



FRONTIER

COOPERATIVE

WINTER 2022 NEWSLETTER

EXPERIENCE THE DIFFERENCE



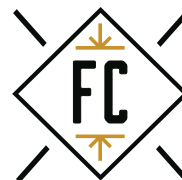
FRONTIER

COOPERATIVE

Over 100 years ago, a small group of farmers united in a common interest – to lift agriculture to new heights, while laying a firm foundation for the future. Working together, their ingenuity, hard work and compassion helped ensure greater prosperity for all. Today, Frontier Cooperative is still owned by the people we serve. And those people and their dreams act like a beacon to guide our way, each and every day. Our cooperative efforts affirm a culture that's about more than nine-to-five and year-end yields. We serve the communities we live in, delivering access, ideas, and confidence to uphold the dreams and aspirations of all we serve. Seasons change, generations come and go, but our commitment to greatness is boundless and immovable.

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Update from the CEO

The year 2021 came with its own challenges for all of us, but for those of us in agriculture, it also came with some opportunities. With a record crop looming in the fall, we were able to get our facilities as empty as they have been in a very long time. We also utilized our five rail facilities to push over 30 trains out during the harvest season, making room for this fall's crop. The weather cooperated, and we had one of the best falls for fertilizer application as seen in recent years.

As reported at our annual meeting in January, your cooperative had total revenue of \$850 million for fiscal year 2021, which was up \$220 million from the previous year. While commodity prices being elevated was the major contributor to the increased revenue, we also saw record dry fertilizer volume, additional bushels of grain handled during the fiscal year, and 2021 included a full year of Farmers Union Coop - Cedar Bluffs after the merger. Net savings was \$14.2 million for the fiscal year ending August 31, 2021, up from \$9.9 million the previous year. If you add up the patronage paid to our members, equity redeemed, the DPAD tax credit passed through to our members and the capital invested back into our facilities, Frontier was able to create \$29.9 million of value to our owners.

These numbers are significant to our local communities, and we are proud that 100% of our profits stay local with our farmer owners. In addition, our employees spend countless hours serving the community by volunteering to coach little league softball, volunteering on the fire department and lending a helping hand at the county fair and other community events. Our mission statement reads, *"Empowering our team to provide an experience that enables our owners and communities to prosper."* We live this every day at work and at home. You see, 90% of what we do at Frontier is no different than our competitors. They sell seed, buy grain, deliver propane and help feed livestock. It is the 10% that sets Frontier apart for going above and beyond to serve our customers. It is a culture of service, putting people first that makes working with Frontier a unique



Jeremy Wilhelm
Chief Executive Officer

experience. Internally, we call this the Frontier Experience and have countless examples of where our employees have unselfishly stepped up to serve you. If you have had an employee of Frontier go above and beyond, please let us know, as we would love to share the story. You can let your local branch manager know or send us a quick email at feedback@frontiercooperative.com.

While the challenges still lie ahead of us when it comes to the pandemic, the supply chain and uncertain markets, we continue to look for the opportunities to add value where we can. The My Frontier Business app continues to be developed and is meant as a tool to make doing business with Frontier easier. Investing in technology such as this or the swarm of drones we recently purchased to do aerial application are in line with our vision statement of *"Leading the way to develop generational success."* We take a long-term view knowing that we have been here since 1915 and have a pathway to be here another 107 years. It is a pleasure serving as CEO of Frontier and being a steward of your cooperative as we work with some of the greatest people on earth...the farmers.

Finally, I want to thank our employees for their amazing effort this past year. At times, we didn't know which employees would be able to work the next day with the virus around us, but everyone stepped up and filled the gaps when we had them. Our goal was to make this as seamless as possible to our customers. We thank you for the patience. I also want to thank you for your business this past year, and I want to let you know that we are here to serve you, our owners. Have a safe and prosperous 2022! ■

Breaking Records & Raising the Bar

There's some truth to the old adage: Records are made to be broken. Some records last a long time, like the world's largest office building. The Pentagon building in Washington, D.C. at only five stories tall has held the office space record at 6.6 million square feet since 1955. Other records get broken before the ink is even dry. This seems to happen frequently at the Olympic Games. In 1980, the world record in the Women's Pentathlon was broken by the runner finishing 2nd in the 800-meter run, which was the final event of the pentathlon. The record was broken 0.4 seconds later by the runner finishing 3rd, because she had accumulated more points in the previous four events.

