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MAGAZINE



Crushing It

Finding markets for growing soybean meal volume

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Grants Support Communities





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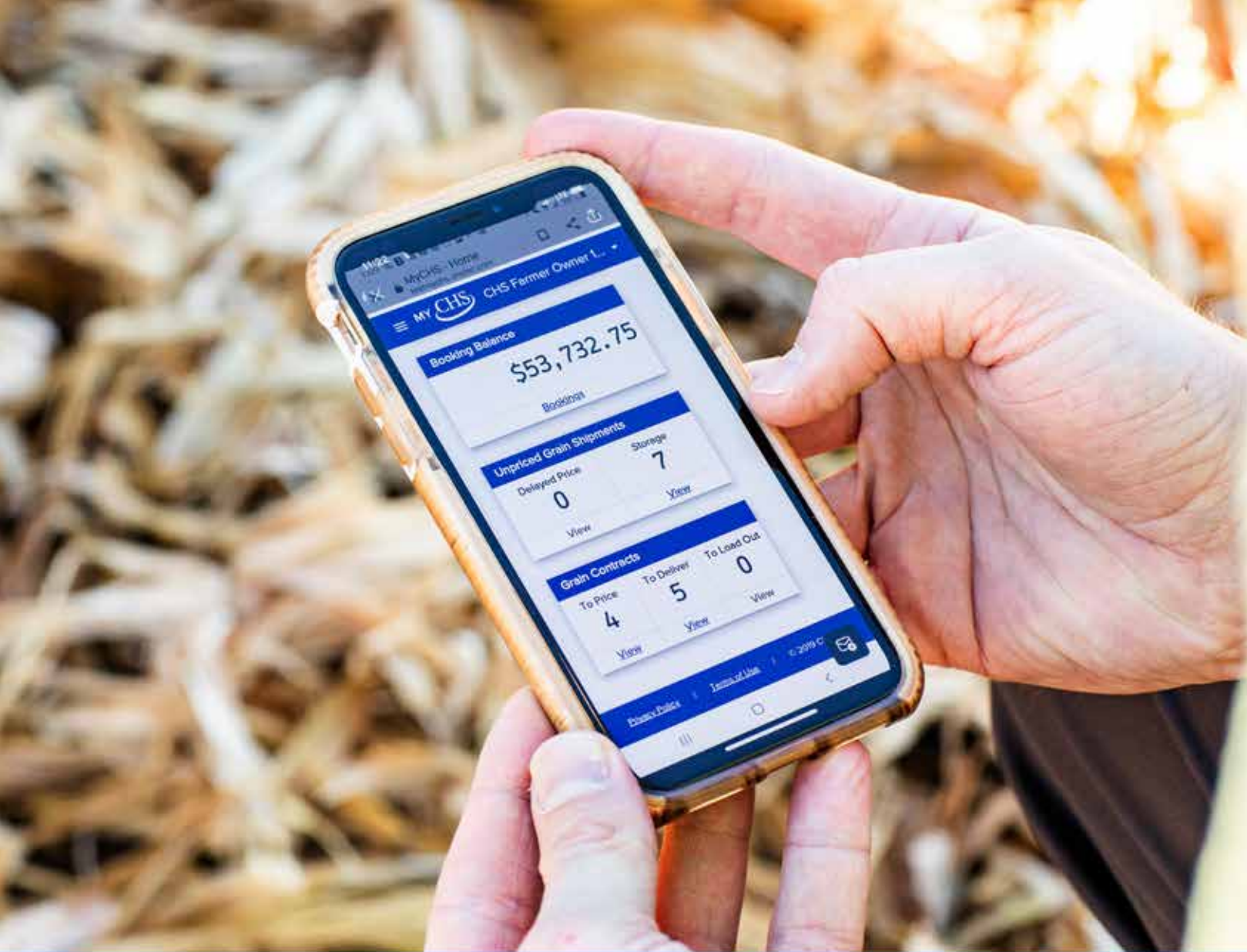
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CHS is the nation's leading farmer-owned cooperative and a global energy, grains and foods company. C is published quarterly by CHS, 5500 Cenex Drive, Inver Grove Heights, MN 55077.

Please send address changes to C magazine, CHS, 5500 Cenex Drive, Inver Grove Heights, MN 55077; or email cmagazine@chsinc.com.

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Jay Debertin, president and CEO, CHS

Cooperative Power in Action

The primary goal for our soybean processing business has never changed. We have always focused on deriving the greatest benefit from every bean.

What has changed are the market forces driving demand for renewable fuels made with soy oil in the U.S. and more nutritious, higher-protein diets to feed the growing middle class in countries across the globe.

CHS and the cooperative system — and our owners — are in an ideal position to take advantage of that growing demand.

At CHS, we have built an expansive supply chain that begins with soybeans grown by cooperative farmer-owners, then sends them to customers around the world or adds value by processing them into soybean meal, soy oil, soy flour and other ingredients to meet customer specifications.

