

Committed. Dependable. Honest.

PREMIER
Companies



2022 ANNUAL REPORT



Harold Cooper
CEO

LETTER FROM THE CEO

Despite It All - Stronger Than Ever!

The year 2022 marks my 45th year with the cooperative system in Indiana. It has been an extremely fulfilling career, yet the last 3 years have been the most difficult over that entire span of time. We've faced COVID-19, supply issues, inflation, shifting consumer preferences, regulation, and extreme labor shortages. I am so proud of our leadership and employee group in the face of these adversities. Despite these challenges, Premier is stronger today than at any other time in our history.

Allegiance to the Past

As challenging as the last 3 years have been, it pales in comparison to the cooperative's beginnings in 1927.

Sandwiched between two World Wars and immediately preceding the Great Depression, our founders faced much greater challenges and yet endured. The critical needs farmers in rural America had for assured supply at fair prices drove them to success. Farmers were also motivated by the belief they did much of the work, took much of the risk, and someone else kept the fruits of their labor.

As we convey the results of 2022, I trust you will see Premier honoring these early motivations and traditions. The Premier Board of Directors has authorized patronage refunds approaching \$7 million dollars back to our member owners. Equity redemptions add an additional \$1.5 million dollars. More than 75% of the income we made from our farmer-owners is being returned to them and our local communities.

Consider this comparison. In agronomy, not only Premier, but all crop input suppliers had a very successful year, much greater than normal. For those of you who purchased from Nutrien (a Canadian-owned company), have you received your Canadian loons refund? If you purchased from Helena (a Japanese-owned company), have you received your check in yens? If you chose an independent supplier like KOVA, have you received their refund? Only the farmer-owned cooperative allows farmers to share in the success of the supply channel.

Transformative in the Present

Our leadership team was determined to make sure we had supplies of fuel, propane, fertilizer, crop protection, and seed when needed. No easy task in 2022. We often took positions and accepted the risk of price just to ensure supply.

Despite never having enough labor, I am extremely proud of employees making personal sacrifices to ensure we delivered on our promise to be a reliable supplier. Our employee group filled in the gaps where we had labor shortages. There were times last spring we were 130 people short of ideal (20% of our desired workforce).

We were busy with our recent merger of White River Co-op and Premier, and also had the opportunity to grow through several acquisitions. In liquid fuels, we had two acquisitions in Kentucky/Tennessee which added 60% to our annual sales. In propane, three acquisitions in Indiana added 35% growth.

This added volume helps us spread costs and ensure supply at competitive prices. The growth we have on non-member sales allows us to reinvest back into operations and return a higher percentage of our success back to our member-owners.

Vision for the Future

Premier will continue to stay aggressive. We will look for ways to directly benefit our farmer-owners. Increasing storage, adding speed to operations, and improving efficiencies are all examples. We will also continue to pursue new opportunities and new markets. Investments into ideas like TRAX and Truterra illustrate this action. Additionally, we have invested into drone technology and field applied robotics. Further, we continue to expand our hog production model that preserves livestock production in Southern Indiana and keeps a local demand for the grains we produce.

In energy, we remain sensitive to new technologies that might displace traditional fuels. Hydrogen fuelcells seems the most promising.

In conclusion, I trust our founders would be proud of how their idea of sharing needs and opportunities has evolved and adapted into the cooperative we know and utilize today. I share my sincere appreciation to the board, the employee group, and to the member-owners for your part in making Premier such a success - present, past, and future.



Harold Cooper, CEO

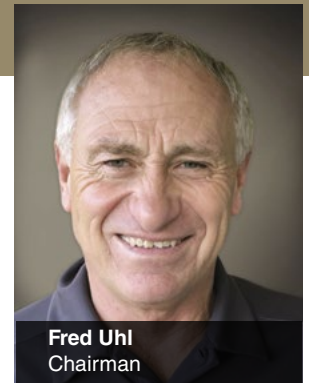
A LETTER FROM OUR CHAIRMAN

Comments from the Board Chairman

I am honored to be one of 12 farmer-elected representatives serving the interests of more than 3,000 producers in South-Indiana who collectively own and control Premier Ag Cooperative (Premier Companies). Now in our 96th year, I am pleased report to the owners the state of your cooperative.

In February, the board of directors and senior management spent time revisiting and formalizing strategy. Through this process we determined four strategic imperatives, including:

1. **Provide a farmer-owned choice in every market, every geography.**
2. **Be of size and scale to be relevant, competitive, innovative, and cost-efficient.**
3. **Look for ways to allow farmers to participate more fully in the value chain.**
4. **Be a reliable supplier.**



Fred Uhl
Chairman

Farmer Owned Choice in every market, every Geography

Let's look at examples of this strategy coming to life, starting with expansion into Kentucky.

Our mergers of the past were, in part, centered around a shared dependence on the Ohio River. It has been our long-held belief that the value Premier can provide farmers 100 miles north of the Ohio River is also true 100 miles to the south of this river. Premier has been actively looking to establish a greater presence into Kentucky over the last five years.

Over the last eighteen (18) months, we have been successful at aggregating individual fuel companies across Central Kentucky and into Tennessee. The rate of growth has been phenomenal. We are now 60% of the volume in Kentucky as we are in Indiana/Ohio.

Not only is the Premier way of doing business being well received in Kentucky, but those added gallons add value to our existing Indiana market as well. We can negotiate better supply contracts and spread our operating costs over more gallons.

With a strong footprint in Kentucky, we continue to actively look for opportunities to establish ourselves in propane and crop inputs as well. We have Kentucky growers asking about becoming members of Premier Ag and welcome the interest.

Size and Scale to be Relevant

Farmer-owned cooperatives were born in the 1920s around the lack of availability and fair pricing of farm inputs. As farming operations have grown larger and more concentrated over the last 100 years, so have the companies that supply crop inputs. Consider that in fertilizer, crop protection, and seed; not more than five (5) companies in each of those industries control more than 80% of all the products sold.

As your farmer-owned cooperative, we now operate in roughly 70% of Southern Indiana and all of Central Kentucky. We estimate that we serve more than 50% of the crop acreage located within 45 minutes of one of our crop facilities. Premier's size and market influence helps ensure product availability, fair pricing, and that the voice and needs of a farmer is always forefront in negotiations.

