

PREMIER

Companies



COMMUNITY
We Care



RELIABLE
We Deliver



**CUSTOMER
FOCUSED**
We Serve

PREMIER

Companies

COMMITTED. DEPENDABLE. HONEST



PROGRESSIVE
We Move Forward



INTEGRITY
We Do What Is Right

LEGACY

We Have Deep Roots



2023 ANNUAL REPORT



Harold Cooper
CEO

LETTER FROM THE CEO

Strong Growing Year, Strong Results

Many forces in agriculture can determine the success of a given year. While we certainly had some localized areas short on rainfall, 2023 will be remembered as a strong production year for row crop agriculture in much of Southern Indiana. Along with favorable weather, many of the pandemic instigated supply issues abated and prices for crop inputs retreated from record highs. Overall, farm incomes will be strong for our member-owners.

Your cooperative, Premier Companies, also enjoyed success in 2023. Financially, we ended the year with positive earnings of \$25 million dollars, which equates to a 12% return on the investment you, our farmer-owners, have in Premier.

WE CONTINUE TO GENERATE EARNINGS THAT ALLOW US TO:

1. **Maintain a strong balance sheet.**
2. **Reinvest back into operations.**
3. **Seek new business opportunities.**
4. **Issue patronage and redeem equity to our member-owners.**



Greater detail on overall financial results and member-owner distributions are found within this Annual Report.

REINVEST INTO OPERATIONS / NEW VENTURES

Workforce Development and Retention

The greatest investment we have been making back into operations has been with our workforce. We continue to monitor wages and strive to ensure we are competitive within our industries. Additionally, we have improved our health care offering for families and continue to offer very strong retirement benefits.

I want to publicly thank all our Premier employees for their hard work and going the extra mile in this tight market.

Yet like the rest of America's businesses, we continue to struggle to find enough help. In 2024, we will be adding H2A workers to our workforce to try and alleviate some of this ongoing problem. An exciting effort to highlight is that Premier has developed a first-of-its-kind partnership with local high schools and Ivy Tech to create a career path for young adults to enter our industry.

Facility/Rolling Stock

Last summer, we purchased 40 acres of land near Campbellsburg, IN. At this location in 2024 we plan on building a new agronomy center that will replace our Mitchell and Salem facilities. Similar to investments we have made throughout our trade area (Boggstown, Cortland, Greensburg, and Loogootee), this facility will add storage, speed, and the means to better serve farmers who self-apply crop protection products.

On rolling stock, even with higher costs, we continue to trade out our fleet in normal replacement cycles. We want to ensure we have safe, reliable vehicles to operate. Continued standardization of our fleet capability enables more sharing of workload.

Invest in the Future

You will learn more in this report about Premier employing a swarm of drones and two robots to expand our capability to care for and monitor crops. We are also expanding our capabilities to serve energy needs throughout Southern Indiana and Kentucky.

We are field testing monitors on propane tanks that provide us with real time inventory information. This monitoring helps ensure we keep our customers warm in the winter and improve route efficiency.

Premier also partnered with Purdue University and High Alpha (a business venture incubation studio) to create new businesses centered around data and data management. DIAL Ventures is the name of the shared partnership and entities like Truterra (covered more in this report) is a natural benefactor of this initiative. There have already been three start-up companies formed (Croft, Harrow, and Gripp).

In Summary

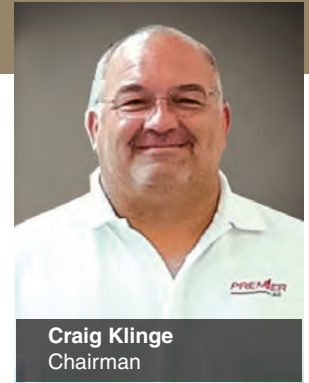
We know you work hard every day, which inspires us to continue our efforts to address struggles with labor, inflation, increased regulation, and higher interest rates. Despite those challenges, 2024 will be a strong year for our farmer-owners as well as for your cooperative, Premier Companies.

We thank you for your business.

Harold Cooper, CEO

A LETTER FROM OUR CHAIRMAN

Comments from the Board Chairman



Fellow owners,

I am pleased to report Premier Companies has had another successful year. Economic success, while important is only one component of overall success and will be covered in other parts of this report. I'd like to elaborate on other areas which also deserve our focus. As a board, we have developed four (4) strategic imperatives that continue to guide your cooperative.

THEY ARE:

1. **Offer a farmer-owned choice in every market, every geography.**
2. **Have the size and scale to be relevant and compete with any other entity.**
3. **Participate in value chain and build local demand.**
4. **Make the investments required to be a reliable and innovative supplier.**

Farmer Owned Choice

Over the last year we have expanded our footprint in liquid fuels south of the Ohio River. We now serve 100 miles on either side of the I-65 corridor, the entire length of Kentucky (KY), and even venture into Tennessee (TN). Premier Energy has been well received in this market, as our rapid growth attests. KY/TN now comprise more than a third of our total fuel business. Our management team is looking for opportunities to add propane and agronomy in this geography.

Not only does our presence in KY/TN bring a farmer-owned choice to that area, but it also improves capabilities back here in Southern Indiana, which brings us to strategic point #2.

Size and Scale to be Relevant

Farm operations continue to get bigger and bigger. Size gives farmers economies of scale and adds revenue enabling expansion and reinvestment. Companies supplying our input needs are also getting bigger for the same reasons. This reality creates fewer choices and often requires farmers to travel further to secure supplies.

As with farming, as the size of the business changes, so does capability. Greater size adds to Premier's sourcing capability, efficiency, and spreads overhead costs. We feel a farmer-owned cooperative, centered around the shared interests of the Ohio River, livestock production and Southern Midwest cultures has been the best way to protect and represent "locally owned, locally controlled" in 2023 and beyond.