In the Midwest, there's one crop each year, and only one shot at the record. There are so many variables that go into raising a record crop that a lot of things have to line up correctly to raise the bar. There were a lot of new records written in producers' books for harvest 2021. Yields in Frontier's footprint overall were very good. According to the January USDA report, the average corn yield in Nebraska this year averaged 194bpa. This was a 14bpa (7.8%) increase from the year before, and 2 bushels above the previous record in 2018. Soybeans didn't look much different. The average bean yield was 63bpa up 5bpa (8.6%) from the prior year, and 2 bushels better than the record set in 2016.

As you'd expect, with big yields come big bushels. Frontier Cooperative broke some records this year as well, having the largest harvest-take on record. Harvest soybean receipts were up 32% from a year ago and exceeded the previous record by 8.4%. Corn receipts were exceptionally strong. Frontier's previous record was in 2020, so that record only lasted a year. This year's harvest bested it by 20%. The bushels just kept coming.

There were a lot of employees across the company that put forth monumental efforts to make this harvest successful. There were significantly fewer bushels piled on the ground than we were expecting with a crop this size. There were more than a couple of occasions where facilities were within a couple of hours of being plugged. Branches found a way



Bryan Choutka
Senior VP of Grain

to keep things going. Whether it was moving bushels around the elevator to free up a bin, or loading trucks after hours, they did everything they could to be able to dump your harvest again the next day.

It was tough to find a lot to complain about this harvest if you had a little patience. Phenomenal yields, strong commodity prices, and even the weather cooperated. On average, corn prices were roughly \$1.50 per bushel higher than they were a year ago, and soybeans nearly \$1 more. Bushels were coming out of the field in the first week of December, and the weather was still decent. Open piles that had to be put on the ground were all picked up by the third week of December. The condition of the corn when it was picked up was still in great shape.

We feel fortunate that trains moved as well as they did during harvest. We needed every one of them to get through. Frontier loaded 3,480 railcars during harvest and had the grain to load more, but couldn't find room in the logistics. Since harvest, rail performance has struggled due to staffing, which has caused train velocities to drop. We're still moving bushels and hoping that performance rebounds as we move toward spring.

Some end-user markets are a significant contrast to a year ago. Many corn plants were running at reduced grinds 12 months ago, and some were even shut down. Today, they're operating with profitable margins, as ethanol has decent demand. Soybean processors are also achieving very strong margins. There's good demand for soy oil for production of renewable diesel fuel. High energy prices are a pain at the pump, but they strengthen demand for our grains domestically.

Now is a great time to be looking at selling some harvest bushels for 2022, as well as 2023. Contact your Frontier Marketing Advisor to put together a plan for the next couple of crop years. ■

Updates & Upgrades Continue - Preparing for Spring

When I look back over the last 12 months and the challenges that we have faced with the COVID-19 pandemic, it is reassuring to see how our locations and employees responded during those times. We were able to persevere through a busy fall harvest where we had our largest corn and soybean yields in company history and continued to care for our customers. We were able to get dry application machines, liquid sprayers, and lime spreading machines out quicker this fall and be in a position to get sprayers rolling earlier this spring. All of this doesn't get done without our employees, as well as our customers who we are proud to serve every day.

This last year we completed our Syracuse chemical, fertilizer, and seed distribution warehouse. This 43,000 square ft. building went into service in October with fall spraying dispatched and utilizing the new equipment. Our crews have been busy filling seed, chemicals, and fertilizer, and finalizing procedures for the spring run and are excited to see the building in its first spring operation.

We are updating our Oconee chemical and fertilizer location, as well. We are installing new stainless-steel plumbing, chemical tanks, rail unload with six car unload capacity, and facility automation, along with erecting a 50- x 120-foot, fully contained warehouse attached to our current building for additional storage space for seed, packaged chemicals, and equipment storage.

Our Yanka location will have a new 12- x 80-foot truck scale installed this spring after the anhydrous ammonia application season. This will be a fully automated scale with card reader, touchscreen technology for account selection, and ticket kiosk to keep our patrons efficiently running.

