



endure™

A **GROWMARK** System Sustainability Initiative



GROWMARK



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endure is GROWMARK's way to inspire and define our work toward effective environmental measures, meaningful social interactions, and sound governance.

Increasingly in the world of business, consumers, investors, financiers, insurers, and others are driven to learn a company's activities relative to the environment, social issues, and governance – largely known as ESG. For decades, GROWMARK has identified and practiced those sustainable activities diligently and with the internal drive to make them profitable, successful, and meaningful. In 2014, we created the **endure** program to serve as a way to recognize on-the-ground advocates of good agronomic practices. The **endure** platform has organically expanded to include all of GROWMARK's ESG initiatives.

GROWMARK



First and foremost, GROWMARK is a cooperative. Consistently, we are among the top five agricultural cooperatives in North America – with more than 200 member cooperative locations that are owned by more than 400,000 farmers. As a cooperative, our business practices are driven by the seven Cooperative Principles:

- ◆ Open and voluntary membership
- ◆ Democratic member control
- ◆ Member's economic participation
- ◆ Autonomy and independence
- ◆ Education, training, and information
- ◆ Cooperation among cooperatives
- ◆ Concern for community

Across North America, we provide energy products, crop nutrients, crop protection products, seed, structures, equipment, and grain marketing services. The GROWMARK System supports its people and product lines with warehousing and logistics as well as training, staff development, and marketing support.



Our people inspire the work of *endure* and help bring programs to life.

Our leadership brings *endure* to life



MARK ORR

Mark Orr stepped up as Chief Executive Officer early in 2022 and assembled a management team that is in concert with GROWMARK's Board of Directors and cooperative culture. The leadership of the Board also changed with the retirement of John Reifsteck and the election of Kevin Malchine as Chairman of the Board.



KEVIN MALCHINE

Aligning with one of the cooperative principles of *education, training, and information*, our leadership emphasizes the importance of ongoing training for GROWMARK's Board. A three-tier certification program ensures the future of strong cooperatives and reinforces that best practices are being followed throughout the System. Personnel from throughout the System are encouraged to take advantage of education and training to help them effectively contribute to their cooperatives' development:

◆ DIRECTOR TRAINING

◆ LEADERSHIP TRAINING:

- Aspiring leaders
- Supervisor training
- Experienced leaders
- Senior leadership development programs

◆ PROFESSIONAL DEVELOPMENT OPPORTUNITIES

The Board of Directors also has distinct responsibilities for governance that are separate from management. Our Board hires and manages the chief executive. They offer strategic guidance of the company, provide fiscal and legal oversight, and ensure accountability and communication with stakeholders. The Board is also responsible for itself, including establishing its own procedures, recruiting, onboarding, and evaluations.

While there is no universally-accepted method of measuring and reporting ESG and our sustainable efforts, GROWMARK leadership is confident that what we do – every business decision we make – is done to assure a solid future for the company, the customers we serve, and the communities in which we operate. We are a cooperative and it is the GROWMARK Way.

We hope you'll enjoy reading our report. It provides a snapshot of the many tangible examples of how we are impacting and influencing positive change in our communities and within the various divisions in which GROWMARK practices. Learn with us at growmark.com and stay in touch on social media.

Our **team** brings **endure** to life



KELVIN COVINGTON

Our people initiate and bring to life projects that are important to them individually and which reflect the cooperative culture of GROWMARK.