Returning Success

As a farmer-owned cooperative, we annually review the potential to return some of Premier's success back to our member-owners. Once again this year, we will be returning the equivalent of 100% of the earnings we derived from our farmer-owners back in the form of 70% cash patronage and 30% equity credits.

Premier will continue to use earnings derived from nonmember business to protect our balance sheet, reinvest back into operations, provide competitive wages and benefits to our employees, and seek new business ventures and innovations.



Committed. Dependable. Honest.

I am honored to serve as the chairman of your cooperative along with eleven other Southern Indiana producers, helping deliver on the promise of being committed, dependable and honest. I am proud of what our cooperative has accomplished over the last 96 years and how well we are positioned to continue to serve your needs in the future. Thank you for your continued support.

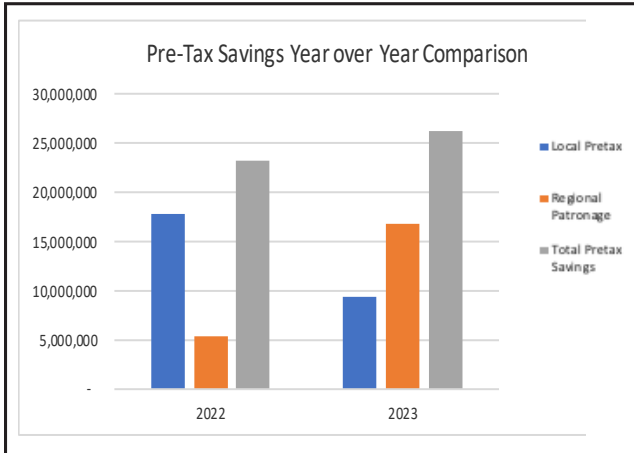
Sincerely,

A handwritten signature in black ink that reads "Craig Klinge". The signature is written in a cursive, flowing style.

Craig Klinge, Chairman

PATRONAGE & EQUITY DISTRIBUTIONS

Successful Year Shared with Members-Owners

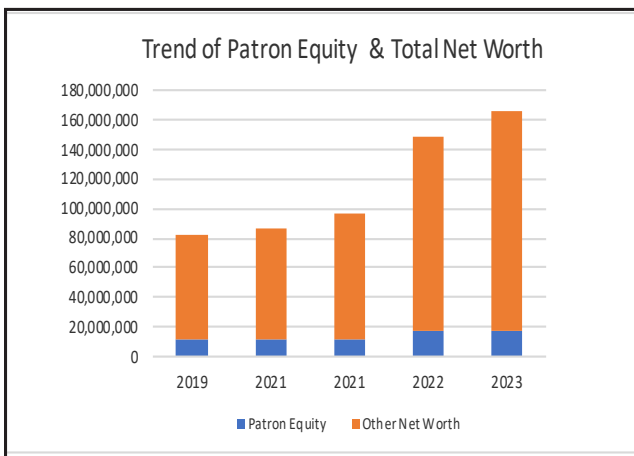


PRETAX SAVINGS

As the accompanying chart shows, Premier had a successful year in 2023. Pretax Savings totaled \$26.17 million versus \$23.13 million the prior year. Regional patronage in 2023 was \$16.88 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.**



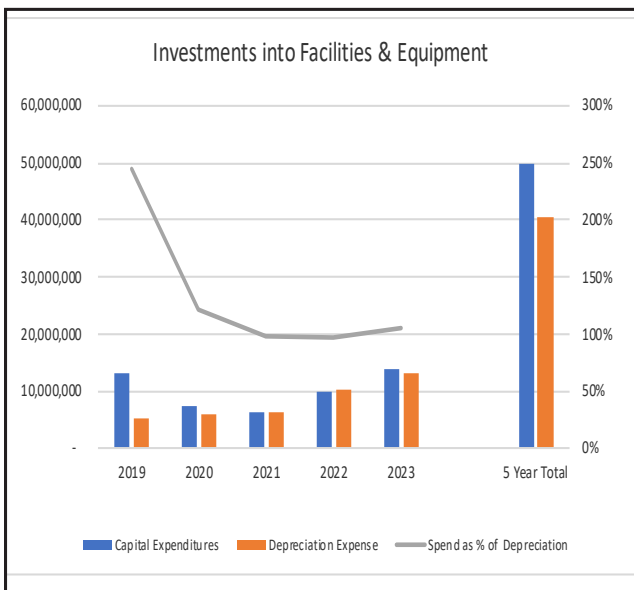
IN 2023, WE WERE ABLE TO REPRESENT SUCCESS IN ALL FOUR AREAS.

1. MAINTAIN A STRONG BALANCE SHEET

It has been a longstanding practice for Premier to maintain a strong balance sheet. Premier continues to remain one of the strongest cooperatives financially in the nation.

NET WORTH TOTALS

- \$166.4 million as of 08/31/2023. This is a \$17.2 million increase on the last year.
- Patron equity credits as a percentage of total net worth is 10.5%. Patron equity credits are assigned through the patronage distribution process and reduced through equity distribution payments.

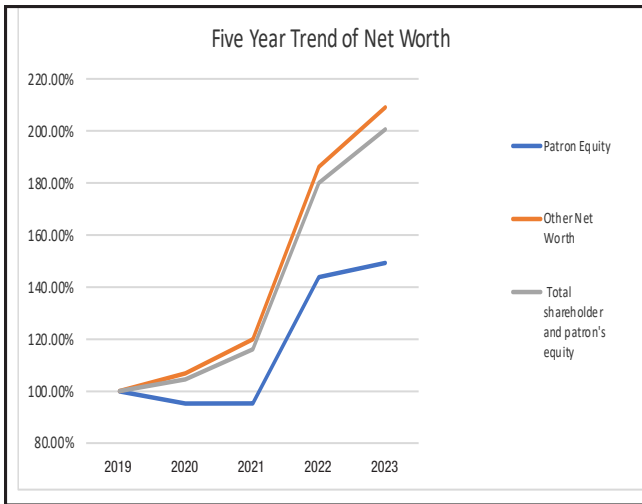


2. REINVEST BACK INTO OPERATIONS

Premier continues to maintain an orderly replacement schedule for its rolling stock and upkeep of facilities. In the Spring of 2024, we hope to break ground on our new crops facility at Campbellsburg. This plant will allow us to replace both Salem and Mitchell and better serve our customers through added storage and greater speed of blending fertilizer. The Campbellsburg plant will also improve employee safety and environmental safeguards.