Rolling stock upgrades continue throughout the company, as well. Sprayers and dry application equipment, routine pickup upgrades, anhydrous ammonia running gears, dry spreaders, stainless steel tanks for our liquid tender trucks, and numerous upgrades to our grain facilities are all in process. We are seeing delays due to the supply chain issues all



Craig Schultz
Chief Operations Officer

of us are experiencing. Labor shortages at plants, raw materials, and logistics are the key issues we are experiencing. We have adjusted our rolling stock needs to these challenges but will continue to utilize our best options to fill those requests.

Labor shortages in our own trade territories have been challenging but have also opened opportunities for Frontier Cooperative. We have been participating in the J1 Visa program working with a group of students from Ukraine and Tanzania. This year-long program has been an exciting addition to our culture, as well as the culture of these students, giving them the opportunity to gain experience about American agriculture and best practices used. Once they have completed their year abroad, these students will finish their schooling upon return to their home countries. Our Osceola, Yanka, Syracuse, Ceresco, and Palmyra locations are participating and mentoring these students.

Although challenges always exist, we are positioned to take care of your operations. We want your Frontier Experience to be top notch. Please let us know how we can help, and thank you for your business. ■

The addition to Oconee will allow for a central distribution point and create more efficiencies for custom application.





OUR MISSION:

Empowering our team to provide an experience that enables our owners and communities to prosper.

This is the purpose of our organization to give our team the tools they need in order to help our patron owners and the communities we serve be successful.

OUR VISION:

Leading the way to develop generational success.

We make decisions that are multigenerational and not based upon quarterly results. We have been here for 107 years and plan to be here for another 107 years.

OUR CORE VALUES:

Do the Right Thing

Honesty, Integrity & Safety

Make a Difference

At work, at home, and in our communities

Better our Best

Continuous improvement; Do not settle

Create Opportunities

Seek ways to make this company better

Support the Frontier Family

We are one company and one family



Change Is Constant

It seems like change is a constant thing, and that we are continuously talking about the “new normal.” Does that include inflation? There are some important things to think about around this topic when setting up your livestock production plan moving forward into 2022.

Beef demand, both foreign and domestically, had a strong close in 2021. We have seen a decline in the number of cattle on feed, as well as overall herd counts declining over the past 18 months. Consumer consumption over the past two years has changed; restaurant single serving meals have declined while consumers are turning to grocery stores for their supplies of protein. The result is increased demand and higher prices. Multiple things have influenced this situation and will continue to do so. Feeder cattle supply is expected to decrease in 2022, and cow calf income is expected to increase by almost \$100 per cow. The drier weather and lower prices of cattle have caused liquidation of more than 1 million cows nationwide, which equates to a 3% decrease in the cattle herd pre-2022. Additionally, heifer slaughter was 4% higher in 2021. Higher beef cattle and heifer slaughter will affect supply looking forward throughout 2024. The outlook on beef production revenue through 2022 is optimistic.

Keep in mind the road to profitability is dependent on breeding success and calving rates. Now is the time to take care of your cows and replacements with the best essential nutrients. Contact your Frontier Livestock Advisor for a business plan for 2022. We are happy to help you build a plan that creates performance and reduces costs in your operation.

Input prices continue to be a point of concern in the feed manufacturing business. Rolling throughout 2020 and 2021 into 2022, we have watched the trend develop with higher prices in all of our feed ingredients. Supply chain issues have strained distribution and affected prices of essential elements for the past two years. Prices for minerals and premixes have been on the rise for the last 18 months. Larger commodities, such as soybean meal, along with byproduct ingredients such as soybean hulls,



Russ Vering
VP of Nutrition

wheat midds, and dried distiller's grains continue to be on the rise from a pricing perspective. The result of this upward trend and volatility has plagued feed input costs for producers.

Looking forward, the USDA and other predictive models have weighed in on the direction of supply and demand and the effect on prices, but our thought is that feed prices will remain relatively flat for the next three quarters, or until we get a clearer look at planting intentions and summer weather trends. Frontier is constantly innovating with alternatives and cost-effective ingredients to help mitigate costs in your operation. We have the ability to build a feed plan for your operation that will help utilize the ingredients on your farm to their fullest nutrient capacity.

