

AGP[®] NEWS

Serving Cooperatives and Agricultural Producers

A PUBLICATION OF *Ag Processing Inc* a cooperative, Summer 2025



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While soybean acres may be down this year according to USDA reports, the crop is off to a solid start. Still, it's a bit unsettling to see the first WASDE report for the 2025/2026 marketing year project ending stocks below 300 million bushels. Although that level is manageable, a carryout under 300 million will feel tighter, especially with a higher domestic usage rate.

It was encouraging to see planters in the field as we travelled to AGP’s General Manager meetings in April. We had a strong turnout of GMs and were able to deliver a positive message to our members. Despite the challenges in today’s markets, FY2025 is still on track to be a "Top 5" year for AGP—an impressive feat in what many are calling “trying” conditions.

The uncertainty coming out of Washington, D.C. continues to weigh on the markets. Tariffs can shift with a single phone call, and it is difficult to secure forward vessel freight without incurring a risk premium due to the proposed port fees on Chinese-flagged vessels. There are still open questions around the future of the Renewable Volume Obligation, the Producer Tax Credit, and Small Refinery Exemptions. We are also still waiting to find out if the Domestic Production Activities Deduction will be included in the next legislative package. On top of those issues, the Secretary of Health and Human Services continues to promote food policies that run counter to sound science—particularly to the detriment of vegetable oil.

It’s a lot to consider. Fortunately, AGP is well-positioned with a strong team at the table for these critical discussions. In the following pages, Vice President of Oils and Energy Courtney Lawrenson, Director of Government Affairs Michael Dolch, and Director of Sustainability Allison Willis, will share some insights and commentary on what’s unfolding in the political and regulatory environments and how AGP is actively engaged in advocating on behalf of the cooperative system.

Wishing you a great summer,


Chris Schaffer
Chief Executive Officer

AGP Holds Meetings with Member Cooperatives



Chris Schaffer and the AGP management team provided positive updates to member-owners during a series of regional information meetings held this spring. The team gathered with members at four events across Iowa, Nebraska, and South Dakota to discuss the Company’s performance and future direction. These meetings are part of AGP’s ongoing commitment to transparent communication and engagement with its membership. Attendees received updates on current operations, strategic initiatives, projected fiscal 2025 earnings, and key issues affecting the Company. This year’s sessions brought together representatives from approximately 50 member cooperatives across Iowa, Kansas, Nebraska, Minnesota, and South Dakota. Full financial results for fiscal year 2025 will be shared at the AGP Annual Meeting in January of next year.