The board continues to reinvest back into facility and rolling stock, even in periods of higher interest rates and rising costs.

ANNUAL REPORT OVERVIEW



3. INVEST IN NEW MARKETS AND TECHNOLOGIES

Our venture into Kentucky/Tennessee over the last three 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.

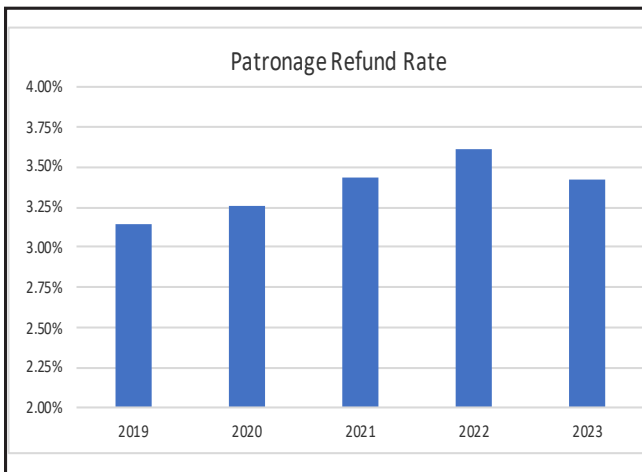
Additionally, investments into new technologies like TRAX, Truterra, drones, and robotics help us meet the ever-changing needs of our farmer-owners.

4. RETURN SUCCESS BACK TO MEMBER OWNERS

Referencing the patronage refund rate chart, this year we are issuing patronage at the rate of 3.42% on farm purchases made during fiscal year 2023. We are returning nearly \$6.3 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 approximately \$1.6 million dollars of older member equity (2015 and prior). We anticipate that all equity assigned prior to 2015 will be fully redeemed by 2027. Moving forward, we are targeting an equity retirement schedule that equity layers will be retired on a 10-12 year schedule.

Through cash patronage and equity distributions, Premier will be returning just over \$6 million dollars in cash to our roughly 3,000 farmer-owners. Patronage checks will be mailed by the end of January 2024 with equity distribution payments to follow in February 2024.



Financially, we ended the year with positive earnings, which equates to 12% return on investment for our farmer-owners.

Harold Cooper,
CEO, Premier Companies

BALANCE SHEET

ASSETS

CURRENT ASSETS	2023	2022
Cash	\$ 5,643,588	\$ 3,623,486
Trade & notes receivable	\$ 48,900,668	\$ 56,083,756
Inventories	\$ 43,597,181	\$ 59,019,313
Prepaid inventories	\$ 4,246,299	\$ 3,169,499
Income taxes receivable	\$ —	\$ 1,210,364
Other current assets	\$ 1,247,468	\$ 2,136,133
TOTAL CURRENT ASSETS	\$ 103,635,204	\$ 125,242,528
PROPERTY, PLANT AND EQUIPMENT, NET	\$ 86,342,088	\$ 86,634,716
RIGHT-OF-USE-ASSETS		
Right-of-use assets under finance leases	\$ 825,297	\$ 875,063
Right-of-use assets under operating leases	\$ 17,516,866	\$ —
RIGHT-OF-USE ASSETS, NET	\$ 18,342,163	\$ 875,063
OTHER ASSETS		
Investments	\$ 23,144,647	\$ 23,176,285
Investments at equity	\$ 11,752,702	\$ 13,747,438
Note receivable, net of current portion	\$ 413,207	\$ 760,284
Intangibles, net	\$ 16,230,825	\$ 18,137,171
Other	\$ 293,251	\$ 228,532
	\$ 51,834,632	\$ 56,049,710
TOTAL ASSETS	\$ 260,154,087	\$ 268,802,017

BALANCE SHEET

LIABILITIES

CURRENT LIABILITIES	2023	2022
Long-term debt	\$ 2,600,004	\$ 2,600,004
Lease liabilities	\$ 3,830,426	\$ 74,223
Demand note payable	\$ 202,000	\$ 252,000
Note payable to bank	\$ —	\$ 28,586,445
Accounts payable	\$ 17,315,093	\$ 23,606,892
Customer deposits	\$ 8,597,656	\$ 10,922,802
Patronage payable	\$ 4,425,000	\$ 4,775,000
Accrued employee cost	\$ 5,616,135	\$ 8,025,547
Income taxes payable	\$ 809,117	\$ —
Other current liabilities	\$ 5,737,198	\$ 6,199,942
TOTAL CURRENT LIABILITIES	\$ 49,132,629	\$ 85,042,855
LONG-TERM DEBT	\$ 20,799,992	\$ 23,399,996
LEASE LIABILITIES	\$ 14,408,507	\$ 722,067
LONG-TERM PENSION & DEFERRED COMPENSATION	\$ 6,206,360	\$ 6,807,499
DEFERRED INCOME TAXES	\$ 3,187,851	\$ 3,607,100
TOTAL LIABILITIES	\$ 93,735,339	\$ 119,579,517
SHAREHOLDERS' AND PATRONS' EQUITY		
Common stock	\$ 19,885	\$ 19,790
Patron equity credits	\$ 17,504,700	\$ 16,818,737
General reserve	\$ 131,883,745	\$ 120,787,053
Undistributed savings	\$ 17,901,986	\$ 13,067,881
Accumulated other comprehensive loss, net	\$ (891,567)	\$ (1,470,961)
TOTAL SHAREHOLDERS' AND PATRONS' EQUITY	\$ 166,418,748	\$ 149,222,500
TOTAL LIABILITES AND EQUITY	\$ 260,154,087	\$ 268,802,017