The power of two is greater than one. Frontier and CPM have combined their purchasing power on ingredients and retail products. On December 1, 2021, our companies began purchasing together and routing feed throughout the entire footprint to create efficiency in distribution and consistent availability of products. Every day, trucks head north, south, east, or west across Frontier/CPM territories delivering products to our customers all over eastern Nebraska. Our goal is to be able to provide information, solutions, and products across our entire footprint on a timely basis, ensuring that our customers have fresh product when and where they need it.

We want to thank our customers for your continued support. Frontier is focused on the legacy of the family farm in Nebraska, and we could not be more excited about our part in helping to solidify that legacy for the long haul. ■

Patronizing Your Cooperative

Conducting business with Frontier Cooperative provides benefits to its members in a variety of ways. You can receive commodity information and advice for marketing your grain, and you have the ability to receive recommendations for all of your fertilizer, chemical, seed, feed and energy needs. Because Frontier is owned by its member patrons, the producers who patronize the Coop are also rewarded with a patronage allocation. Many of you received this reward in January as a patronage check.

After the fiscal year-end results were confirmed, the Frontier Board of Directors approved a patronage allocation to the members of \$3 million dollars; half in cash and half in non-qualified equity, to be retired at a later date. Approximately 3700 members received checks mailed in January 2022. The amount of your patronage check is based upon the business transactions between you and Frontier during the fiscal year from September 1, 2020 to August 31, 2021: The more business transacted, the larger the check. The cash portion of this allocation will be reported on a 1099-PATR in January 2023.

Also in January 2022, Frontier mailed 1099-PATR forms, which reports the cash Patronage Dividend you received in January 2021. Included on this informational form is the Per-Unit Retained allocation which represents the gross dollars you were paid for grain for the calendar year of 2021. The amount shown as Section 199A(g) is the amount of your DPAD (Domestic Production Activities Deduction), which can be used for your 2021 tax preparation. In March 2021, you would have received a letter from Frontier informing you of your share of this \$9.6 million deduction. The DPAD in 2021 represented a deduction of approximately 12.4 cents per bushel of grain sold to Frontier.



Marsha Whetham
Chief Financial Officer

In March 2022, members who sold grain to Frontier in the most recent fiscal year will receive a Written Notice of Allocation for their share of the DPAD, which can be used on the 2022 income tax preparation. This allocation will total \$9.2 million of deductions for members and equates to approximately 11.6 cents per bushel. Please watch for this notice, and keep it with your other important tax documents. You may want to contact your tax preparer, as well, for tax planning in regard to this allocation.

The non-cash portion of patronage allocated is retained as equity in Frontier Cooperative. Equity distributions are made at the discretion of the Board of Directors but historically are paid in August each year and are based upon the age of the patron or the year the equity was earned. Estates are paid in full after each monthly board meeting, based upon notification of death.

One other benefit from Cooperative membership is the ability to participate in programs from vehicle manufacturers. If the purchase of a new truck is in your future, make sure to ask about special rebates only for Cooperative members. With the proof of your Cooperative membership, you can often save several thousand dollars off the purchase price of a new vehicle.

Thank you for your patronage. We know you have many options, and we appreciate the opportunity to continue to earn your business through accurate advice, fair pricing, sharing profits and tax deductions. ■

Help us help you!

Many times, when we are notified of a billing error, it is because of incorrect or outdated information. As you prepare for spring application and planting, please notify your ag advisor of all splits which need to be applied to your agronomy purchases. We want to get it right the first time!



SCHOLARSHIP PROGRAM

The Program - Frontier Cooperative is offering a scholarship for a student entering a college or technical school to further his or her education in agricultural-related studies.

Eligibility - The Frontier Cooperative Scholarship will be awarded to a son/daughter of a parent/legal guardian who is an active stockholder of Frontier Cooperative as defined by the Articles and Bylaws of this association. The scholarship recipient's family must do a minimum of \$5,000 in business with the Coop during the year.

Recipient must be accepted as a student in a college or technical school majoring in agricultural-related studies as determined by that school and upon completion of the first semester of school, the recipient will receive up to \$1,000.

Recipient must have demonstrated academic excellence and must also rank in the top one-half of his/her class.