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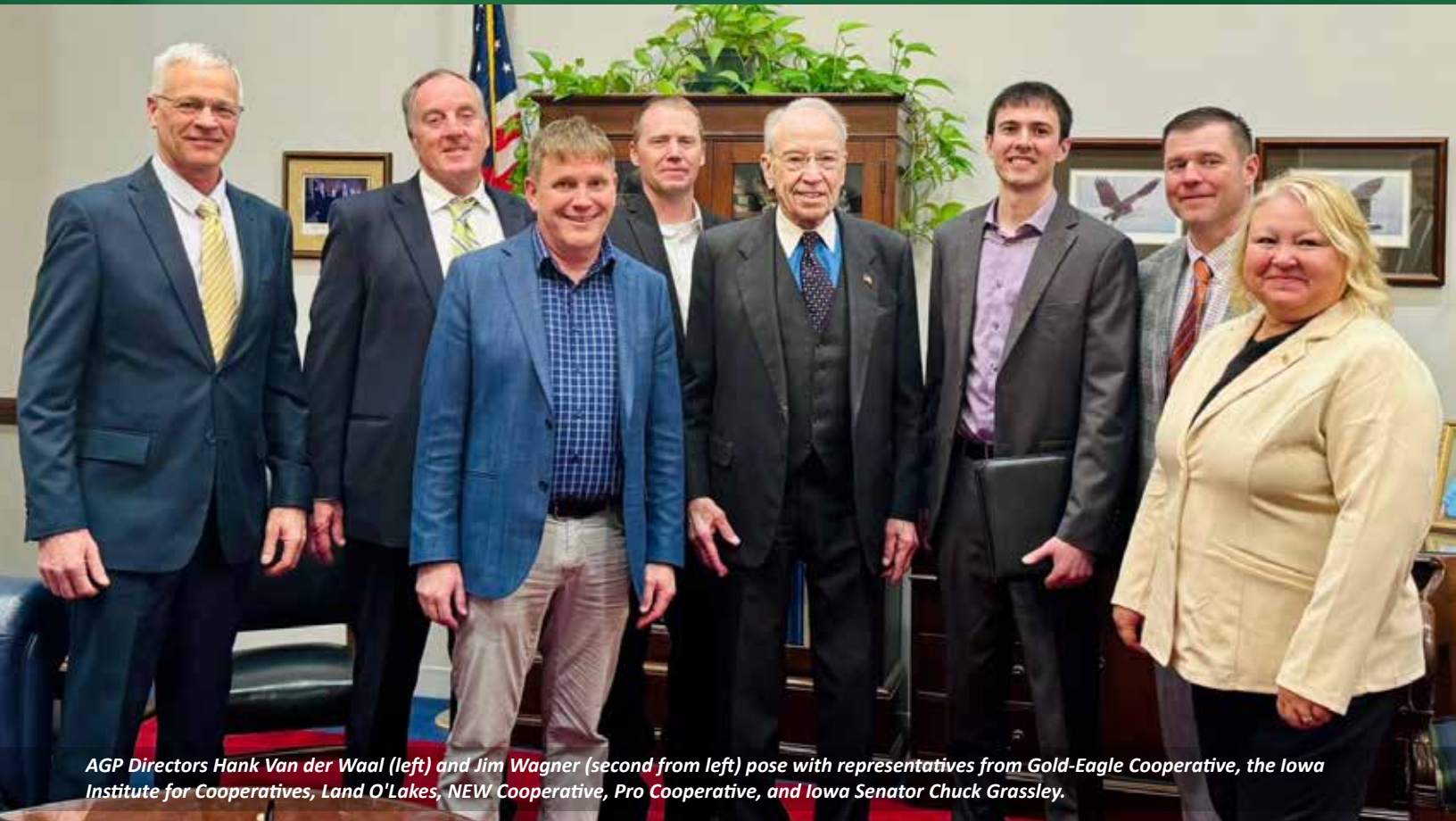
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AGP Directors Meet with D.C. Policymakers



AGP Directors Hank Van der Waal (left) and Jim Wagner (second from left) pose with representatives from Gold-Eagle Cooperative, the Iowa Institute for Cooperatives, Land O'Lakes, NEW Cooperative, Pro Cooperative, and Iowa Senator Chuck Grassley.

This spring, several members of the AGP Board of Directors traveled to Washington, D.C., to participate in the National Council of Farmer Cooperatives’ (NCFC) Spring Tax Fly-In. During the event, the AGP delegation met with members of Congress and key policymakers to advocate for the permanent extension of the Section 199A tax deduction. This critical provision supports a level playing field for farmer cooperatives and their producer-members by enabling co-ops to return greater value to their members, reinvest in rural communities, and stay competitive within the agricultural supply chain. In meetings on Capitol Hill, cooperative leaders underscored the importance of making Section 199A permanent. They warned that without long-term certainty, farmers and their co-ops could face significant financial instability. Letting the provision expire would also place cooperatives at a competitive disadvantage, undermining their role in supporting rural economies and U.S. agriculture.

“AGP has a responsibility to stand up for policies that strengthen the cooperative system and the producers who rely on it,” said Michael Dolch, AGP Director of Government Affairs. “Section 199A is essential for maintaining fairness in the marketplace and our involvement in Washington helps ensure that lawmakers understand how these decisions affect farms and rural communities. It’s critical that AGP has a strong voice in these conversations.”



Members of the AGP Board that were in attendance for the NCFC Spring Tax Fly-In included: Dean Thernes, Board Chairman and General Manager of Farmers Pride in Battle Creek, NE; Matt Ashton, General Manager of New Vision Cooperative in Brewster, MN; Hank Van der Waal, producer from Boyden, IA; and Jim Wagner, producer from Primghar, IA.



AGP Board Chairman Dean Thernes (far right) and others pose with Tennessee Congressman John Rose.