SALES & REVENUE

	2023	2022
SALES	\$ 655,130,282	\$ 586,607,437
COST OF SALES	\$ 570,848,884	\$ 511,791,291
GROSS MARGIN ON SALES	\$ 84,281,398	\$ 74,816,146
SERVICE REVENUE	\$ 13,561,635	\$ 13,054,958
SAVINGS BEFORE OPERATING EXPENSES	\$ 97,843,033	\$ 87,781,104
OPERATING EXPENSES		
Fixed Facility	\$ 15,621,795	\$ 11,022,718
Employee Cost	\$ 38,819,584	\$ 35,784,534
Other	\$ 30,305,348	\$ 23,694,616
TOTAL OPERATING EXPENSES	\$ 84,746,727	\$ 70,501,868
SAVINGS BEFORE OTHER REVENUES	\$ 13,096,306	\$ 17,369,236
OTHER REVENUES (EXPENSES)		
Gain on sale of assets	\$ 547,934	\$ 1,063,395
Interest earned	\$ 1,261,015	\$ 1,117,499
Patronage refunds received	\$ 16,884,218	\$ 5,296,980
Equity in losses of investees	\$ (2,230,536)	\$ (1,173,004)
Other revenue	\$ 197,781	\$ 13,183
Non-operating pension revenue (expense)	\$ (297,011)	\$ 558,335
Interest expense	\$ (3,287,058)	\$ (1,114,768)
TOTAL OTHER REVENUES (EXPENSES)	\$ 13,076,343	\$ 5,761,620
SAVINGS BEFORE INCOME TAXES	\$ 26,172,649	\$ 23,130,856
PROVISION FOR INCOME TAXES	\$ 3,845,664	\$ 5,287,975
NET SAVINGS	\$ 22,326,985	\$ 17,842,881

Fueling Indiana and Kentucky: Growing our Business, Focused on Local Needs

PREMIER ENERGY IS FOCUSED ON KEEPING OUR CUSTOMERS IN FUEL.

In 2023, we continued to position for the future by expanding in Kentucky and providing a cooperative choice to farm communities in the Bluegrass State. This expansion also benefits our member owners in Indiana.

“By expanding, we are able to spread cost across gallons, allowing us to add scale and capabilities,” says Ben Hoene, Senior Vice President of Energy. “In all the markets we serve, we center around customer needs. Our growth into Kentucky offers this mindset to current and future customers and adds to our buying power and operational efficiencies.”



Predictable supply is also essential for our customers. As a proud partner of CountryMark, Premier provides Midwest-sourced fuel with a steady supply. “Our customers don’t even notice big storms that upset other suppliers,” Hoene says. The quality of fuel provided is also a key advantage appreciated by customers.

Our employees are an important part of our success, like driver Matt Bense who delivers fuel in Bartholomew and Brown counties. “I cover a lot of ground, delivering gasoline and diesel fuel for both on road and off road uses,” Bense says. “My approach to customer service is simple – I treat customers the way I like to be treated.”



Problem solving and logistics are part of Bense’s day, and he emphasizes communication is key when everyone is busy. “When we work with our customers as a team, it seems to work out.”

It all comes down to keeping our customers in fuel and making a positive difference in their lives.

“ My approach to customer service is simple – I treat customers the way I like to be treated. ”

Matt Bense
Premier Fuel Delivery Driver

Growing Propane Business Streamlines as it Serves

PROVIDING PEACE OF MIND FOR CUSTOMERS IS THE FOCUS OF OUR DEDICATED PREMIER ENERGY TEAM.

Our reputation for customer focus was a key reason three independent family businesses chose to sell their propane businesses to Premier Companies last year as they knew we cared about our customers and community. This year, we worked hard to merge and consolidate operations to continue this track record of reliability.

“As we grow, we can secure supply and have more storage. This means we can keep our supply local to buffer our customers from shortages,” says Ben Hoene, Senior Vice President of Energy. Improved processes and offerings are also part of Premier Energy’s growth strategies, such as automatic fill programs.

“Our goal is to keep tanks full and in 2023 we encouraged people to sign up for the fixed price program, so they don’t have to remember to call in,” Hoene says. “It is a win for the customer as they never run out of propane, and it also means there are not so many afterhours calls which is a benefit for our workforce.”

Not having to think about checking his tank is important to Donald Schnitker of Jackson County, especially during grain drying season. “The Premier drivers are great about keeping our tank full when we are so busy, the last thing I want to think about is running out of gas,” he says. Schnitker appreciates how the propane team does the job right. “One year we had a tank leak, and in the bitter cold the service technician not only repaired the leak but went above and beyond to build a better system for the shop. We were very grateful!”

It all comes down to providing safe, reliable, and affordable heat for our customers who know they can count on Premier.

“As we grow, we can secure supply and have more storage. This means we can keep our supply local to buffer our customers from shortages. Our goal is to keep tanks full.”

Ben Hoene
*Senior Vice President of Energy,
Premier Energy*



Providing the Essentials – from Fuel to Coffee

Along with quality fuel, our retail operations provide other essentials for customers – like a cup of coffee! The hometown feel of our convenience stores appeals to people from all aspects of the community. “We are proud to be a local source of fuel and other essential items that help our customers get what they need in a pleasant environment,” says Bob Cherepski, Retail Operations Manager.