Selection - The Frontier Cooperative Board of Directors will select the recipients based on the criteria established.

Please return all of your necessary paperwork to the main office of Frontier Cooperative, 3333 Landmark Circle, Lincoln, NE 68504, no later than March 1, 2022.

Please contact any of your Frontier Cooperative offices for an application form or visit the website <https://www.frontiercooperative.com/careers/scholarships>.

Diesel Exhaust Fluid (DEF) 101

Spring is coming fast, and it's time to think about fuel, oil and Diesel Exhaust Fluid (DEF). DEF is the norm for high-horsepower diesel engines. Since 2014, pickups, semi-trucks, tractors, combines, construction equipment, etc. are required to use DEF to reduce the amount of air pollution created by diesel engines. It's important to know how to handle it efficiently, safely, and contaminant-free. Equipment manufacturers are using Selective Catalytic Reduction (SCR) to meet Tier 4 final emission standards. This technology injects DEF into the diesel engine catalytic converter where the urea from the DEF and the exhaust gas reacts with a variety of metallic compounds to convert nitrogen dioxide and monoxide into nitrogen and water.

DEF is 32.5% synthetic urea and 67.5% de-ionized water. The good news is that DEF is nontoxic, non-polluting, nonflammable, nonhazardous, stable and colorless. The downside is that because DEF is nitrogen-based, it's corrosive to most metals and coatings. DEF is also more susceptible to contamination than other fluids. As little as one-tenth of a teaspoon of some common elements can contaminate a 5,000-gallon tanker of DEF. SCR systems are very sensitive to potential impurities, so it is essential that exhaust fluid remains uncontaminated, and that consumers only purchase fluids that adhere to the ISO 22241 Quality Standard and never try to mix their own. When DEF is contaminated, it can increase DEF consumption, is less effective at removing emissions, can cause the SCR system to malfunction, can cause the engine to shut down and damage the equipment—which can void a manufacturer's warranty.



Randy Birchem
VP of Energy

To ensure that DEF works properly, you want a closed, sealed system so you aren't introducing contaminants into the fluid. We use an RSV coupler (which is the industry standard), from our truck and hook up to your compliant tank. This helps to reduce contamination which results in downtime and increased consumption. Your DEF use can be from 2% to 12% of your fuel consumption, depending on the application and the environment. If you are using a tractor or combine, you could use 200 to 400 gallons of fuel a day. Your DEF consumption could be anywhere from about five to 50 gallons a day. Tank sizing is very important. First is availability, making sure you have product when you need it. Second, keep fresh product. DEF shelf life is six months to a year. Here are some facts about DEF you should know:

- DEF will freeze at 12 degrees. Freezing doesn't hurt DEF, but frozen DEF can burst a closed container. A heater option is available for prolonged exposure to temperatures below 12 degrees Fahrenheit.
- It is recommended that exhaust fluid be stored between 40 and 80 degrees, and it has an effective shelf life of one year when stored at 80 degrees.
- DEF is capable of evaporating. This is another reason why containers should always be closed securely.
- The worst thing that can happen to an SCR system is being filled with contaminated or incorrect fluid. This can potentially cause thousands of dollars in damage to the emissions system and leave you stranded.

Spring work is just around the corner. So please check your fuel tanks for water or containments. These two elements are the major cause of filter plugging and fouled injectors. It's best to replace your fuel filter once or twice a year. ■

Spring Agronomy Updates

Frontier Cooperative is excited to announce that we have invested in technology to further advance precision agriculture services and products for our customers. We have purchased a swarm of autonomous unmanned aerial systems (drones). A swarm consists of three drones that work simultaneously to fly and apply liquid and dry products to producers' fields.

Agriculture continues to change, and Frontier Cooperative is committed to bringing the newest technologies to its growers for the benefit of their operations. We believe drones will give us options when it comes to applying products to fields with challenging terrain, hard-to-reach areas, and small areas that make application challenging when using conventional sprayers. In addition, we also believe there is a fit to use the drones on large fields where growers want a more precise application. Drones will give us more options than we have today to take care of our customers' needs in a timely manner.