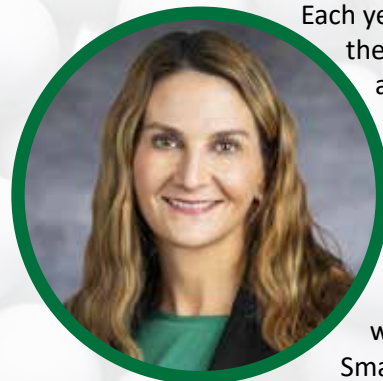


Michael Dolch (far left) of AGP and AGP Director Jim Wagner (far right) pose with representatives from Agtegra Cooperative and South Dakota Congressman Dusty Johnson.



AGP Director Matt Ashton (second from right) is joined by representatives from Agtegra Cooperative, CHS, and Minnesota Congresswoman Angie Craig.

Making the best decisions for your cooperative is a team effort and it is important to stay informed. AGP News spoke with three AGP experts in the fields of renewable fuels, agricultural policy, and environmental sustainability to discuss what producers should know heading into the second half of 2025.



Each year the EPA is required to establish the Renewable Volume Obligations (RVOs) as part of the Renewable Fuel Standard. In June of 2023, the EPA released the final RVOs for 2023, 2024, and 2025 that fell well short of the biomass-based diesel's production capability and did not consider the soybean crush expansion already in progress to supply the additional feedstock needs. It is expected the EPA will release RVOs for 2026 and 2027 in early June which will be followed by a comment period and final release by the end of the year. Biofuel industry advocates have met with all levels of government agencies and constituents representing our production areas to express the need for higher numbers, proposing 5.25 billion gallons for 2026 and 5.75 billion gallons for 2027. The proposed RVOs will be closely reviewed as the EPA will also make decisions on the more than 160 pending Small Refinery Exemptions (SREs) they plan to resolve in the coming months. Historically, granting more SREs has reduced mandated RVOs, but the agency may choose to reallocate exempted volumes to maintain blending targets.

The next key issue to watch will be the 45Z revisions that passed the House in May and are now under Senate review. The House voted to extend the program by four years through 2031 and restricted the producer's credit to fuel to be made from feedstocks originating only from the U.S., Mexico or Canada. Soybean oil also received a major improvement in its carbon intensity rating as it was revised to exclude Indirect Land Use Change (ILUC). Uncertainty remains over the next several months as we await clarity on final RVO numbers and SRE decisions. The Senate's 45Z revisions could reshape eligibility and credit values, and we still need implementation details to finalize credit values for 2025 and beyond. **-Courtney Lawrenson, Vice President of Oils and Energy**



As Congress enters an important stretch of the reconciliation process, we're encouraged by momentum behind policies that matter to cooperatives and their farmer owners. Chief among these is the permanent extension of Section 199A, a top priority for AGP and many of you. Thanks to strong grassroots advocacy and support from members of Congress, it appears tax deduction for co-op business is on track to clear the Senate, reach the President's desk, and be signed into law. We're also backing the extension of Section 179 expensing and soy-focused improvements to the clean fuel production credit (45Z), which are essential for driving rural investment and ag innovation.

On the farm bill front, efforts are ongoing to deliver a comprehensive, long-term package this year. In the meantime, the House's reconciliation bill addressed a few farm bill priorities, raising soybean reference prices and funding trade promotion programs, which could help resolve some sticking points in upcoming negotiations. All eyes are now on the Senate to advance its version and begin reconciling differences ahead of full farm bill consideration. We are also monitoring the MAHA Commission report, which drew sharp criticism from ag groups for its portrayal of crop protection tools and seed oils.

AGP will remain actively engaged to defend both the modern ag practices our farmers rely on and the high-quality, consumer-facing products, like soybean oil, that we proudly produce. As always, thank you for standing with us. Your voice makes the difference. **-Michael Dolch, Director of Government Affairs**



As sustainability regulations continue to evolve, traceability is emerging as a critical standard for maintaining access to key markets for U.S. soy. In Canada, the Clean Fuel Regulation sets clear documentation requirements to ensure traceability from the field through the supply chain. Growers must complete annual attestations, and each cooperative must submit a declaration confirming eligible volumes delivered to AGP. Without this documentation, AGP's biodiesel and soybean oil feedstock will not qualify under the program, restricting access to the Canadian renewable fuels market. In the United States, California is also raising the bar through recent amendments to its Low Carbon Fuel Standard. Beginning with the 2025 harvest, feedstock must come from land cleared or cultivated before 2008 and be supported by field-level GPS data. These requirements will become more rigorous over time, with third-party sustainability certification required by 2028 and adoption of environmental best management practices by 2031.