Our strategic investments in soy processing and export capabilities over the past several years have significantly increased our capacity to turn Midwestern soybeans into soy oil and soybean meal to help meet the need for food, feed and fuel.

Upgrades to our Myrtle Grove, La., export terminal give us greater capacity and flexibility to move soybeans, soybean meal and other commodities from barge to ship and then to overseas customers.

Even at peak production, the U.S. can't be a year-round source for soybeans. To meet the constant need by our global customers, we are increasing our presence in Brazil, the Black Sea and Australia so that, as cooperative owners and part of the CHS cooperative system, American farmers have a seat at the table 365 days a year.

While supply and demand will continue to shift, we will continue to look for opportunities to bring more value to our owners in the global marketplace. We go further when we go together. That's the cooperative advantage.

Thank you for your commitment to the cooperative system. Together, we are creating connections to empower agriculture.

Have a question or feedback for the CHS management team? Get in touch with us at feedback@chsinc.com.

As soy crush capacity builds in the U.S. to feed the demand for soy oil, who will take all the soybean meal?

Meal Deal

While 26 tons of soybean meal are loaded into Mick Schmiesing's semi-trailer at the CHS soy processing facility at Mankato in southern Minnesota, he's focused on getting the meal home to feed 10,000 hungry pigs. Later, after feeders are full, he assesses the big picture.

"In the United States, we may eventually have too much soybean meal with all the soybean crushing we're doing," Schmiesing says, wondering how oversupply could affect farmers and agriculture. But that's a worry for the future, he says, because today increased competition for soybeans due to rapid expansion of the crushing industry and resulting soybean

meal production benefits him and other grain and livestock producers. "It's an advantage."

Every three weeks, Schmiesing or one of his family members makes the 20-mile trek from their Vernon Center, Minn., farm to Mankato for a load of soybean meal that's fed to pigs in the family's wean-to-finish operation. In mid-December 2024, meal prices were at 10-year lows at about \$285 per ton — \$145 per ton less than the year before.

The Schmiesings also sell 15,000 to 25,000 bushels of soybeans to CHS annually, delivering to the Mankato facility, sometimes making a soybean delivery and meal pickup on the same trip. He says soybean >

Southern Minnesota pork producer and soybean grower Mick Schmiesing picks up a load of soybean meal in mid-January at the CHS soy processing facility in Mankato, Minn.

> marketing opportunities have improved in recent years, along with basis levels to the tune of 15 cents per bushel or more.

As a CHS farmer-owner, Schmiesing says he benefits from the cooperative's soy processing operations, market access for his beans and patronage opportunities for selling soybeans and buying soybean meal.

Crushing It

U.S. soybean processing is expanding to meet rising demand for soy oil from the biofuels industry, primarily to make renewable diesel, says Scott

Gerlt, chief economist with the American Soybean Association. Soy oil has the most growth potential among biomass-based feedstocks, which include used cooking oil, tallow and other sources. A slight increase in demand for soy oil by food processors also plays a role in crush expansion.

Gerlt reports soy crush capacity was about 2.2 billion bushels in 2021 when the market signaled the need for more soy oil. Since then, he says plans for nearly two dozen crush plant expansions or new builds have been announced, including a potential new CHS plant in Evansville, Wis., which the

company is evaluating.

If carried out, Gerlt estimates those plans could increase U.S. crush capacity by about 30%, or more than 600 million bushels.

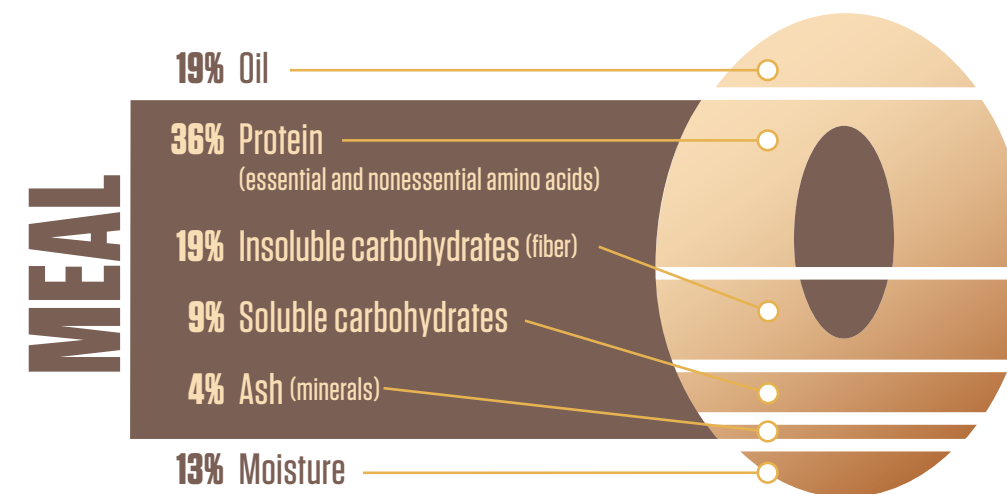
But whether all projects will be completed or operate at capacity is up in the air due to uncertainty with future biofuel policies and rules, Gerlt says.