Cherepski reminds customers that using our fuel card and downloading our app can provide additional savings and convenience. For example, our fuel card provides savings of 5 cents per gallon, the ability to set purchase controls per driver, and is accepted at all Premier Energy CountryMark locations. Downloading the app provides a Premier Perk drink card, in-store coupons, and other specials sales.

We invite you to visit one of our Premier retail locations in Bloomfield, Brownstown, Crothersville, Greensburg, or Seymour. From providing quality fuel to daily essentials, Premier is helping our customers stay in motion with a smile and savings.

PREMIER Energy

Get more per gallon*



CountryMark.



Swinging for the Fences – Premier Farm & Pet Aims to Please

Where can you find feed for your cattle – and your kid’s turtle? What about fishing bait or spare sprayer parts? Premier Farm & Pet in Seymour, Indiana, is the answer. “We like to swing for the fences, looking for homeruns in what our customers need,” says Trevor Blish, Store Manager. The list of products is long, but the approach to customer service is simple – if you want it, our team can probably get it.

Managing inventory is a big part of Blish’s role as he does his research and sees what is selling well. For example, we carry a variety of popular bagged animal feeds and today sales have exploded to more than 50,000 pounds in some months. Feed for smaller animals is also in demand. “We ended up with a special order of 20 bags of rabbit food we put on the shelf to move it, and now three years later we are selling skids of this product,” Blish says.

Premier Farm & Pet helps keep farmers on the move with parts, oil, and other needed items to be picked up quickly and reduce the downtime a farmer can’t afford in busy seasons like spring or fall. Items like propane tanks and water softener salt also keep things moving on the home front.

The wide variety of products along with the top-tier service keeps customers coming back. “We provide the convenience of being local so you don’t have to drive all over to find what you need, and we’ll carry your purchases out to your car for you.” Blish says.

Covering a Million Acres, Meeting Customer Needs

One million. That's the number of custom applied acres covered by the Premier Agronomy Team in the 2023 growing season. This number is even more impressive in the face of labor shortages that challenge all of agriculture. Premier is focused on meeting customer needs yet not overextending demands on employees. Several strategies have come into play to help reconcile these needs.

One effort is the creation of a pathway program for young adults to become certified applicators. "We realized the need to reach out to people searching for a career path that provides on-the-job training and educational value but isn't a four year degree," said Ryan Priest, Premier COO.

"This led to Premier forming a partnership with Ivy Tech Community College to create a sprayer certification program." This 16-week program provides paid training for students who also receive credit hours that are transferable should future degree options be desired. Building a future workforce is essential.



Standardization is another way Premier is working to streamline efforts to work smarter, not harder. The team has identified a dozen separate processes to improve efficiency. "For example, we have implemented EDGE software with application equipment, helping us to keep service levels high while getting the job done," said Sal Sama, Vice President, Agronomy Sales & Marketing. "We want to be there for our customers yet be sensitive to not overworking our employees."

Sama also led efforts to bring interns to the team. This program provides a way to build a talented workforce as illustrated by the adjacent stories of Jackson Nay and Caroline Meer.

Having reliable equipment is another part of being there for farmers. "We continue to make timely investments in our rolling stock equipment to make sure we are operating state of the art equipment," says Priest. "We also are evaluating efficiencies in our facilities. For example, in 2023 we purchased land located between two of our facilities which will allow us to consolidate operations in a new, state-of-the-art facility." The Campbellsburg facility will be operational in 2024, providing added storage, efficient inventory movement and access for farmers to pick up products to self-apply.

Utilizing robots is yet another way Premier is looking to provide excellent service yet respect the needs of our workforce. "We are building bench strength in every way possible," says Sama.

Premier's Agronomy team knows that the needs of farmers and the workforce will continue evolving. "We are committed to standing firm in our values of providing every farmer a choice in the marketplace with reliable service," Priest concludes.

Premier Intern Program Grows Great Employees



Everyone in agriculture knows the labor market is tight, making it essential to use a variety of methods to find employees. Premier has been successful in “growing our own” through its intern program, as illustrated by the story of Jackson Nay.

Nay is a native of Seymour, IN, in fact living just down the road from Premier headquarters. He first joined the company for a summer job at one of the convenience stores, and then turned to Premier for an internship the following summer to fulfill a requirement for his selling and sales management program at Purdue University. During his agronomy internship, Nay was able to do “a little bit of everything” as he helped fulfill orders, collect tissue and soil samples, as well as work with customers.

Back for another internship in 2023 before his senior year at Purdue, Nay’s responsibilities were greatly increased. Based on his previous year’s job performance, he became the pesticide building manager at the Cortland branch. “I’ve had tons of hands on learning, from keeping chemical inventories to filling up trucks and working with customers to orchestrate deliveries,” he says. Nay notes the Cortland branch is in the middle of company’s branches so it serves as a hub for many products, enabling quick service and product transfer.

Reflecting on his internships, Nay is grateful for learning how to operate in the workplace, build relationships and earn trust with customers. He values the cooperative system and points out that “we are all working for the customer, putting more in everyone’s pockets.”

After graduating in May, Nay will return to Premier as a full time employee. “Accepting the internship has been one of the best things I’ve ever done,” he says, noting it has given him appreciation for working around home and having a head start on forming relationships.

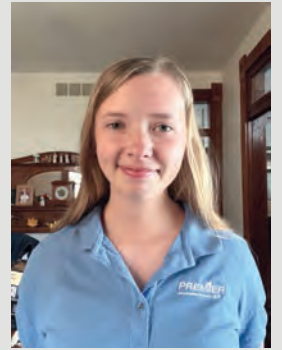
“Watching this young man grow in his role has been exciting, and we are delighted he will be joining us at Premier as an employee,” says Sal Sama, Vice President, Agronomy Sales & Marketing. Growing our own works!

“Accepting this internship has been one of the best things I’ve ever done.”