Meanwhile, the European Union will implement its Deforestation Regulation on December 30, 2025. Also known as EUDR, the rule requires soy to be deforestation-free and traceable to individual fields using geolocation data. This rule even applies from countries considered low risk, including the United States. Despite differences in scope and timing, all three programs are moving in the same direction. Field level traceability is no longer optional. In fact, it is essential for maintaining access to key markets. **-Allison Willis, Director of Sustainability**

Expanding global markets for AGP

Members of AGP’s export and merchandising teams joined Fernando Jimenez (second from right) of AGP’s Mexico office for a check-in with customers and an update on Central American agricultural issues.

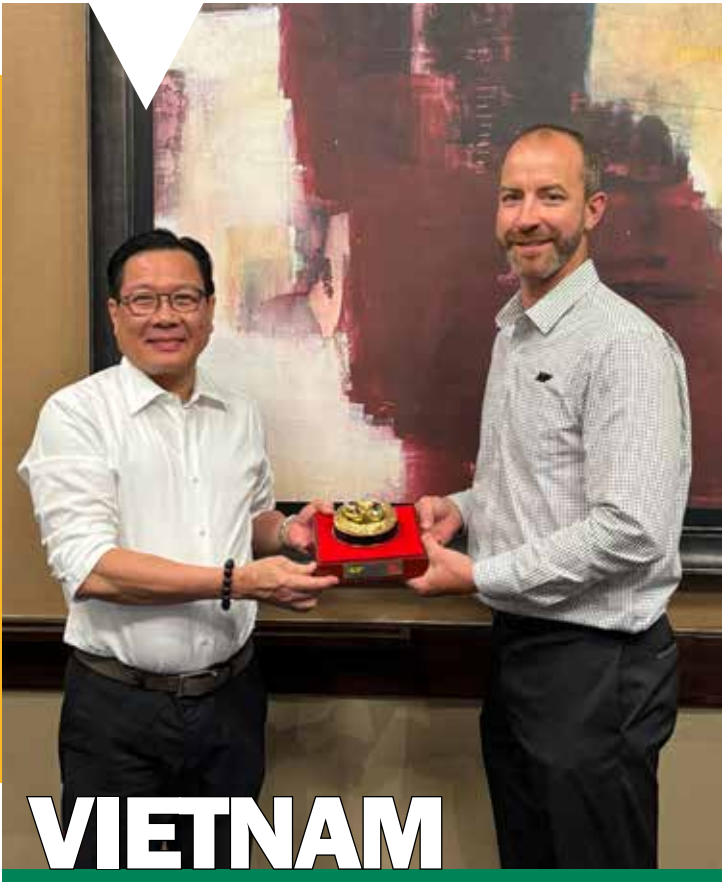


In the Philippines, AGP met with long-time customers and attended USSEC’s Ag Supply Chain Asia Conference to hear the latest developments in the soybean meal industry.



In June, a trade delegation led by Vietnam’s Minister of Agriculture signed multiple memorandums of understanding (MOUs) to buy approximately 7.5 million metric tons of U.S. agricultural products. The agreements were finalized at the Iowa State Capitol between Vietnam’s feed industry and U.S. companies, including AGP. Nguyen Tuan Nam, Chairman of animal feed supplier Khai Anh, poses with Craig Pietig, AGP Vice President of Ag Products.

As part of a visit to Thailand, AGP representatives met with local groups to tour their operations and discuss U.S. soybean quality. A seminar was also held to educate the buyers and feedmillers on the benefits of U.S. soy.



AGP took part in a trade visit to Ireland with representatives from the Iowa Soybean Association. The group toured the Port of Cork in Ringaskiddy on the southern edge of Ireland.