Vertically Integrate in Supply Channel

We expand our influence with our investments in regional cooperatives like CountryMark, Land O' Lakes (WinField United), GROWMARK, and CHS. By joining forces with other supply cooperatives across the United States, we make sure farmer's needs are voiced and protected as we seek to ensure supply at fair pricing.

Further, our investments upstream in the supply channel like refining (CountryMark), branding (WinField private label crop protection and CROPLAN seed), and Premier's investments in hog production provide economic returns back to our local farmers and communities.

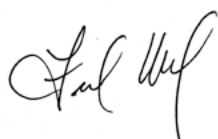
Reliable Supplier

In addition to adding size and influence, Premier has been adding storage capabilities locally. Worldwide logistics and supply have become a tremendous challenge. We continue to add to our means to store more crop inputs, fuel, and propane locally, close to demand.

Premier's investment of added storage and increased speed has been critically important. Over recent years we have doubled our dry fertilizer storage, built four new crop protection centers, increased propane storage by over 20%, and expanded our fuel hauling capabilities from 2 (old Premier) to over 30 semis.

I am pleased to report your cooperative had successful operations in 2022 and remains financially healthy. As this report details, the Board of Directors have approved patronage distributions approaching \$7 million dollars to our farmer-owners and an additional \$1.5 million in equity redemption. Over 75% of Premier's earnings generated from their farmer-owners in 2022 is being returned in cash. The Premier board meets monthly and ensures the voice and the needs of our farmer-owners are always considered and at the forefront of decision making. Premier is a cooperative truly acting like a cooperative.

On behalf of the entire board, thank you for your business and trust.

A handwritten signature in black ink, appearing to read 'Fred Uhl'.

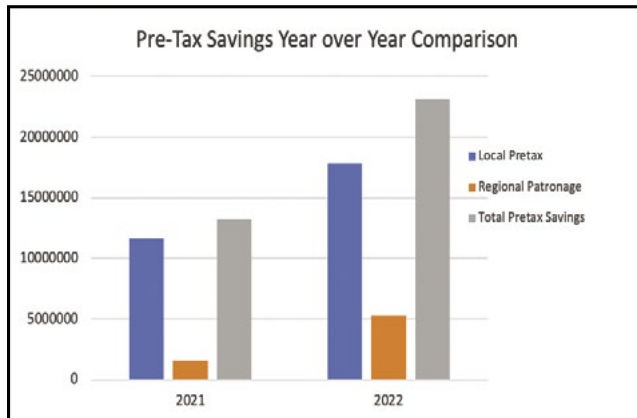
Fred Uhl, Chairman



BOARD OF DIRECTORS From left to right - Joe Bill Misiniec, Gary Scherschel, Fred Uhl, Bill Metz, Brian Arnholt, Scott Schepman, Denny Walton, Lance Mathies, Craig Klinge, Tom Nugent, Nathan Lykins, Gwen Newkirk

PATRONAGE & EQUITY DISTRIBUTIONS

Successful Year Shared with Members-Owners



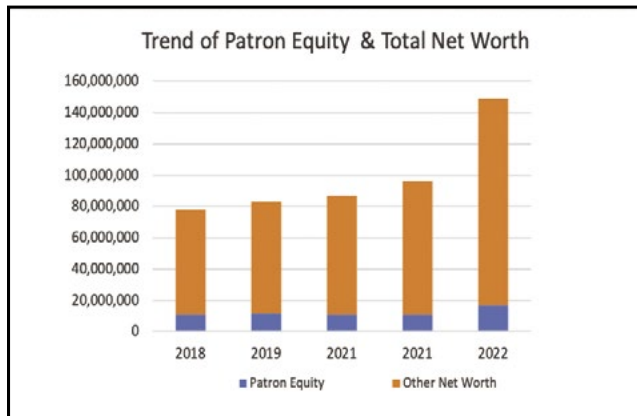
PRETAX SAVINGS

As the accompanying chart shows, Premier had a successful year in 2022. Pretax Savings totaled \$23.13 million versus \$13.23 million the prior year. Regional patronage in 2022 was \$5.3 million.

Premier, at the direction of its board of directors, has four financial imperatives, including:

1. **Maintain a strong balance sheet.**
2. **Reinvest back into operations.**
3. **Invest in new markets and technologies.**
4. **Return success back to member-owners.**

IN 2022, WE WERE ABLE TO REPRESENT SUCCESS IN ALL FOUR AREAS.



1. Maintain a strong balance sheet

It has been a longstanding practice for Premier to maintain a strong balance sheet. This practice has enabled your cooperative to remain strong even through severe volatility and market fluctuations over the last 95 years. Estimates are that there are more than 10,000 agricultural cooperatives across the country. Premier continues to remain one of the strongest financially in the nation.

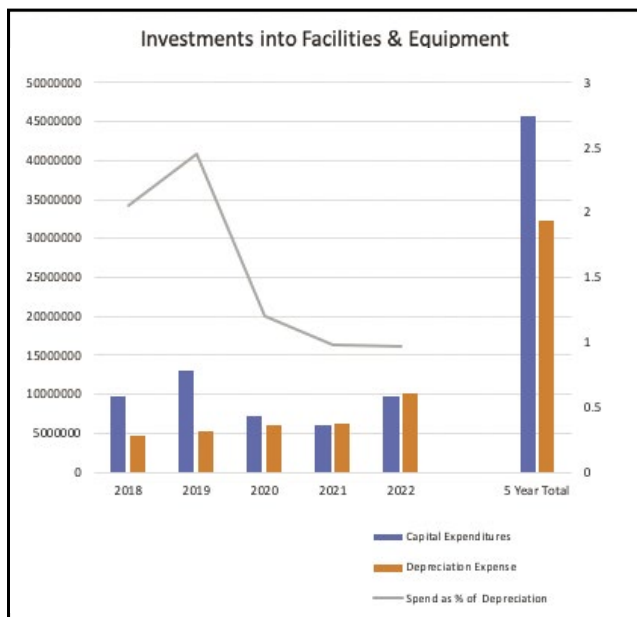
NET WORTH TOTALS

- \$149.2 million as of 08/31/2022. This is a \$52.9 million increase on the last year. Net worth has more than doubled over the past five years, from \$77.7 million to \$149.2 million.
- The percentage of patron equity credits has gone lower over this time period, from 14.6% to 11.2%. Simply stated, patron equity is the amount of our net worth assigned to our member-owners.