Chemicals

Supply chain challenges continue to drive costs up and create supply issues in the crop protection market. While there are a lot of supply constraints, shortages, and allocations, our business partners have us in a good position in most cases. We are encouraging growers to work with their Frontier Ag Advisors to help us understand what your needs are for the upcoming year. Planning will be the key to everyone's success. The more time we have to get product in position, the better customer experience we will be able to provide.

Some notable active ingredients that are in tight supply are glyphosate, glufosinate, and clethodim. We do have supply plans with some of these products, which does involve receiving product throughout the season. While we have confidence in the amounts promised to us, please understand that we may not be able to deliver 100% of growers' needs up front, as we will rely on product to be received during the growing season.

With the increased cost of these products this year it will be important to use the correct and full rates of the recommended products for both the herbicides and surfactants. This will help those products work better



Dave Reese
VP of Agronomy

and help minimize the chance of a respray due to lack of performance.

Fertilizer

Nitrogen markets are being controlled by energy prices in Europe and Asia more than anything else. The cost of producing a ton of NH₃ has been as high as \$2,100/ton at its peak. We anticipate there will be supply disruptions and outages during peak demand times, so planning is the best way to have a successful spring season.

The production facility shutdowns last February are still having lingering effects of supply domestically. When these plants began to operate again, they had quite a few issues and some have taken a long time to get back to a reasonable production capacity. In addition, China is still not exporting fertilizer to keep product at home and focusing on "climate clean-up" with the Chinese New Year and Winter Olympic Games.

Russia and Ukraine turmoil: A Russian invasion will have an impact on fertilizer and the corn market. Propane supplies to Europe could be greatly affected if there is a Russian invasion of Ukraine, as Russia supplies Europe with 30% of its energy needs. Ukraine is also a Top 5 corn producing country in the world.

Thank you for your business, and have a safe spring. ■



Technology Advancements in Frontier

Farming is a tough job. The hours can be long and the work demanding, but for a farmer to see the reward of a good crop at the end of harvest makes it worth it. While Mother Nature is unpredictable, decisions are made with the information that's available at the time to mitigate risk. Selling your crop can be equally challenging when dealing with unpredictable markets. The Frontier Grain Advisors work with members to put a customized plan together and assist in reaching their goals. Having information in a timely manner allows for educated decisions to be made, no matter if it's raising the crop or selling it.

The My Frontier Business app is a tool we provide to help our members have the information they need regarding selling their grain. A new feature that allows our patrons to view their offers is now available. When you work with a Frontier Grain Advisor, and they put in an offer on your behalf, you can see all the details of that offer. The customer also has the ability to withdraw that offer if your plan or market conditions change. Please reach out to any of the Grain Advisors if you have questions about how to see cash bids, futures, contracts, scale tickets, commodity balances, settlements, or offers in the My Frontier Business app. Or, scan the QR code to install the app on your smartphone.



SCAN ME

If you don't have a smartphone, there is also a portal that can be accessed through your computer's



Ryan Meister

VP of Digital Transformation

browser. Go to www.frontiercooperative.com and click "Customer Login" in the upper-right corner of the screen. There you will be able to find under "My Frontier Business App" a blue button that says "Web Portal" to click and get to the login page. Or simply navigate to <https://frontier-web.scaleticket.net/login>. While all features are available in the app, additional functionality will eventually be added to the web portal, as well.

AirBand Initiative Makes Progress

As mentioned in previous Frontier Newsletters, Frontier is working with Land O' Lakes, Microsoft, and NextLink in the AirBand initiative. The purpose of this initiative is to bring more options to our rural communities for high-speed internet. NextLink continues to make progress installing equipment on Frontier structures to increase coverage. Currently, Bellwood, Brainard, David City, Tecumseh North, and Tecumseh South are available today, with more coming online every month. To track their progress or to learn more about the service, visit nextlinkinternet.com/lp/Frontier-Cooperative. Customers who sign up are eligible for free installation and a free first month of service. ■

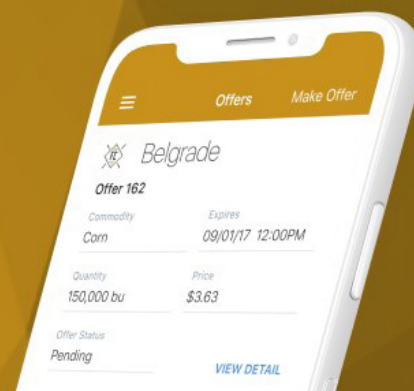
View Offers Right From Your Phone.