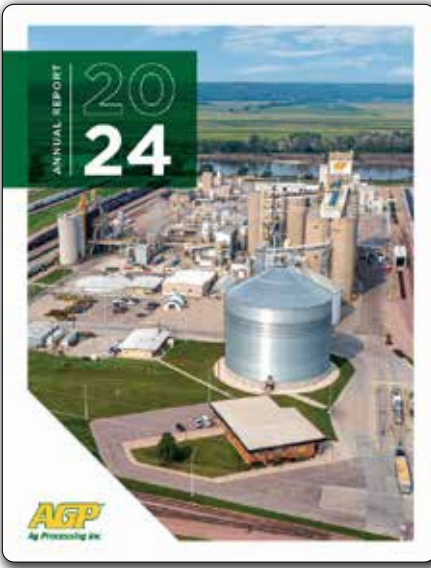
AGP Employees Attend GICL Summer Institute

In May, four AGP employees attended the Graduate Institute of Cooperative Leadership (GICL) Summer Institute at the University of Missouri in Columbia. Summer Institute is GICL's flagship program and celebrates its 53rd year in 2025. The GICL seminar offers ways for participants to grow as leaders and develop actionable strategies that ensure the cooperative's long-term success. AGP employees who attended the seminar included: Paul Wahlmeier, Vice President of Finance; Melissa Shallberg, Corporate Accounting Assistant Controller; Rose Anderson, Director of Corporate Events & Member Communications; and Carmen Mogensen, Director of Renewables.

"GICL is essential for anyone serious about having a successful career in the cooperative sector. The insights I gained on leadership, communication, and member engagement were invaluable," Wahlmeier said. "I also enjoyed the opportunity to connect with cooperative leaders from across the country. Everyone brought a wide range of experiences and expertise, which made for an exciting exchange of ideas during the class discussions."



AGP Annual Report Wins CCA Award



AGP's 2024 Annual Report was a second-place winner in the Publications category of the Cooperative Communicators Association's (CCA) communications contest. The Excellence in Communications Awards ceremony was held in June during the CCA's Annual Institute in Colorado Springs, CO.

The Institute program also offered a variety of professional development sessions for CCA members and strategies aimed at making communications more successful for cooperatives.



Understanding the Cooperative Model



Rocky Weber, President and General Counsel of the Nebraska Cooperative Council, visited the AGP corporate office to speak with employees about the foundational principles and value of the cooperative business model.

Weber's presentation, which he described as "co-op 101," covered the unique structure of cooperatives, their rich history, and the core concepts of membership and patronage. He explained how cooperatives are owned and controlled by their members and how profits are returned to those members in proportion to their business with the cooperative.

"Cooperatives exist to serve a mutual economic benefit," Weber said. "Unlike traditional businesses, the money co-ops make flows down to the members and their farmer owners. That's what makes the model so resilient and so closely tied to the success of rural communities."

The Nebraska Cooperative Council represents agricultural cooperatives across Nebraska, advocating for their interests at the state and national levels. The organization also provides education, leadership training, and resources to support cooperative members and their communities.



Rocky Weber
President and General Counsel,
Nebraska Cooperative Council



CASNR Students Learn the Value of AGP



Students from the University of Nebraska-Lincoln’s College of Agricultural Sciences & Natural Resources (CASNR) visited the AGP corporate office in Omaha to learn more about the soybean industry and understand the critical role the Company plays in the global food chain. CASNR is part of UNL’s Institute of Agriculture and Natural Resources and offers over two dozen majors focused on agriculture, science, and technology. Visits to companies like AGP help bridge the gap between what students learn in the classroom and day-to-day operations of a successful soybean processor. During the meeting, students



met with Reggie Kock, AGP Director of Marketing, and Colton Zumpfe, Refined Oil Sales Manager, who offered an in-depth look at AGP’s operations and the broader soybean sector.

In addition, AGP was a sponsor for the CASNR Golf Scramble. The golf event offers an opportunity for students to connect with organizations, allowing them to learn about various career paths and network in their industry. Pictured left to right: Sydney Sherer, AGP Merchandiser; Kim Brammer, AGP Director of Development, Recruitment, and Employee Relations; Kyle German, AGP Merchandiser; Brody Maack, UNL Agribusiness major; and Zack Gaffney, UNL Agronomy major.



AGP Introduces New Moisture Premium Program

AGP is excited to announce a new Moisture Premium Schedule for our members, replacing the previous Component Premium Program. This new program rewards producers for delivering soybeans with optimal moisture levels, which are crucial for efficient processing.

Optimal moisture levels are essential for maximizing both the quality and quantity of our final soybean products. Soybeans with too much or too little moisture can create operational challenges, impacting flaking consistency, extraction efficiency, drying costs, and plant throughput.