Your cooperative is committed to returning cash to the member owners through cash patronage and equity redemption.

2. Reinvest back into operations

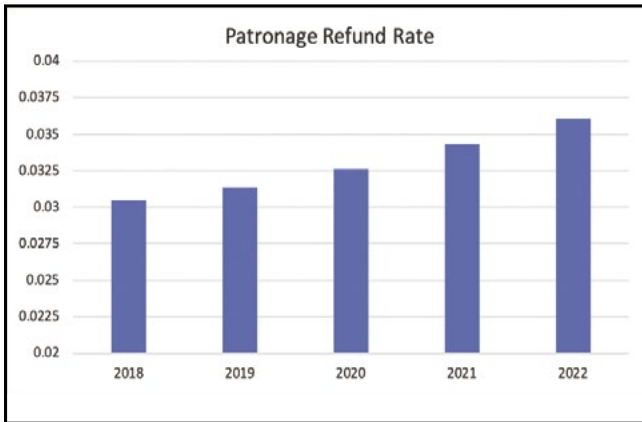
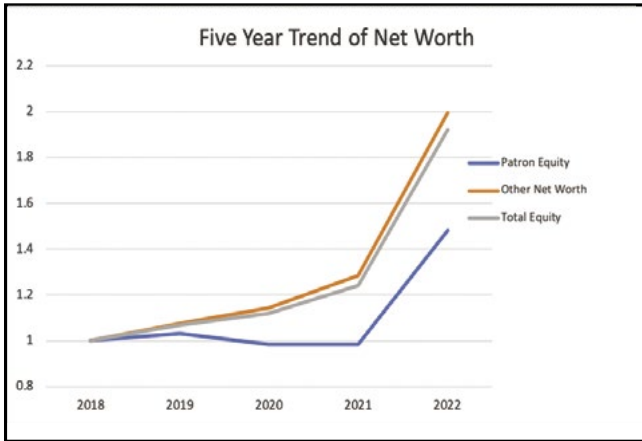
Premier continues to maintain an orderly replacement schedule for its rolling stock and upkeep of facilities. We also continue to invest in additional storage to position product closer to need and remain reliable despite supply channel uncertainties (logistics and manufacturing). The investments in additional fertilizer, crop protection, fuel and propane storage all paid big dividends in 2022.



INVESTMENT INTO FACILITIES AND EQUIPMENT

The board has authorized a spend totaling over \$45 million dollars over the past five years. This total helps demonstrate we remain aggressive at keeping our facilities and equipment in excellent shape as this represents 142% of depreciation.

ANNUAL REPORT OVERVIEW



3. Invest in new markets and technologies

Our venture into Kentucky/Tennessee over the last two years in liquid fuel is an example of this imperative. This expansion helps meet local demand in those areas with a dependable supplier, lowers our overall operating costs, and helps us negotiate favorable terms on all our gallons.

Additionally, investments into new technologies like TRAX, Truterra, drones, and robotics help us meet the ever-changing needs of our farmer-owners.

4. Return success back to members-owners

Referencing the patronage refund rate chart, we continue to increase the percentage of patronage to members and we are returning just over 3.6% patronage on farm purchases made in 2022. We are returning nearly \$6.8 million dollars of the net income we derived from sales to our member-owners in patronage refunds with 70% of the patronage being paid in cash.

Additionally, we are redeeming more than \$1.5 million dollars of older member equity (2015 and prior). Our plans are to have all equity assigned prior to 2015 fully redeemed by 2027. Starting in 2028, we hope to redeem equity on a 10-year rotation.

Adding cash patronage and equity distributions together, Premier will be returning just over \$6.25 million dollars in cash to roughly 3,000 farmer-owners in Jan-Feb of 2023. Only a farmer-owned cooperative can boast of such returns going back to local communities.

“ Premier continues to remain one of the financially strongest agriculture cooperatives in the nation. ”

Harold Cooper
CEO



BALANCE SHEET

ASSETS

CURRENT ASSETS	2022	2021
Cash	\$ 3,623,486	\$ 720,534
Brokerage accounts	\$ 1,283,218	\$ 302,769
Trade receivables, net	\$ 43,681,854	\$ 21,903,422
Notes receivable	\$ 12,401,899	\$ 5,686,532
Inventories	\$ 59,019,313	\$ 23,578,356
Prepaid inventories	\$ 3,169,499	\$ 5,543,890
Gain on forward contracts	\$ 492,500	\$ 50,814
Income taxes receivable	\$ 1,210,364	\$ 661,773
Other current assets	\$ 360,395	\$ 149,255
TOTAL CURRENT ASSETS	\$ 125,242,528	\$ 58,597,345
PROPERTY, PLANT AND EQUIPMENT, NET	\$ 87,509,779	\$ 42,509,600
OTHER ASSETS		
Investments	\$ 23,176,285	\$ 15,300,914
Investments at equity	\$ 13,747,438	\$ 15,181,950
Note receivable, net of current portion	\$ 760,284	\$ 390,072
Real estate held for development	\$ 155,712	\$ 286,469
Intangible assets, net	\$ 18,137,171	\$ 4,046,611
Other	\$ 72,820	\$ 25,000
TOTAL OTHER ASSETS	\$ 56,049,710	\$ 35,231,016
	\$ 268,802,017	\$ 136,337,961