Jackson Nay
Intern & now Employee

Covering a Million Acres, Meeting Customer Needs

When your college sales class requires you to find an ag mentor, where do you turn? For Caroline Meer of Batesville, IN, the answer was “Call Premier Ag.” During her course of study at Purdue University, Meer needed to find someone in agriculture to share perspective on the sales process. Having grown up on a farm serviced by Premier Ag, she reached out to Alex Case, their farm’s Account Manager, with the request.



“He (Alex) was willing to be my coach and I spent a semester learning from him, seeing how he approaches the sales process and interacts with customers,” Meer says. “It was a great experience!”

She then applied for a summer internship at Premier Ag and was brought on board for 2023. “The summer started with going out with Account Managers, scouting fields and learning the correct way to do things in the field as well as working with customers,” Meer says. As the summer went on, she was able to pull tissue and soil samples on her own, taking what she was learning and applying it. “I discovered I really enjoy agronomy!”

Meer also discovered an appreciation for the cooperative system. “I saw how the Account Managers work alongside their farmers, figuring out problems and determining the right products for the farmer’s production system,” she noted. “It was not sales vs. agronomy but rather the cooperative approach of working together to get the best outcome possible.”

“When we found out Caroline was going to graduate in December, we saw a great opportunity to bring her onto the Premier Ag team to start her career,” said Sal Sama, Vice President, Agronomy Sales & Marketing. “Having bright young adults from the area join us is a great way to build our future workforce.”

That mentorship phone call for her class had led to a full time role as Meer will start in January 2024 as an Associate Account Manager in agronomy at the Greensburg branch. “What excites me the most is being able to build relationships with farmers and interact with the community in a way that is beneficial for all,” she concludes.

Pork and Possibilities: Premier Salutes Retiring Gary Callaway

“The picture hangs in a shower room of a swine building - a proud grandpa has his arm around a smiling kid holding a pig in his arms. Gary Callaway, Premier’s retiring Vice President of Swine Production, shares why that picture is so special to him. “The young man in that picture is now the manager of that building, so many years later. We helped create that possibility.”

Over his 30 years in the swine business for cooperatives, Callaway has seen opportunities created by raising pork in a predictable, standard environment. As the swine industry consolidated over the last three decades, Callaway has led Premier’s efforts to work with farmers who wanted to raise pigs in Southern Indiana. By creating an expectation of excellence, farmers could raise Premier hogs in their barns, meeting standards and achieving efficiencies for best in class production that provided a revenue stream.



“When we went to wean-to-finish production in a single barn, we helped take production to a whole new level,” Callaway recalls, pointing out that previously the practice has been to comeingle weaned pigs to finish together. The Purdue animal science graduate helped establish a swine program with the concept of keeping groups of animals together to better control disease while also enhancing efficiencies.

Callaway reflects that swine health management has evolved, with today’s challenges focused on managing viral diseases that can be transferred by air movement. “Animal health has always been our priority and we work hard to be active in the barns with growers to share knowledge and follow best practices.” The Premier team does weekly visits to help growers monitor progress and provide a second set of eyes. Third party audits also help verify that standards are met.

Callaway has also been involved with the genetics side of the industry, serving in leadership roles and driving investment in sow units in Illinois to improve genetics and provide the best possible pigs for growers to raise. “Genetics have made massive improvements. With DNA work and analysis, we have been able to improve rapidly over the last 20 years,” he says. With abundant local grain to use for feed, Premier growers are well positioned for success. “We know exactly what is going into these hogs,” Callaway says.

While the leadership baton for the swine division has been passed to Dan Vague, Callaway’s expertise and influence will live on in the swine barns to help the next generation take over. “Creating opportunities for family to work with family has been wonderful to see,” he says. “I have had a unique opportunity - very few have been able to design a swine system the way they want and follow it through.”

The Premier SwineLink Division will continue to use this predictable system to provide possibilities for Southern Indiana farms. “Gary has built an enduring legacy of excellence for our swine division and has put in place a system and team that will enable future success,” says Harold Cooper, Premier CEO.

SWINELINK BY THE NUMBERS

- Commercial sow farms produce approximately 600,000 pigs per year
- 23 barns wean to finish produce 200,000 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 Keeps Bushels Flowing with Capacity and Technology

Premier's Grain Division has a unique opportunity when it comes to helping farmers market their grain. By collaborating with Premier's Agronomy Division as well as utilizing technology and facility advancements, the Premier team keeps the bushels flowing.

"We utilize yield estimates from agronomy to help our team make recommendations to sellers. We are working to tie real time field data from all our sources to give local farmers another resource in grain marketing efforts," says Aaron Bledsoe, Premier Grain Merchandiser.



Premier continues to invest in facilities as part of its commitment to local grain marketing choice, especially significant during dry seasons. "Our substantial new addition at our Loogootee facility has allowed us to double capacity which is so important when the river is low," Bledsoe says. "Premier can get farmers in and out versus waiting for hours at the river to unload grain."

Speed is also important when it comes to payment. "We know timely turnaround of grain payments is crucial to our customers' operations, and waiting on a check to be sent