View offers without leaving your cab. My Frontier Business app now lets you view offers electronically, saving you more time.

Download the app for free on the Apple or Google Play Store.



POWERED BY **BUSHEL**



Decision Making for Today & the Future

The foundation of the Frontier Experience is empowering our employees to create a difference for our owners. It is about bettering our best and working on getting better each day. At Frontier, it is our job to create opportunities for our farm families, employees, and communities. When a group of farmers created Frontier Coop it was to help relieve pain points. Today, that is still holding true. However, the challenges our producers face have changed, so Frontier is also evolving. Having a network of people who can help each other navigate the ag industry today is essential to creating a successful plan for your farming operation for generational success.

At Frontier, 90% of what we do is just like what other companies are doing; it's the 10% that really sets us apart.

This 10% is called the Frontier Experience, and nobody else can offer it.

A lot of services we offer at Frontier other companies also offer. At Frontier, 90% of what we do is just like what other companies are doing; it's the 10% that really sets us apart. This 10% is called the Frontier Experience, and nobody else can offer it. So, we are committed to continuously working on the 10% that makes us different. This starts with our people. We have a group of employees across all our businesses units that focus on creating a farm plan specifically for your operation. We have business-minded Advisors in all areas working together on one plan that is specific to your operation's goals. We want to make sure that it is clear what ROI per acre or per animal you are targeting. Now is the perfect time to review your farm plan for 2022 to ensure the details are in place. Advisors from each business unit can meet with you at one time to make sure everyone is on the same page. If you are like me, sometimes I forget details such as: *Did I purchase DEF? or How many bushels of corn have I sold from Grandpa's 80?*

Here is an idea that might work well: Since you are meeting with your Frontier Advisors to review 2022, why not create a rough draft plan for 2023? Sure, your



Jon Brabec
Chief Marketing Officer

Frontier Advisors might have to do some estimating on what inputs might be, but you can have an estimated ROI target established. I bet you're thinking I have lost my mind! With all the noise around input costs and uncertainty in our world, it is easy to get wrapped up in the crazy large input numbers that we are very unfamiliar with. No worries, we can simplify it by breaking it down to a per-acre approach, so it is not so overwhelming. For most of us, the per-acre number looks bigger, but let us run some numbers. Right now, you can sell 2023 harvest delivery corn for around \$5 and soybeans near \$12. That probably makes you nervous. You may not have much 2022 crop sold. And, that is ok because there are opportunities to make some sales or explore options that fit your marketing plan. Connect with your Frontier Advisors, ask them to help you develop a plan, and figure out what your per-acre revenue needs to be and what level of sales we need in order to accomplish this goal. Sometimes, I think we all just need to simplify things in life. Utilizing a systems approach to your operation can do just that. Your team of Frontier Advisors from multiple business units will work together on your farm plan. Your plan will stay unique to your operation. Our team at Frontier understands that no two producers are going to do things the same way or have the same needs and wants, so we approach each farming operation specific to each operation's goals.

Frontier's unique systems approach helps producers and your trusted advisors by removing the variables and emotions that are presented to us each year. Our entire team works to develop a unified, initiative-taking approach to meet each customer's needs today and into the future. We do this to differentiate your experience with Frontier and better your experience. If you have questions about how to start a plan or already have a good start and just need trusted advice, please contact your Frontier team. As always, thank you for your business! ■

Better Our Best

"Learn the past, watch the present, and create the future" – Jess Conrad

Better our Best is one of our Frontier Cooperative core values. What does this one core value look like for the People Engagement & Safety team in 2022? First let's look back to 2021 and learn from our accomplishments so we can better our best in 2022.

A major impact we all dealt with in this country was COVID. This pandemic has, in one way or another, affected every one of our employees, their families, schools and communities. Since the onset of COVID in 2020, we generally always experienced someone absent from work due to COVID reasons. Many times, we would have several people absent from the same location at the same time. As a result, employees that could report to work were stretched more than ever before to cover the workload and to ensure quality services for our customers. I 'tip my hat' to our employees who worked their way through these tough times and supported the Frontier Family. As we all know COVID is not over, and 2022 will have new challenges for our workforce.