BALANCE SHEET

LIABILITIES

CURRENT LIABILITIES	2022	2021 (As Restated)
Cash Overdraft	\$ 175,292	\$ 582,465
Current maturities of long-term debt	\$ 2,600,004	\$ -0-
Current obligations under capital lease	\$ 74,223	\$ -0-
Demand notes payable	\$ 252,000	\$ 310,000
Note payable to bank	\$ 28,586,445	\$ 7,003,274
Accounts payable	\$ 23,606,892	\$ 11,675,612
Loss on forward contracts	\$ 501,024	\$ -0-
Customer deposits	\$ 10,922,802	\$ 4,783,711
Patronage payable	\$ 4,775,000	\$ 2,300,000
Accrued employee cost	\$ 8,025,547	\$ 3,255,292
Accrued property taxes	\$ 800,000	\$ 445,000
Other current liabilities	\$ 4,723,626	\$ 3,498,775
TOTAL CURRENT LIABILITIES	\$ 85,042,855	\$ 33,854,129
LONG-TERM DEBT	\$ 23,399,996	\$ -0-
OBLIGATIONS UNDER CAPITAL LEASE	\$ 722,067	\$ -0-
LONG-TERM PENSION PLAN LIABILITY	\$ 6,287,499	\$ 3,449,901
DEFERRED INCOME TAXES	\$ 3,607,100	\$ 3,119,398
DEFERRED COMPENSATION PLAN	\$ 520,000	\$ 506,300
TOTAL LIABILITIES	\$ 119,579,517	\$ 40,929,728
SHAREHOLDERS' AND PATRONS' EQUITY		
Common stock	\$ 19,790	\$ 13,270
Patron equity credits	\$ 16,818,737	\$ 11,187,184
General reserve	\$ 120,787,053	\$ 75,828,623
Undistributed savings	\$ 13,067,881	\$ 9,373,652
Accumulated other comprehensive loss, net	\$ (1,470,961)	\$ (994,496)
TOTAL SHAREHOLDERS' AND PATRONS' EQUITY	\$ 149,222,500	\$ 95,408,233
	\$ 268,802,017	\$ 136,337,961

SALES & REVENUE

	2022	2021
SALES	\$ 586,607,437	\$ 244,004,302
COST OF SALES	\$ 511,791,291	\$ 206,719,651
GROSS MARGIN ON SALES	\$ 74,816,146	\$ 37,284,651
SERVICE REVENUE	\$ 13,054,958	\$ 7,343,407
SAVINGS BEFORE OPERATING EXPENSES	\$ 87,871,104	\$ 44,628,058
OPERATING EXPENSES		
Fixed Facility	\$ 11,022,718	\$ 6,793,165
Employee Cost	\$ 35,784,534	\$ 18,863,629
Other	\$ 23,694,616	\$ 12,078,603
	\$ 70,501,868	\$ 37,735,397
SAVINGS BEFORE OTHER REVENUES	\$ 17,369,236	\$ 6,892,661
OTHER REVENUES (EXPENSES)		
Gain on sale of assets	\$ 1,063,395	\$ 117,003
Interest earned	\$ 1,117,499	\$ 605,891
Patronage refunds received	\$ 5,296,980	\$ 1,570,326
Equity in income (losses) of investees	\$ (1,173,004)	\$ 1,392,913
Other revenue (expense)	\$ 13,183	\$ (70,667)
Gain on forgiveness of PPP loan	\$ -0-	\$ 2,793,258
Non-operating pension revenue	\$ 558,335	\$ 22,366
Interest expense	\$ (1,114,768)	\$ (95,644)
	\$ 5,761,620	\$ 6,335,446
SAVINGS BEFORE INCOME TAXES	\$ 23,130,856	\$ 13,228,107
PROVISION FOR INCOME TAXES	\$ 5,287,975	\$ 1,554,455
NET SAVINGS	\$ 17,842,881	\$ 11,673,652

ENERGY

Propane & Liquid Fuel Continue to Grow

Propane Business Secures Future Through Growth

PROVIDING A FARMER-OWNED VOICE Providing safe, reliable, affordable heat through a wide variety of purchase and delivery options is at the heart of our Propane Division. This year was significant as we enhanced our abilities by joining forces with several companies. Terhune and Allied Ready were previously competitors who respected Premier and when the time was right to sell in 2022, they wanted it to be to a company that shared their values. Our honest and trustworthy approach meant we could integrate operations and serve new customers with programs providing a bit of certainty in an uncertain world. “We appreciate the many referrals that came our way as our propane footprint grew,” says Ben Hoene, Senior Vice President of Energy. “Our expanded operations give us more buying power which translates into having the supply our customers need when they need it.”



Liquid Fuel Business Keeps Customers on The Move



Keeping our customers on the move is essential for our liquid fuel business. This was no small task in 2022 with supply chain challenges continuing to present challenges and bottlenecks in Europe for base stock. Growth continued, including joining forces with Southern Petroleum which enabled expansion in Kentucky. “Our team worked diligently with our suppliers to meet the strong demand of construction customers, small fleets and farmers,” says Ben Hoene, Senior Vice President of Energy. “We were determined be sure our fuel delivery network provides the coverage and responsiveness our customers deserve.”

Hoene summarizes the forward motion of both Propane and Liquid Fuel Divisions: “We are securing our future by taking advantage of prime opportunities for the cooperative, our customers and our employees – we are here and moving forward.”

“ We are securing our future by taking advantage of prime opportunities for the cooperative, our customers and our employees – we are here and moving forward. ”

Ben Hoene
Senior Vice President of Energy,
Premier Energy

PROPANE

Why Enroll in a Propane Program?



MANY CUSTOMERS TAKE ADVANTAGE OF OUR GOLD CAP PROGRAM BECAUSE NO MATTER HOW HIGH PROPANE PRICES RISE DURING THE HEATING SEASON, YOUR RATE IS LOCKED IN AT THE LOWEST PRICE. Even better, if the rate ever falls below your locked in rate, you will receive that lower rate including the discounted summer fill price! The Gold Cap program allows you to pay for deliveries in total as they are made or take advantage of spreading that cost out over 11 monthly payments.

No one wants to wake up in the middle of the night to a cold house, only to realize you forgot to check the propane tank and it's now empty. That's another perk of the Gold Cap Program! Our propane team will monitor your tank and make scheduled deliveries to ensure you never run empty or experience a cold house due to an empty tank.



WHY ENROLL IN A PROPANE PROGRAM?

- Fixed monthly payments for easy budgeting
- Knowing you always have propane in the tank
- Guarantee price per gallon protection
- Online and automatic payment options
- Save money by paying a lower locked in rate all year
- 24/7 Emergency service
- Discounted per gallon pricing



RETAIL STORES

Convenience Matters, So Does Savings: Retail Locations Here to Serve

A clean, well lit store staffed by a friendly smiling face is what you should expect when you enter a Premier retail location. Additionally, we offer a discount fuel card as well as a customized app that lets you know when promotions and discounts are available.