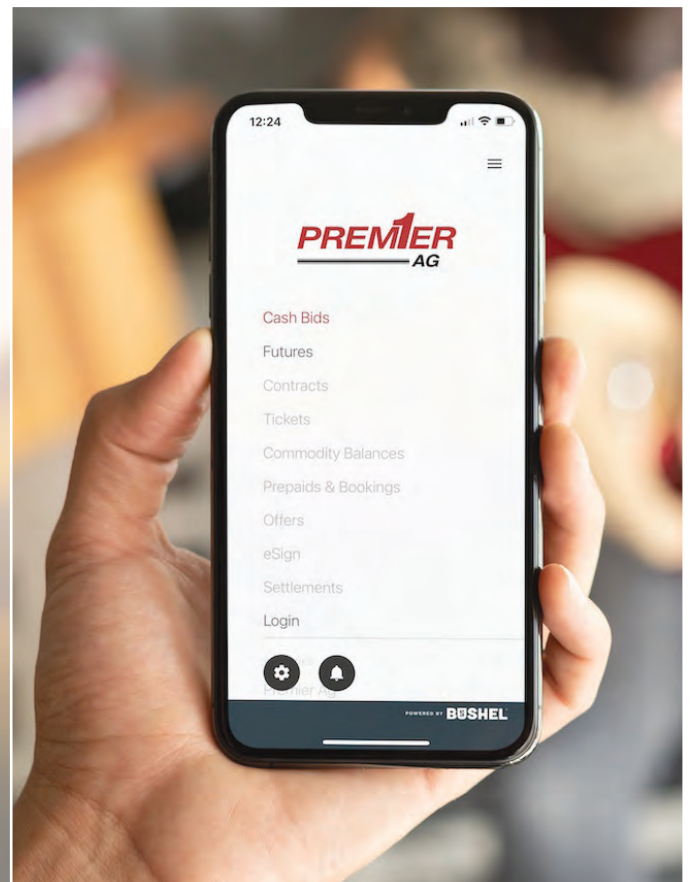
through the post office is no longer the most convenient way to receive payment," Bledsoe says. "That is why we now offer direct deposit payment via ACH transaction, meaning customers can get paid within 24 hours." Along with quick payment, signing up for the Premier app powered by Bushel enables a farmer to see live data within five minutes of the load crossing the scale, as well as the ability to e-sign contracts.

Additionally, the company has invested in the PLC software program that allows remote equipment monitoring. This is helpful for employees in managing workloads as Premier works to digitize and modernize.

Premier is proud to be able to help a farmer from the time a crop goes in the ground through the time it comes to market, making more possible.

“ We utilize yield estimates from agronomy to help our team make recommendations to sellers. We are working to tie real time field data from all our sources to give local farmers another resource in grain marketing efforts. ”

AARON BLEDSOE
Premier Grain Merchandiser



TRAX Connecting Farmers to Sustainability Opportunities



The term “sustainability” means different things to different people, and related programs can be overwhelming to decipher. That’s why Premier’s TRAX Division comes alongside farmers to help navigate options and maximize opportunities. By applying learning on a local level, the Premier team uses the TRAX Crop Management System to help farmers advance their sustainability practices with positive results.

Carbon credits are an example of a complex topic where Premier can help. “Farmers are so busy, data management and program management for carbon programs can really eat up time,” says Evan Eggersman, Ag Technology and Sustain Lead in the TRAX Division. Eggersman joined Premier in March to lead the development, implementation, evaluation, and maintenance of the technology tools and sustainability platforms utilized by Premier Ag. “We want to make it less work for the farmer,” he says.

Eggersman works with the team to provide solutions as they relate to sustainable agriculture, carbon sequestration, and other emerging markets as external stakeholders strive to become carbon neutral and/or reduce their carbon footprint utilizing the TruTerra™ tool.

It is important to provide a practical view of sustainable agriculture with growers, putting recommendations into practice. “For example, we can provide insight on reducing erosion or the best use of nitrification inhibitors based on our local knowledge,” Eggersman explains. Premier’s Answer Plots provided a way for farmers to look at local trials on a variety of products. “We provide open knowledge, with information farmers can use to compare products and practices.”

PREMIER AG COOP,

We just wanted to say thank you to Premier Ag Coop, our Account Manager Logan Hall, and Larry Huffmeyer from WinField United. We were given the opportunity to have a VIP tour of the Cortland Answer Plot with some select farmers.

The personal setting was a terrific experience for us. Informative, focused on our concerns and questions, and provided us with a lot of valuable information in a very relaxed and down to earth gathering.

All in all, it was just a great experience that we can hopefully do again next year.

Thank you again for all your support and the great opportunities that you provide.

ED & CHARLIE SANDERS

The following letter from SANDERS FARM SERVICE LLC, Charlestown, IN, illustrates the power of Premier’s approach >>



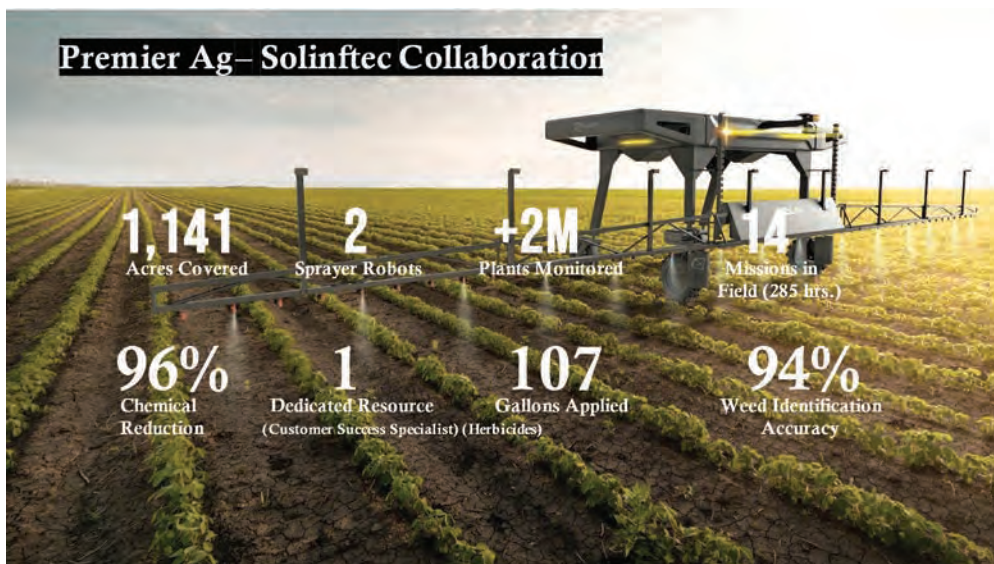
Supply Shed Benefits Program

Truterra sustainability services offer a range of farmer-driven programs designed to help farmers unlock the value of every acre. In 2023, the Supply Shed Benefits Program was rolled out to reward Indiana farmers for implementing strip-till or no-till and/or added cover crops practices on fields with corn. Farmers who participate in the 2023 Truterra supply shed benefits program could potentially receive \$5/acre while also building the baseline data required to potentially participate in future Truterra programs.