As a company, we survived turnover better than most companies during this pandemic. We began 2021 with 403 Employees and we ended 2021 with 400 employees. During the year, we experienced a retention rate of 84.3%. To maintain our workforce,



Mike Carroll

VP of People Engagement
and Safety

my team worked very hard to recruit and hire new talent throughout the year as we worked through several seasonal and intern employees that come and go, retirements, and unavoidable resignations that occur year after year—not an easy task given Nebraska is now at a 1.7% unemployment rate, which is the lowest in the United States several months running.

In 2021, the People Engagement & Safety team helped bring onboard seven Ukrainian and two Tanzania students. These individuals are truly part of the Frontier Family and have been a great addition. Our goal for 2022 is to continue the momentum and have a consistent rotation of international students.

In 2021, we enhanced the New Employee Orientation program with participation from Marketing, Information Technology, the Senior Leadership staff and from our CEO, Jeremy Wilhelm.

In 2021, the Frontier University was developed and implemented. This six-month program is designed to develop leadership and managerial skills for our new and current managers. As we rolled in to 2022, we

Last September, Frontier welcomed two students from Tanzania as part of the J1 Visa program



are into our third class. Our first class has graduated, and the second class is halfway through the program.

Employee safety and truck driver safety took center stage for employee development in 2021. Most of our training occurred during our spring and fall training camps. To name a few courses, we trained employees on: anhydrous ammonia - filling and inspecting nurse tanks; lockout/tagout procedures during preventive maintenance; air monitors for grain bins; cargo securement; pre-trip inspections on commercial trucks; protective equipment; slips, trips and fall prevention; grain engulfment; tire changing and repair service; fall protection equipment; respiratory full-face mask fit testing; active shooter awareness/defense; hazard recognition; and safety leadership by Doug Fletcher, former OSHA Area Director.

How can we better our best? Not just for 2022, but every year we will continue to work hard to improve and enhance our safety training program by offering new topics and repeat annual topics to meet OSHA standards. In 2022, the team plans to explore a new applicant tracking software, expand the Frontier

University curriculum, develop specific equipment procedures for our lockout/tagout program, and develop standard operating procedures and job hazard analysis for many daily jobs we perform.

Lastly, beginning February 7, 2022, the federal government has new standards for anyone seeking a new CDL (Commercial Driver's License), drivers who want to upgrade their current CDL, or obtain their hazmat endorsement. To meet this new law, my team is currently developing policies and procedures to certify new drivers in classroom and behind the wheel instruction. We have received approval from the Federal Motor Carrier Safety Administration to be able to certify drivers under the new federal law.

The turn of the year is not a time to relax on this team. End of the year payroll, benefits, audits, taxes, safety compliance and recruiting new talent is fast-paced as ever. As a team, we are looking forward to advancing our work culture for our Frontier employees. ■

Currently Hiring Awesome People!

Frontier Cooperative is hiring! Help us spread the word! We aren't looking for any candidates; we're looking for the RIGHT candidates. Frontier isn't just an agriculture company. We're a cooperative, and we have the benefit of having our roots in agriculture. We offer many of the same career opportunities as any other company, we just happen to have better benefits.

Just like other cooperatives, our existence is the result of change. In today's environment, we're about more than ownership and buying power. We're about integrating work life and family life, promoting employee growth, having an impact on society and our rural communities, and as always—protecting and advancing agriculture and our farmers' legacies.

At Frontier, our Vision is "Leading the way to develop generational success." Just like the group that founded

the first cooperative, to secure the future of agriculture and the rural way of life, Frontier strives to set the standard for how to attract and retain talented candidates who will help us fulfill that vision. Finding employees is a struggle for almost every company in business today. To create generational success, we must stay true what we know. We will continue to look for candidates who are a good fit for YOUR Cooperative and OUR Frontier Family, and we won't settle for just anyone. That's where you come in: Our owners and customers are our biggest advocates.

We know that our best employees come from referrals. If you know someone looking for a change in employment, unemployed, or unhappy with their current situation, please refer them to someone on the Frontier People Engagement Team.



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