FOR EXAMPLE, OUR FUEL CARD PROVIDES THE FOLLOWING ADVANTAGES:

- **COST SAVINGS:**
Save 5 cents per gallon
- **SECURITY & CONTROL:**
Set purchase controls per driver
- **CONVENIENCE:**
Accepted at all Premier Energy CountryMark locations
- **VALUABLE REPORTING:**
Monthly billing detailing all transactions with online access for easy reviewing and tax reporting

BE SURE TO DOWNLOAD THE APP AND YOU'LL RECEIVE:

- Special Sales Items
- New Food Offerings
- InStore coupons and more!



Our retail locations are here to get you on your way with a smile and savings!

USE THE PREMIER APP AT PREMIER ENERGY COUNTRYMARK LOCATIONS IN:
Bloomfield 'The Junction', Brownstown, and Seymour



AGRONOMY

Securing Supply Enabled Success, Tech Updates Enhanced Ability to Serve

SECURING SUPPLY. Those two words sum up a key driver of the Agronomy team in 2022. Knowing input supply would be constrained, we stayed focused and locked in supply to ensure our customers could get what they needed. Market forces and geopolitical action threw curveballs nobody expected, yet our preparation meant we could deliver on our commitments.

“Being a cooperative also meant that, just as we promised, if there were savings from the initial expected cost of ag chem products vs. our actual cost, we would return that difference which we were able to do,” said Ryan Priest, Chief Operating Officer.

Along with supply, having technology at the ready was essential to help customers make the best crop possible. With all the uncertainties in the market, having dependable equipment made our service something to be counted on. “Replacing equipment and upgrading to the latest technology helped us stay on the leading edge to help our customers make the best crop possible,” Priest says.

“I had a high confidence level that I’d get what we needed, part of that was planning in advance which made it easier for me and the cooperative to plan,” said Aaron Johnson, who owns Riverview Farms in Orleans, Ind. That advance work paid off as allocation concerns troubled the industry, but Johnson’s inputs were set. “The guys in Agronomy were able to get the product or find alternatives, which was helpful with all the supply chain bottlenecks going on,” Johnson said.

The Premier agronomy team also came through with recommendations that paid off. As part of the WinField “Advanced Acre” program, Johnson knew he would at least break even on fungicide applications. “The program made the decision a little easier to try on a few fields where we didn’t know if we would see disease,” Johnson says. “That gave us confidence, and we believe it paid off between the yield as well as the grain quality that goes into the animals.” He points out the importance of quality feed for the livestock side of his operation. Riverview Farms has their own feed mill, using all their own corn for their livestock plus they purchase a million bushels locally.

The cooperative mindset is important to Johnson. “We know we need our neighbors. One of the great things about cooperatives is the local benefit – we all benefit from each other’s efforts. There is a lot of satisfaction knowing that dollars earned locally stay locally.” He concludes, “The way I see it, size doesn’t matter – the cooperative helps us all succeed and has done that for many years.”

“One of the great things about cooperatives is the local benefit – we all benefit from each other’s efforts. There is a lot of satisfaction knowing that dollars earned locally stay locally.”
The way I see it, size doesn’t matter – the cooperative helps us all succeed and has done that for many years.”

Aaron Johnson
Owner, Riverview Farms



SwineLink Division Creates Opportunities, High-Quality Pork



A Customer Moment: Doug Winger

At Premier, we enjoy getting to know our customers and appreciate the trust they place in us. Here's a quick snapshot of a Q&A with swine producer Doug Winger of Velpen, Ind.

1. When were your barns built? **2008**
2. How long have you been raising pigs?
Pretty much my whole life as I grew up on family farm, raising pigs and cattle
3. What changes have you made to your current facility since the merger between WRC & Premier?
We converted our barns over from Feeder-Finish to Wean-to-Finish in April of this year. We added brooders, mats, drinkers and new feeders to make the change.
4. How have recommendations from Premier helped you improve your operation?
I've been impressed with overall herd health and performance.
5. Tell us about how you feel about the comfort of the animals in your barn.
We follow the ventilation guidelines Premier recommends and we check on the pigs twice a day to ensure comfort.
6. Tell us about what you see in animal performance.
The wean pigs seem to take off eating right out of the gate, and never stop on our feed diets.
7. How does what you are doing today impact your longevity/future plans in the swine business?
Working efficiently and organized, I have plans to build another barn. I'm currently waiting on approval of permits.
8. Overall, how do you feel about the partnership with Premier?
Premier has been fair and honest about their expectations. The Swine program is more streamlined and organized than I have seen in the past. I enjoy working with the Premier staff to produce healthy pigs.
9. Other than farming, what do you enjoy?
I enjoy going to tractor pulls and watching Purdue basketball.

OPPORTUNITY ABOUNDS IN OUR SWINELINK DIVISION. From enabling farm families to stay in the livestock business to utilizing millions of bushels of locally produced corn, our approach to pork production is positive for farmers and the consumers they serve. By partnering with family-owned pork facilities, our business model enables us to integrate the latest scientific techniques, agricultural expertise, and animal husbandry practices. 2022 was a year of continued success, including an emphasis on genetics. Premier works with Professional Swine Management to be involved with commercial sow farms, building impressive genetics for the pigs produced by our contract growers.

"We have involvement in a sizable genetic system that secures the flow of gilts into our commercial operations," says Gary Callaway, Vice President, Livestock. "This ownership also allows our member-owners to share in a different value level of the production system."

Excellent scores on third-party audits validate that the operations we work with are functioning at a best-in-class level. For example, thanks to external audit information from P.I.C. Genetics that aggregates farm data for individual and corporate farms, we can measure success. The data proves that we are among the top leading producers in many categories such as average daily gain and feed conversion. We can measure our mortality rate against others and are happy to report that in 2022 we had the lowest mortality rate, while also being top in percent of market sales for raising healthy hogs.

"All of the farms are environmentally controlled, we don't depend on Mother Nature to keep pigs comfortable," Callaway points out. "We are using modern sanitization methods to control disease and provide the best overall environment for the animal, the workers, and the planet. We plan to continue growing and doing it the right way."

To learn more about SwineLink, tune in to **The High Ground** podcast on livestock by scanning this QR Code.