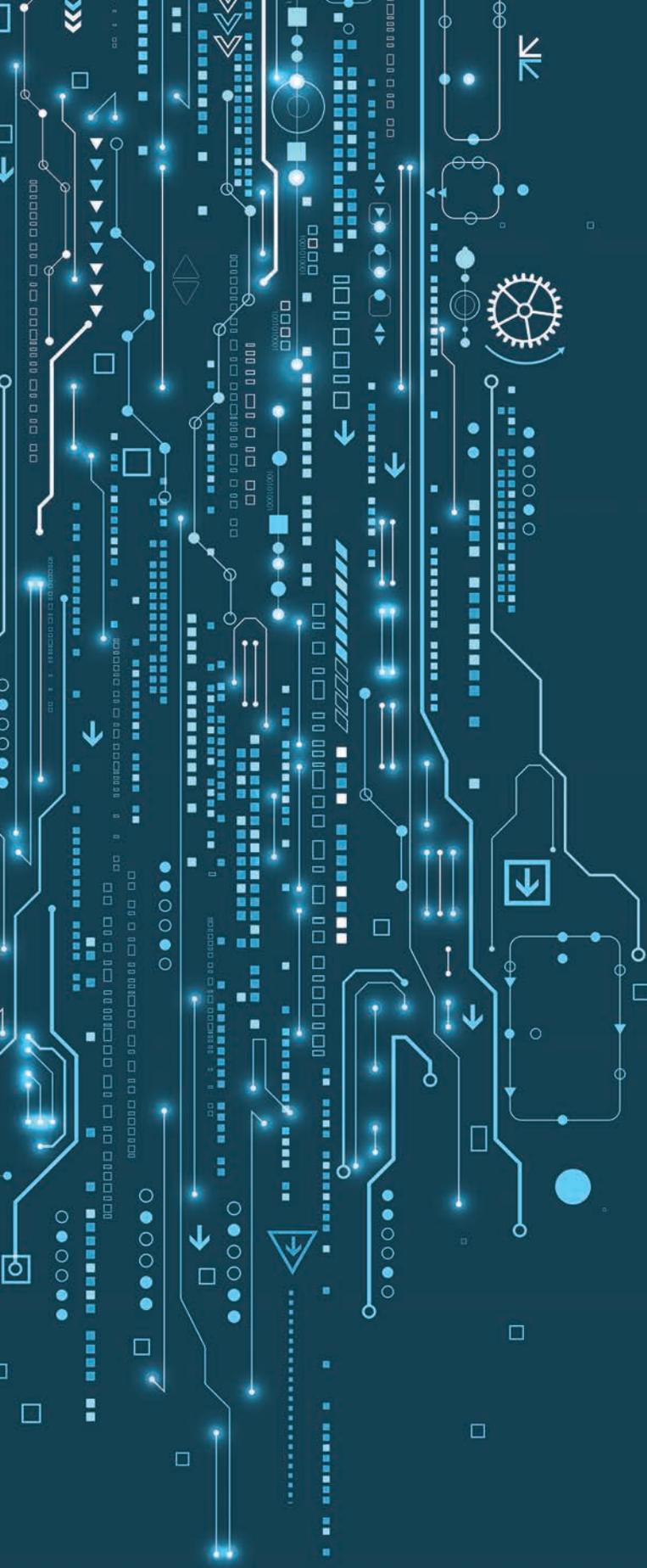
BRAD DRAKE



Kelvin Covington, Vice-President of Energy, has lived most of his adult life in Texas. Because of this strong tie, he is helping facilitate and introduce more urban Texan students to agriculture through funded scholarships. Kelvin is also involved with *Growing Home*, a non-profit Chicago neighborhood group that helps transition people into meaningful careers centered around a USDA-Certified Organic urban farm. Besides providing organic seed from GROWMARK's subsidiary SEEDWAY, Kelvin hopes to build community relationships aligned with the principles of cooperatives. Through Kelvin's work, *Growing Home* is poised to take a propane tank and its first fill once Englewood officials approve its placement.

Brad Drake, Executive Vice-President and Chief Financial Officer, is modest about his involvement with the McLean County Salvation Army and proud of how he has helped bring awareness of GROWMARK to the community. Brad has worked closely with Salvation Army's Safe Harbor Shelter, which provides for the immediate needs of those in poverty, and with Pathway of Hope, delivering longer-term services to those families who desire to break the cycle of poverty. Each year GROWMARK sponsors a golf outing to raise funds for Pathway of Hope.





Cooperation Across Operations

Our business practices follow those of the cooperative principles as we discover ways to efficiently operate better day-to-day.