“We have enrolled thousands of acres, and it is exciting to think about reaching the 25,000 acre cap with our growers – this means the opportunity to pay \$125,000 to farmers in our area,” Eggersman says. He points out this program enables farmers to try out a sustainability program without agreeing to a long-term commitment.

“It is exciting to continue efforts to help farmers utilize their data and put it to work for them. We will keep educating on sustainability, it doesn’t have to be controversial, Let’s talk about it daily and help farmers enhance their land for future generations,” Eggersman says.



Targeted Application Makes Advances

Premier increased its use of autonomous sprayers thanks to a partnership with Solinftec. The statistics in this graphic illustrate the power of this technology to increase efficiency and reduce manpower, all with high accuracy. We can also reduce the amount of chemicals used, which is good for farmers, our ultimate focus. Our experience drives our continued investments in robots.



SCAN TO SEE A VIDEO OF THE SPRAYER

THE HIGH GROUND



The High Ground Podcast Going Strong, Entertaining and Informing

It was just a year ago when Premier Companies rolled out The High Ground Podcast to educate, inform and entertain listeners on a variety of topics related to the agriculture industry. Now with over 100 episodes online, 10,000+ YouTube subscribers and over 400,000 views, the podcast is going strong. Hosted by Ryan Priest, Premier Companies Chief Operating Officer, and Sal Sama, Premier Ag Vice President, Agronomy Sales & Marketing, the popular podcast shares knowledge in a manner interesting to both farmers and urban audiences.

“My favorite thing about The High Ground is that it is a fun way to provide information for customers as well as our community,” Priest says. “Our goal is to be engaging so both a farmer and non-farming neighbors can learn about a variety of topics. For example, we had an episode featuring the Dean of Purdue Agriculture talking about demystifying GMOs.”

The hosts don't shy away from the tough topics and talk with guests ranging from industry experts to academic leaders to government officials. There are always a few laughs and fun moments like asking the hosts to explain their jobs to a five year old.

“I like the fact that our podcast is unscripted, it is like we are sitting in the living room visiting,” points out Sama. “We are very real and sincere, letting the conversation go wherever it does.” This personal approach resonates well and is also a way to help employees learn about all sides of the company's business.

“The podcast is a great way to get acquainted with Premier as a company, the markets it serves, its challenges, and the people committed to its purpose.” says Matt Persinger, Premier Companies Director of Information Technology.

The podcast can also reach potential employees who want insight into Premier's business and culture. “We have found this podcast to be utilized in more ways than we anticipated,” Priest says.

You are invited to subscribe to The High Ground – a Premier Companies podcast that is both educational and entertaining - by scanning this QR code.



SPOTIFY
CODE



APPLE CODE

“ The podcast is a great way to get acquainted with Premier as a company, the market it serves, its challenges, and the people committed to its purpose. ”

Matt Persinger

*Director of Information Technology
Premier Companies*

**WATCH & LEARN
MORE ABOUT**

**PREMIER
Companies**

**THE
HIGH
GROUND**
POWERED BY PREMIER COMPANIES
PODCAST

The High Ground will discuss everything from agriculture to energy. Hosted by Ryan Priest (COO of Premier Companies) and Sal Sama (VP of Agronomy Sales & Marketing). Scan to watch on Youtube

Safety Leadership Part of Caring for Community

Caring for our Community is a core value for Premier Companies. One way we illustrate this value is through our focus on safety. Led by Safety and Risk Coordinator Jerry Boger, we are dedicated to advancing a culture of safety for our employees, customers, and community.

Boger has worked in the cooperative system for 37 years in a variety of roles. His perspective enables him to lead trainings and be a “go to expert” for the community. “Communication is so important in the safety arena,” Boger asserts, pointing out that clear lines of communication and education are essential for those operating in the agricultural and energy space.

He cites an example of training first responders on the dangers of anhydrous ammonia. “This year, we trained 150 firefighters in 15 different departments on this fertilizer that is very reactive to water – not knowing how to respond could result in dangerous vapor clouds.” The training paid off as Boger has received reports of ammonia spills on farms where responders followed the training exactly with safe outcomes. Premier personnel also participated in a mock disaster drill of an ammonia wagon accident near a school, bringing together those who could be involved in such a situation.

“Additionally, we have provided funding for local fire departments to purchase resources for grain entrapment rescues and to fight fires our customers may face,” Boger says. He points out that dry conditions can lead to farm equipment fires or out of control field fires, making it important for first responders to know how to handle these unique situations.

Employee safety is always a focus, and awareness for hazards big and small are part of Boger’s approach.

“A good day can go bad quickly when the little things like slips, trips and falls happen,” Boger points out. “We emphasize awareness for conditions where accidents happen like holes in fields and avoiding putting hoses where they can be a trip hazard. We often remind employees they play a huge role in keeping themselves and their coworkers safe.”



All of Premier’s facilities are enrolled in the industry’s Responsible Ag program, which includes third-party audits to check our practices and provide vital feedback that allows us to predict and eliminate hazardous accidents. Distracted driver training is also part of the company’s safety program, emphasizing safety behind the wheel in all parts of our operations.

“We work to be aggressive in all our training and programs to build a culture of safety,” Boger says. “We always want to do our part.”



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 FY2023. Approximately 3,200 member owners will receive just over \$4.42 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 \$1.6 million dollars. Equity checks will arrive in mailboxes late January – early February.