SWINELINK BY THE NUMBERS

- Commercial sow farms produce approximately 600,000 pigs per year
- 23 barns wean to finish produce app. 190,000 pigs per year
- We sell our finish pigs directly to JBS, USA
- Over 1,750,000 bushels of Premier Member-sourced corn are fed to our hogs annually



GRAIN DIVISION

Grain Division Provides Better Option for Farmer Success

The grain market in 2022 could be likened to a crying baby – always wanting more, and mad when bottlenecks occurred. Providing a farmer-owned voice in this market to help farmers manage risk is at the core of Premier's Grain Division. Thanks to the White River merger of 2021 and the addition of our Columbus grain facility, the company has facilities to help handle the abundance of grain in the market with the benefit of local market knowledge. "Our spot in the market is to represent the farm voice while providing competitive bids and a local option," says Aaron Bledsoe, Grain Merchandiser. "We put customers first and through the cooperative model can provide the inputs up front, the insight midseason and the marketing knowledge on the backside to sell the crop."

Premier conducted a grain study in 2022 to analyze the market. A top finding was that a farmer-owned option was needed, keeping local money in the local economy with a competitive grain marketing choice.

A structured approach was also taken to the Loogootee facility update. "Our addition at this site provides drying capacity and storage in response to the market need," Bledsoe says. "Farmers were having to drive farther and farther to sell grain, so we can provide valuable service right here. The name of the game is do better with what you have."

Doing better also means being efficient. The Premier app, powered by Bushel, helps customers have real-time information. The easily downloaded app is linked to the farmer's phone number and enables seeing grain tickets, settlements, and contracts. It even provides access to pre-paid bookings as well as information from the energy division. Information can be shared with advisors, which is a big help when it is time to close the books for the year. "I had a customer tell me he used to have to enter all his tickets into a spreadsheet, now he can just export them. The info is right there for him," Bledsoe says.

Despite the demanding market and disrupted supply chain dynamics, the Grain Division stayed focused. "We worked hard and did our best to provide our customers a better, local option," Bledsoe concluded.



ACH PAYMENTS NOW AVAILABLE!

Sign up for ACH payments to receive your Grain settlement payments **FAST!**

Visit your branch or print the ACH Credit Authorization Form online at premierag.com/forms



Close and Friendly: Loogootee Elevator Providing Local Grain Choice

When you ask farmers in Southern Indiana why they like selling grain to Premier in Loogootee, the first word that comes to mind is "close." George Mathies, who farms just a mile away from the elevator, appreciates the convenience. Speed of unloading is something Jarrod Burris who farms near Loogootee says he likes.

Mathies also notes the prices are good and appreciates friendly employees. "Katelyn does a great job in providing service with a smile."

Kenneth Kemp of Montgomery, IN, agrees that a smile goes along way. "The Premier folks are very friendly and that is a plus when you are busy and stressed out." He says the upgrades to the site are a positive as well. Barry Cummings who farms 30 miles away in Bedford thinks the grain elevator upgrades are a step in the right direction, and he appreciates the Premier app. "It is very convenient to see when checks are coming and other important information."

THE BUSHEL APP

Introducing the Bushel App by Premier Ag

THE PREMIER GRAIN DIVISION IS PROUD TO ANNOUNCE OUR BUSHEL APP IS NOW LIVE! This app allows our customers to have instant access to their grain data from the convenience of their mobile phone and through their web portal. All you will need is to link your mobile phone number to your Premier Ag account and you will be all set!

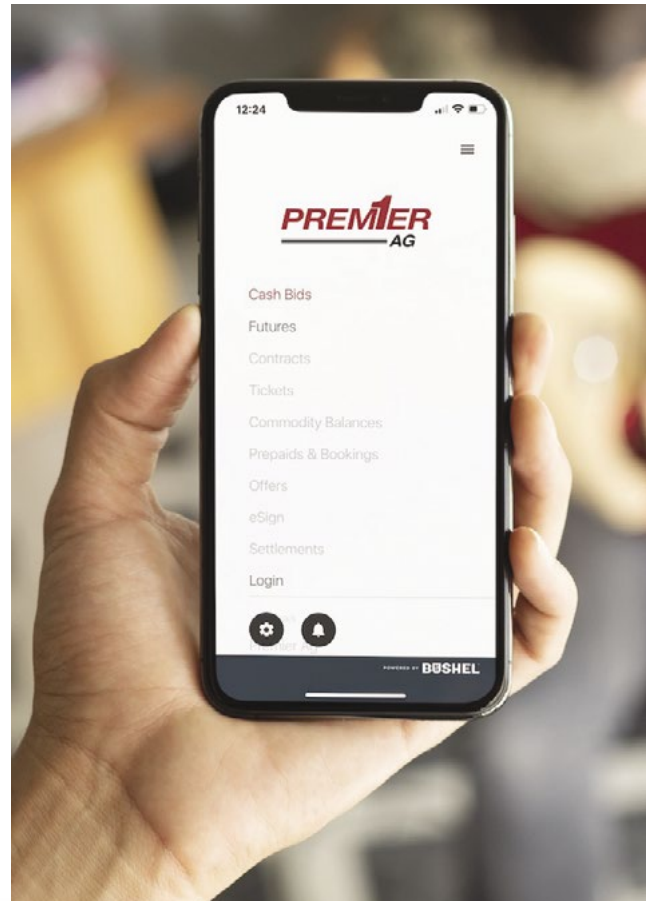
THE PREMIER AG BUSHEL APP WORKS FOR ALL CURRENT PREMIER AG GRAIN LOCATIONS:

- Brownstown Mill
- Columbus Grain
- Cortland
- Loogootee (Feed Mill & Grain)
- Worthington

The new app can be downloaded via the App Store for Apple users or the Google Play Store for Android users. Once downloaded, the customer will be guided to enter their phone number in order to log into their personalized dashboard. They will then get a verification code sent to them via text. Once the verification is entered, the customer will have access to all their information.