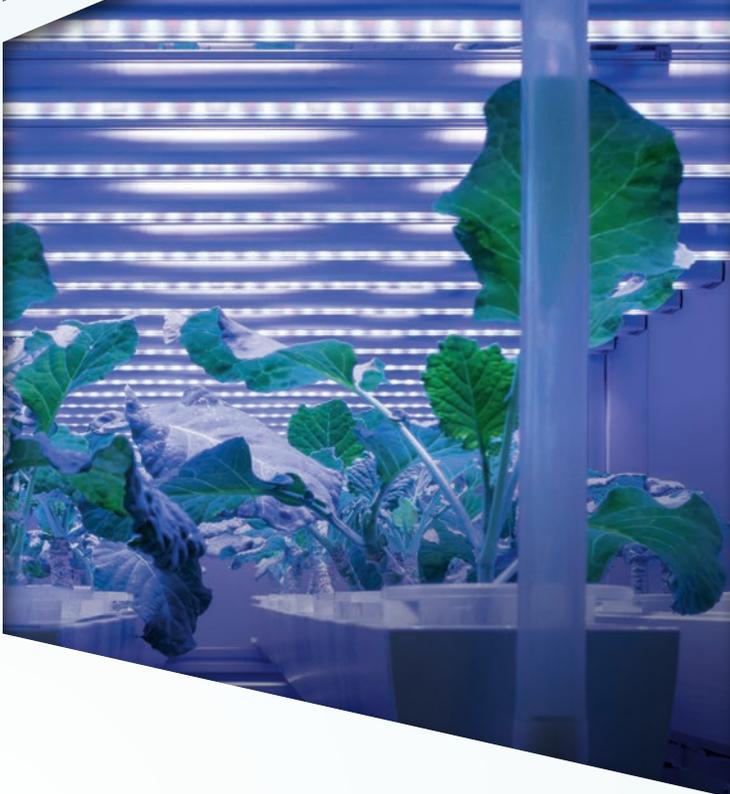
By moving the vast majority of our data to Amazon Cloud (AWS) servers, we are participating in their efforts and benefitting by power and cooling efficiencies, and our carbon footprint decreases as well.

AWS estimates that their combined server utilization is 12.07 percent of enterprise baseline carbon emissions.

With each computer equipment update comes higher capacity and less power use. Our desktop fleet continues to show 50 percent less power used with each new deployment.

Over the last three years, we have replaced our monitors with ones that use approximately 50 percent less power than previous models.

Printer stations are being consolidated and using Energy Star settings to go to “sleep” by default. Reduced printing has also resulted in fewer ink cartridges used.



No single activity defines GROWMARK's endure initiative.

What happens in one part of our System influences other parts of the System and strengthens our overall resolve to define ourselves as environmentally, socially, and economically responsible.



FRANK PENNINGTON

SEEDWAY LLC of Hall, New York, a wholly-owned subsidiary of GROWMARK, has added a Controlled Environment Agriculture (CEA) division in collaboration with Sakata Seed America. CEA is a growing commercial gardening strategy to optimize horticulture practices and reduce some environmental impacts.

Frank Pennington, Northeast Vegetable Seed Manager, recognized the future of CEA and seized an opportunity to increase SEEDWAY's presence in the CEA space. Frank and his team are able to offer technical support and make solid recommendations on species to provide growers the best varieties for their production. The goal is to make CEA a larger part of SEEDWAY's business in this growing market and offer the products needed by these specialty growers.

One part of the GROWMARK System is not isolated from the others. Kelvin Covington (*see page 5*) is sourcing leafy vegetable, tomato, pepper, and other seed for the Growing Home project from SEEDWAY.

14 million acres are impacted by our programs that use some sort of precision ag tool delivered by our member companies.

GROWMARK has developed programs that encourage our member cooperatives to inspire and engage their customers to participate in good stewardship practices. We start with leadership on the ground.

- ◆ More than 220 Certified Crop Specialists have been thoroughly vetted through GROWMARK's robust training and certification program. This is in addition to the Certified Crop Advisers recognized by each state's certified crop adviser programs. These crop specialists work directly with farmers to individualize their nutrient management tactics which prepare growers to meet the requirements of the Enduring Farms program.
- ◆ Since its inception, 331 farms have been designated Enduring Farms for implementing nutrient management practices and committing to improve their land and natural resources for future generations. Additional farms have been added for meeting a higher tillage commitment for adding organic matter back into the soil.
- ◆ In 2022, GROWMARK's MiField program had nearly 700 trials submitted, where farmers share data from their fields to advance good farming strategies.

We understand that our efforts are magnified when we forge partnerships with other agribusinesses and conservation organizations.

- ◆ 4R programs with various stakeholders in Illinois, Wisconsin, Iowa, Missouri, and mid-Atlantic states.
- ◆ Local and regional watershed initiatives.
- ◆ Natural Resources and Conservation Service (NRCS).
- ◆ Indigo Ag to expand farmers' access to carbon credit opportunities.
- ◆ Bayer and Indigo Ag to offer farmers payments for cover crop programs.
- ◆ Ecosystem Services Market Consortium (ESMC) in partnership with Illinois Corn Growers Association and the Illinois Fertilizer Association to compensate farmers and ranchers who improve the environment through their agricultural practices.