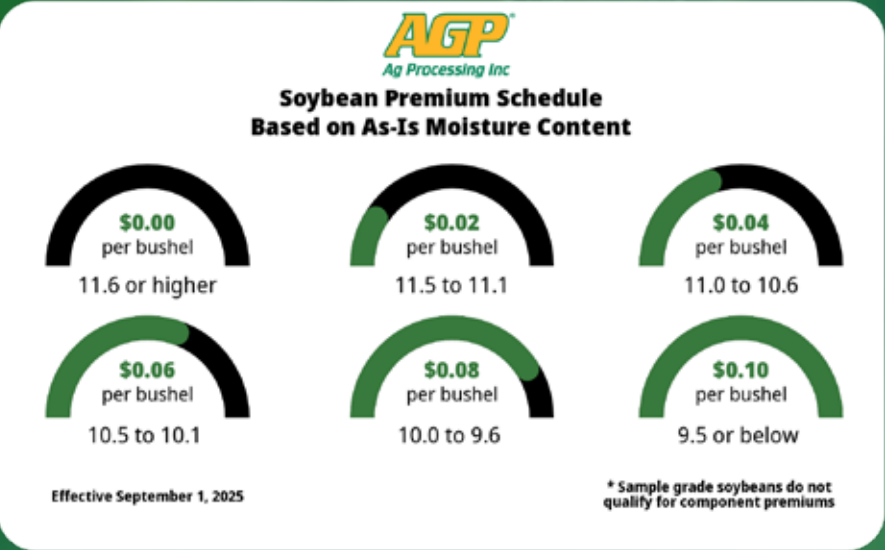
Previously, our oil and protein premium scale was paid on an “as is” moisture basis, so lower moisture was incentivized, but difficult for all market participants to quantify at their facilities. The new Moisture Premium Schedule is designed to reward members who deliver soybeans with the ideal moisture content for our processing needs.

"This program benefits both our members and AGP by sharing in the profitability of high-quality soybeans," says Adam Piper, Vice President of Soybean Processing. "The scale is structured to reflect the optimal soybean moisture level, ensuring our facilities operate at maximum capacity and maintain plant efficiencies."

For details on the new moisture premium, please see the attached chart. AGP merchandisers are also available to answer any questions.



Adam Piper
Vice President,
Soybean Processing



MERGERS & NEW MEMBERS

The AGP Board of Directors approved the membership of Chula Farmers Cooperative in Chula, MO. Dan Murphy is the General Manager.

The AGP Board of Directors approved the membership of Farmers Union Cooperative Supply Company in Clarkson, NE. Isaiah Fischer is the General Manager.

The members of Castlewood Farmers Elevator in Castlewood, ND and Estelline Community Oil Company in Estelline, ND approved a merger. The new name is AXESS Cooperative and headquartered out of Estelline, ND. Darren Benike is the General Manager.

NEW APPOINTMENTS

Mitch Altermatt has been named CEO at Crystal Valley Coop in Mankato, MN succeeding Roger Kienholtz who has retired. Mitch most recently served as CEO of United Farmers Coop. Prior to that, he held positions at CHS.

Alex Tweed has been named General Manager at Glacial Plains Cooperative in Murdock, MN succeeding Mark Greicar who is retiring in August. Alex formerly served as the Agronomy Manager at Glacial Plains.

Daniel Clark has been named CEO at United Cooperatives, Inc. in Plattsburg, MO succeeding Richard Selby. Daniel has been with United Cooperatives for 15 years, previously serving as a Location Manager.



Pro Cooperative recently welcomed members of AGP’s merchandising team to their headquarters in Pocahontas, IA. AGP enjoys meeting with members and providing pertinent information they can share with their farmer owners. Pictured left to right: Geoff Peterson, Pro Cooperative Grain Manager; Anthony Shimon, AGP Merchandiser; Jodie Johnson, AGP Merchandising Manager; and Terry Panbecker, Pro Cooperative CEO.