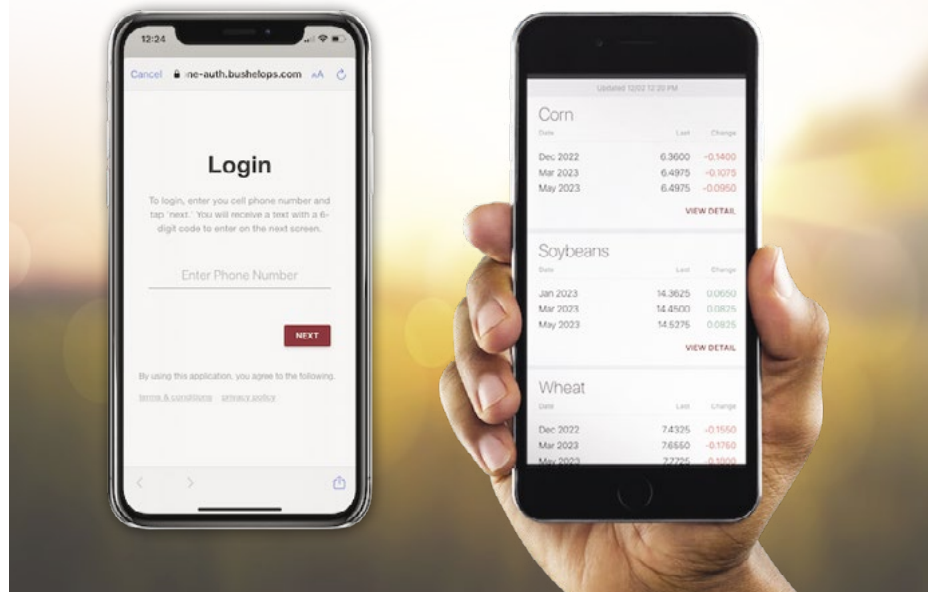
PLEASE NOTE: *On the first login attempt, it can take 15 minutes or so before their data populates. After the initial login, all data is live and updated within minutes of the data being entered into our billing system.*

To download the app today on your device, visit the Apple App Store or the Google Play Store on your mobile device.



A FEW BENEFITS ARE:

- Cash Bids
- Futures
- Contracts
- Tickets
- Commodity Balances
- Prepaids & Bookings
- eSign Contracts
- Settlements



Maximizing Yield on Every Acre: TRAX Provides Comprehensive Insight

OUR PREMIER TEAM KNOWS THAT AGRONOMICALLY SOUND RECOMMENDATIONS ARE FOUNDATIONAL TO PROVIDING A POSITIVE RETURN FOR OUR GROWER OWNERS. OUR TRAX DIVISION has become much more than a traditional precision ag service, providing the following:



1. **Data-driven decision making for growers utilizing the CropLink program.**
2. **A platform for growers to showcase their operations to external stakeholders with Premier Ag Sustain.**
3. **Potential financial incentives for changes in farming practices which enable carbon sequestration in the soil through Premier Ag TruCarbon and the TruTerra program.**
4. **Testing and evaluation services as companies seek to partner with Premier Ag to field test their newest products, practices, or technology.**
5. **Risk reduction for growers utilizing the prescriptive WinField Advanced Acre Rx programs.**

CropLink

It all starts with the soil, and CropLink is the foundation of managing soil nutrient resources. Once a farm is enrolled in CropLink, we start by measuring nutrient levels in 2.5-acre grids or less using Fieldalytics software. Results are reviewed and compared with past crop removal and future yield goals from the grower's expectations to create a prescriptive recommendation to be variable-rate applied to each management zone.

The data collection doesn't stop at the soil, as we encourage growers to utilize tissue testing to gather real time nutrient levels in the growing crop at various development stages. Tissue tests give a real-time look at nutrient uptake in the plant and a prescriptive recommendation to make any nutrient amendments through foliar applications.



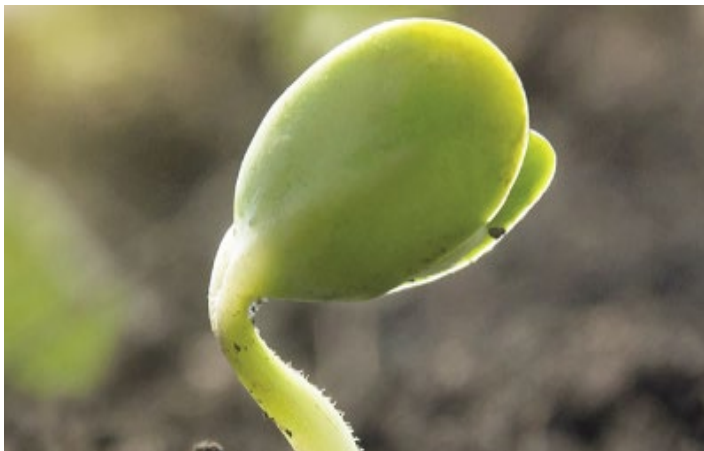
The team at Wolfe Brothers Farms started with CropLink in 2011, with test results showing a lot of low fertility areas. Fast forward to 2022, and results show even fertility across the entire fields. "Application rates have held steady or even lowered, yet yield and ROI have been trending up," they point out, saying they appreciate how the Premier account managers understand their operation and long-term goals.

Growers enrolled in CropLink have all the solutions of total data management bringing data integrity, security, transparency, and ultimately data-driven success.

Premier Ag Sustain

Think of CropLink as 'how we farm' via making data driven decisions, and Premier Ag Sustain is how we "show how we farm" to external stakeholders.

Premier Ag Sustain, in partnership with Land O' Lakes Truterra, is committed to coming alongside the farmer to help take advantage of technology and be ahead of consumer questions. While corporations have made commitments of sustainability to their shareholders, at Premier Ag we will work to translate our farming practices for the food chain, using language that reassures the consumer that growers are producing sustainably. Sustainability works together with data-driven, variable rate crop nutrient recommendations. When we measure the 'hard to see' variables of conservation adoption, soil and nutrient loss mitigation, and nitrogen use efficiency, growers can be confident progress is being made.



TRUTERRA

Leading the Way to a More Sustainable Future

Truterra Carbon Program

Data collected in TRAX programs unlocks deeper insights for farm management with positive agronomic and economic returns, and brings opportunities for Premier Ag growers to participate in other emerging markets. First-ever 'ecosystem payment' offerings supported by corporations or individuals interested in offsetting their carbon footprints have become a reality, and Premier Ag Sustain growers will be among the first to benefit from these payments for soil health improving practices.