We practice the seven cooperative principles and provide many opportunities for *education, training, and information* to our members that has greater impact beyond the classroom. Our Agronomy College is a two-year course that engages early-career crop specialists. By the end of the course, participants can more effectively offer sound agronomic advice to our customers.



Precision measurement and delivery are evident at our state-of-the-art bulk crop nutrient blending facilities. A remarkable and inventive way to incorporate energy savings at our river locations has been to move product along overhead conveyance systems. The long conveyors eliminate multiple trucks driving back and forth, reducing emissions and fuel consumption. At our Owensboro, Kentucky facility, a portion of the conveyors are repurposed from a coal mine.



Erik Wilcox (left) with Kyle McCalla

One way we are assuring that good conservation measures are utilized, is the implementation of mobile training for applicators at our member cooperatives. We added **Erik Wilcox** to our team to accompany a unique training simulator for chemical application. The goal for our continuous training is utilizing classroom work and simulation within our member companies and have it reflect more savings and better quality work to our customers and environment. This encompasses application stewardship so that the environment will be managed properly with less over spray, precise application, smart chemical use, and hopefully fewer passes over the fields saving fuel costs. Training on this equipment also emphasizes operator safety.

The simulator is a useful tool when our member cooperatives sponsor career days. High school and junior college students get to experience the skill it takes to operate this equipment.

One of the seven
Cooperative Principles
is concern for
community



John Mital, Safety, Regulatory and Environmental Specialist for Gold Star FS, takes his responsibility seriously and saw an opportunity to help local fire departments be better prepared for grain bin entrapment rescues. Through a program from Nationwide Insurance and funding assistance through GROWMARK's safety services and the GROWMARK Foundation, John secured a grain bin rescue tube and accompanying basic training for the Kewanee (Illinois) Community Fire Protection District. The location was driven by a Gold Star FS grain facility near Cambridge, Illinois. This tube – and others – are now used by a specifically-trained rescue team of firefighters.

Under the same program, **Fletcher Sunderman** of AGRILAND FS in Iowa also helped secure a rescue tube for the Hopkins Fire Department in Missouri.



Concern for community
goes beyond our
local communities



The GROWMARK Foundation has partnered with FS elevators and retail grain units around Illinois to help the Relief for Ukraine program. The donation program, developed in conjunction with Midwest Food Bank, allows farmers to make in-kind donations of grain with the proceeds directly benefitting Ukraine food relief efforts.

Farmers can donate proceeds of grain sales and their elevator will send the funds to the Midwest Food Bank, based in Bloomington, Illinois. Midwest Food Bank then uses the funds to create Tender Mercies highly nutritious food packets that are being delivered to Ukraine.

Bushel of corn = 20 meals

Bushel of soybeans = 60 meals

By taking advantage of and cooperating with other systems, GROWMARK further exemplifies the cooperative principles to which we subscribe. The GROWMARK Foundation also contributes to disaster relief boxes distributed by the Salvation Army – no matter where the disaster.

Cooperation among cooperatives



Pictured left to right Craig Yoch, Gateway FS Foundation board member; Dwayne Johnson, retired GROWMARK Regional Manager and two volunteers. Even in retirement, Dwayne continues to be involved.

Carl Tebbe believes in food banks. In 2015, Carl provided leadership that formed the Gateway FS Foundation as a vehicle for large donations from the foundation and pooling smaller donations from patrons. His target – food banks. Initially partnering with CoBank, an agricultural finance cooperative that matches local donations dollar-for-dollar, Carl now takes advantage of GROWMARK’s Enduring Commitments program that also matches donations.

The Gateway FS Foundation has five board members: three farmers from the Gateway FS board and two individuals from Gateway management. By engaging management, there are no administration costs.

Angels on Assignment – a Mt. Vernon, Illinois food bank – was the first to benefit from Carl’s mantra that “we grow food and we donate food.” Since that first donation in 2016, the number of food banks included from Gateway’s geographic territory has grown to 17 and more than \$200,000 has been donated.



Greg Rohman, while working as Energy Manager for Gold Star FS, was recognized as a Friend of the Illinois Farm Bureau Young Leader program. Greg, still part of the GROWMARK System, was honored for his contribution to the promotion of ethanol at Aledo, Illinois. The Young Leaders used the Gold Star FS Fast Stop as an opportunity to educate the public on the benefits of ethanol and provided discounted fuel as an incentive to learn. There was also a cookout with food provided by Gold Star FS.



