mike Parson made a stop in St. Joseph, MO to promote his tax plan, which includes extending tax credits for farmers. Employees from AGP’s corporate office and St. Joseph plant location met with Parson to discuss Missouri agriculture and what this initiative could mean for the state. Pictured left to right are: Courtney Lawrenson, Vice President of Oils and Energy (Omaha, NE); Nathan Nolte, Biofuels Sales Manager (Omaha, NE); Stacey Fowler, Accounting Supervisor (St. Joseph, MO); Mike Parson, Missouri Governor; and Reggie Kock, Merchandising Manager (St. Joseph, MO).



NOLTE ELECTED CHAIRMAN OF IOWA BIODIESEL BOARD



Nathan Nolte, Biofuels Sales Manager, was elected to serve as chairman of the Iowa Biodiesel Board. The Iowa Biodiesel Board is a state trade association representing the biodiesel industry.



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