Barry Cummings, a farmer who lives in Bedford, Indiana, who has been no tilling for 25 years shares how data has made a difference for his operation. "I got started on my own in 2015 doing cover crops and then got into a equip contract with NRCS, so coming out of that we had very good records to go into the carbon program. The Premier location in Mitchell had records of our fertilizer applications, so I also had a nutrient management contract along with the cover crop contract." Cummings says he learned more during the 2021 Field Day and "Being in the carbon program will help us continue doing the right things for the soil."



Evaluating New Technologies and Practices



The Premier Ag TRAX department is where we look at the newest agriculture technologies and practices. In 2023, Premier Ag will be partnering with Solinftec to evaluate Solix Ag Robotics, the first platform of its kind for large scale-scale production in agribusiness. The Solix robot is fully autonomous, moving throughout the field day and night scanning plants and identifying pests even at an early stage.

The scale is impressive in that Solix can monitor two million plants per day, working 24 hours a day, providing agricultural information at scale and in real time. Ultimately, Solinftec expects a potential reduction of chemical inputs by as much as 30% while the reduction of insecticides may be as much as 70% through early identification of pests.

"Premier Ag is proud to partner with Solinftec to observe 2 of only 20 of these units operating in the United States in 2023. It is important for Premier to stay connected to newest options and make them available to our members," says Ryan Priest, COO.

Managing Risk

In 2022 Premier Ag launched Advanced Acre Rx (AARx), a pilot program through WinField United which is a systems approach to agronomy combining local expertise with Answer Plot data into a flexible offering accompanied by a performance warranty to manage the risk of making an investment and not seeing the expected return.

Our goal is to maximize economic yield on every field, and our experience tells us that often the products or practices that enhance yield are part of an overall system comprised of individual inputs that complement each other. Our expertise in placing the right components in the right system for each grower helps push yields faster and further, yet sometimes an average growing season can upset the best of plans. The AARx programs help with a risk management strategy to offset some of the investment cost if yields fall below a threshold based on your APH, Approved Yield (trend adjusted), and AARx program participation.



THE HIGH GROUND

Podcast Covers All Aspects of Business, Draws Variety of Listeners



SHARING INFORMATION WITH ALL OUR STAKEHOLDERS IS IMPORTANT TO US, AND WE ARE DELIGHTED AT THE RECEPTION OUR PODCAST, THE HIGH GROUND, HAS RECEIVED.

From our member owners to suburban neighbors to our employees, people are listening in and learning more about Premier's business. "We have a variety of guests on our podcast, and we discuss everything from energy to agriculture," says podcast co-host Sal Sama, Vice President, Agronomy Sales & Marketing. "The High Ground helps put a name with a face and helps listeners know Premier better while learning about our business areas," adds co-host Ryan Priest, Chief Operating Officer. The podcast has proved to be a way to be on the higher ground yet dive deeper to share knowledge and industry insight. As one listener put it "Ryan and Sal are joined by guests from a variety of industries for an entertaining mix of knowledge, practicality, and laughter."

You can subscribe for new episode notifications via your favorite podcast service, and it is also easy to listen in via YouTube.



“ We have a variety of guests on our podcast, and we discuss everything from energy to agriculture. The podcast helps listeners know Premier better while learning about our business areas. ”

Sal Sama
Co-Host, *The High Ground Podcast*



THE HIGH GROUND PODCAST

COMMUNITY

Maximizing Community Impact Where We Live and Work

CARING FOR AND SUPPORTING THE COMMUNITIES WHERE OUR CUSTOMERS AND EMPLOYEES LIVE AND WORK IS IMPORTANT TO OUR COOPERATIVE – SO IMPORTANT THAT “COMMUNITY” IS ONE OF OUR SIX CORE VALUES. As we dedicate time and resources, we work to make the biggest impact possible. During 2022, Premier collaborated with many partners to deliver help, hope and inspiration.

Through partnership with the Indiana 4-H Foundation, we worked across southern Indiana to fund new ideas ranging from a Drone Club in Monroe County to livestock workshops and learning lab kits in Washington County. “We placed a special focus on technology grants this year to help Extension Educators establish new programs and spark ideas that help kids see how technology and agriculture intersect, preparing them for the workforce and careers,” said Katie Martin, Director of Marketing. “In fact, our support impacted 4,450 local youth this year. We also support FFA, making leadership experiences possible.”

Our employees enthusiastically helped Habitat for Humanity build a home to provide a hand up for a family, and our donations to food banks helped community members keep food on the table. We know first responders are essential, and we were proud to help upgrade and replace equipment for volunteer fire departments and EMS responders, including ensuring more locations have grain entrapment rescue gear that can save lives. We also provided donations that better equip volunteers to fight field fires – especially important in a dry fall.

Being part of the cooperative system means we can leverage donation matches from Land O’ Lakes, CoBank and CHS, making our dollars go farther. Another great example of the cooperative spirit can be seen in our retail operations partnering with CountryMark for the annual Fueling Freedom event. On the designated day each June, 50 cents of every gallon of gas/diesel sold is donated to the National Guard Family Readiness Group. We were also happy to help the “Feeding the Flock” effort as part of our commitment to help our communities thrive.



All these examples illustrate that giving is a transformative act. “Stewardship can mean so much more than taking care of the land, at Premier it means being good stewards towards one another and the communities we serve,” says Martin. “As a farmer-owned cooperative, Premier is known for giving time, talent and treasure to be a good neighbor and this mindset is important in every decision we make.”



PREMIER Companies

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PATRONAGE & MEMBER EQUITY CHECKS WILL BE MAILED

PATRONAGE & MEMBER EQUITY
are fundamental benefits of cooperative ownership.

Value of a Cooperative It is important that there is a farmer-owned choice in the marketplace, allowing those making purchases to own part of the company they are patronizing, and receiving patronage and equity credits on those purchases.

The success of your cooperative is shared via cash patronage (current year dividends shared with the member-owner for business completed in the prior fiscal year) and Equity (member equity retained in the organization that is a valuable source of capital for cooperative maintenance and growth).

Patronage checks will be mailed to members that had qualifying business during FY2022. Approximately 3,200 member owners will receive just over \$4.75 million dollars. Patronage checks will arrive in mailboxes mid-late January.

This years **Equity Redemption** is for equity credits assigned in 2015 and prior. Over 3,000 unique owner members are receiving their portion of \$1.5 million dollars. Equity checks will arrive in mailboxes late January – early February.