GROWMARK has more than 9,500 employees throughout North America who we teach, inspire, and provide guidance to practice the GROWMARK culture and the *seven cooperative principles*. We make our efforts more impactful and more meaningful to those who are touched by our practices.

On an individual level, **Karen Jones**, Youth & Young Producer Specialist for GROWMARK, takes her passion for helping young people into the community to participate in the Creating Entrepreneurial Opportunities (CEO) program. Karen is both a board member and a mentor for this Woodford County, Illinois program. The CEO program aims to encourage and inspire high school juniors and seniors to think about and try out an entrepreneurial career path. Students regularly meet at local businesses which fund the program, and each student is required to create an actual business.

One young entrepreneur is Ashley Leman who created Revive Roasting, a coffee roasting company. Other students tried their hands at woodworking, photography, and food products, among others.

The students are required to participate in fundraising and sponsored a soup dinner where they provided all the planning and execution roles.

Engagement with pollinator plots and monarch butterfly habitats continues to be a popular program at the farmer, member, and community level. This program helps establish wildflower plots and milkweed plants to support honeybee and monarch butterfly health. Seed has been delivered to 30 states across the U.S and since 2015, 45 FS and grain member companies planted plots, in addition to more than 270 youth organizations.

Developing youth and interest in agriculture increases our sphere of influence



GROWMARK understands the importance of looking toward the future health of the agriculture industry and assuring that young people today will embrace this industry that provides food and fiber for the world. This is why we actively support *Ag in the Classroom* (AIRC) programs through donations from the GROWMARK Foundation.

Early exposure to ag is important and meaningful. Our influence is evident when new people choose agriculture careers.

Lorri Leidner was exposed to *Ag in the Classroom* lesson plans in her Mulberry Grove, Illinois, grade school. So inspired by AIRC, that she interned in the program and then took a job as a USDA farm loan officer. Lorri also serves on the Bond County, Illinois, AIRC advisory coalition.

Jessica Collins of Livingston County, Illinois, is a farm girl who realized her passion for agriculture in the form of plants and flowers. She has come full circle – now utilizing AIRC materials as she teaches agriculture at the Flanagan, Illinois, high school.

Our influence with AIRC reaches across borders. **Jillian Garde** started in Illinois as a youth and now teaches ag in Janesville, Wisconsin.



Much of what we contribute to local communities begins with the GROWMARK Foundation. Funding priorities reflect our culture through many of the company's programs.

- ◆ GROWMARK's Foundation has provided more than \$400,000 in matching funding to member cooperative community initiatives over the last five years.
- Agricultural education continues to be a major focus for the Foundation. Each year the Foundation gives more than \$200,000 in scholarships, including support for students to attend the Agriculture Future of America annual leader conference. \$112,500 is specifically set aside for 15 students pursuing ag-related higher education.
- ◆ More than \$70,000 is provided to *Ag in the Classroom* programs which help teachers introduce and amplify the value of agriculture in our society.



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We learn from **nature**.
We learn from **science**.
We learn by **watching others**,
and we learn from **experience**.

We will continue to adopt new, sustainable solutions that are appropriate for our company; and we will help our member companies and partners participate in initiatives that make sense for them.

Every segment of our business – agronomy, energy, logistics, facilities, grain, talent management, retail operations, and our Foundation – contributes to the sustainability of the GROWMARK System.

Ingenuity and resourcefulness of our people is reflected in our sustainability efforts within the GROWMARK culture, guided by the seven cooperative principles. What is presented here is a celebration of their ideas. Some highlights of the past year:

- ◆ Our Enduring Farms program has grown to 331 farms.
- ◆ The AgValidity technology testing program now includes eight innovative products for nutrient management.
- ◆ We are collaborating with Aimpoint Research on Farmers of the Future, Consumers of the Future, and Policies of the Future to educate leadership and the GROWMARK System.
- ◆ Our leadership is actively designing methods to measure our progress on sustainability.
- ◆ 5 Ontario, Canada locations are 4R Certified retailers. They have made the commitment to the long-term improvement of Great Lakes water quality.

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OUR VISION

To be the best agricultural cooperative in North America

OUR MISSION

To improve the long-term profitability of our member-owners.

GROWMARK

1701 Towanda Avenue
Bloomington IL 61701
(309) 557-6000



In the interest of sustainability, this report is only being provided digitally.

www.growmark.com

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