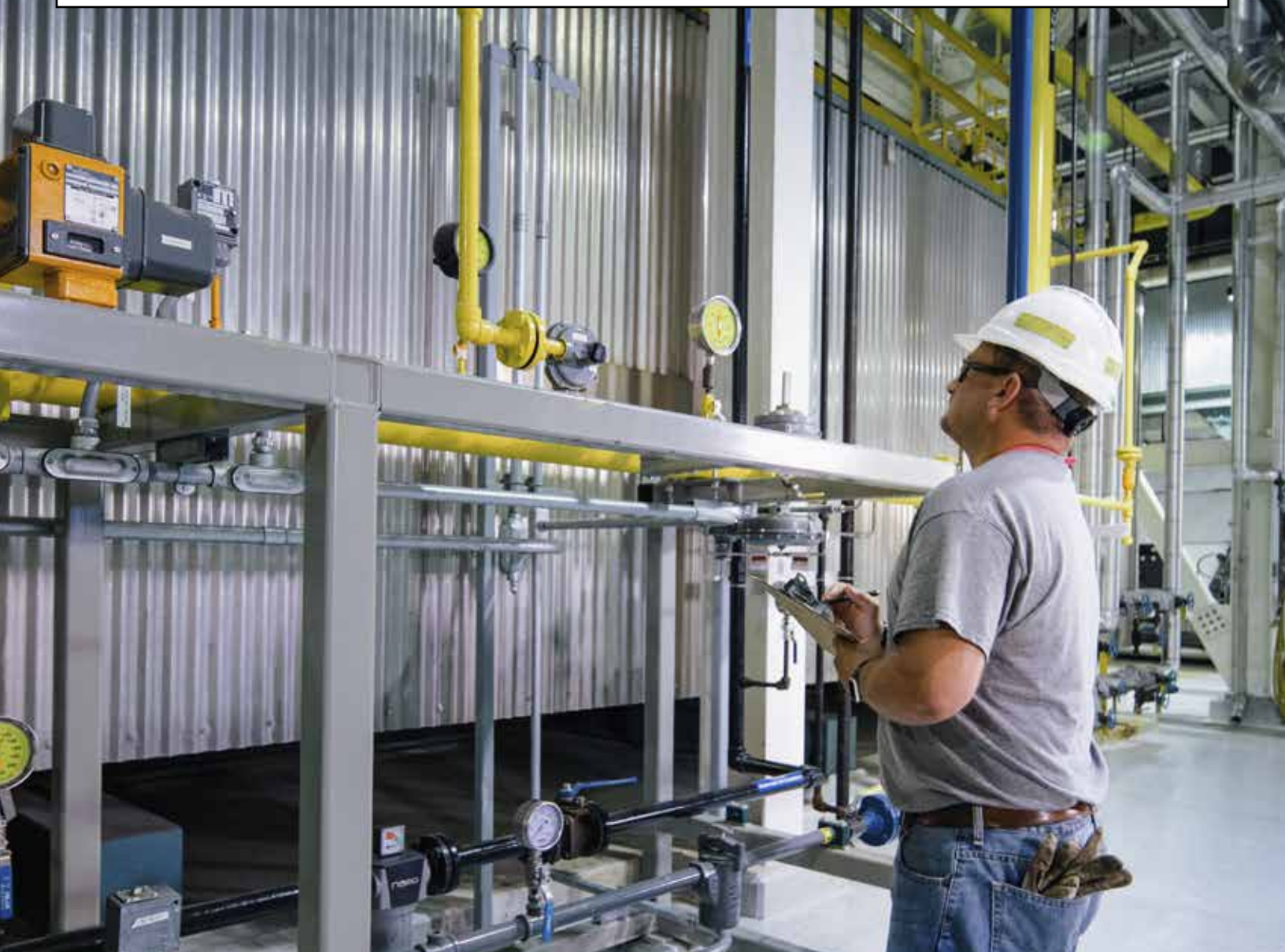
New Vision Co-op visited the AGP office in Omaha, NE to learn more about recent projects at AGP facilities in northwest Iowa. New Vision is headquartered in Brewster, MN and their CEO is AGP Board Director Matt Ashton. Pictured left to right: Matt Smith, AGP Regional Merchandising Manager; Adrian Seeline, AGP Senior Merchandiser; Joel Hartzler, New Vision Grain Merchandiser; Eric Doublede, New Vision Feed Ingredients Procurement Manager; Mitch Montag, New Vision Grain Division Manager; Adam Piper, AGP Vice President of Soy Processing; and Reggie Kock, AGP Director of Marketing.



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