"Crush margins are not as good as they were a year ago, but for now at least, 'keep crushing' is the signal the market is sending."

Message received.

U.S. soybean crush surged to an all-time monthly high in December 2024. More than 206 million bushels were processed

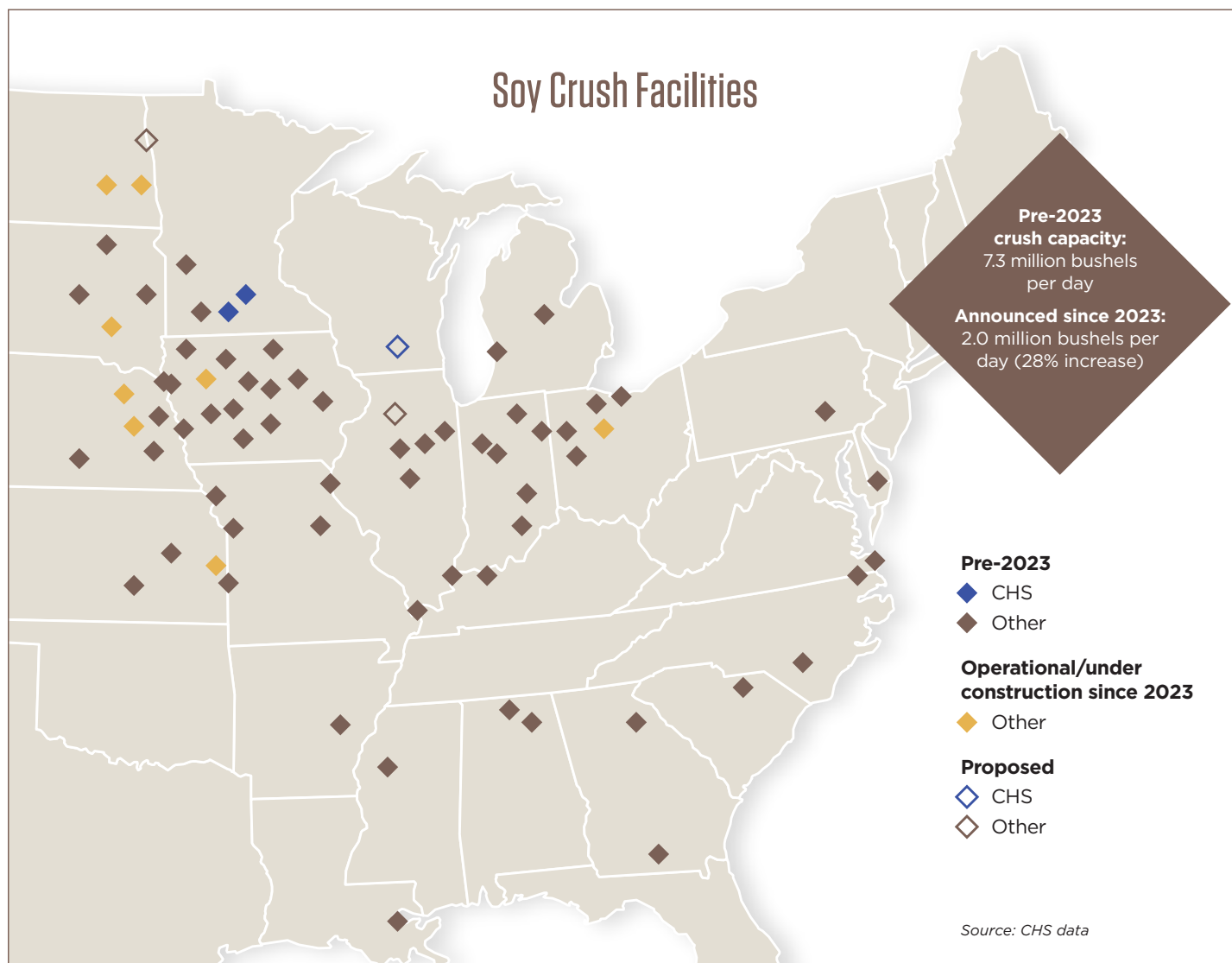
Soybean Composition



Soy Processing 101

Soybeans are cleaned, dried, cleaned again, cracked and dehulled. The cracked beans are conditioned (heated) and rolled into flakes. Crude soy oil is removed from the flakes, then refined for edible and other uses. Defatted flakes are toasted, dried and ground for use as a protein source for food, pet food, livestock feed and industrial uses. Soy flour is also made from soybeans and soy hulls are processed for human and animal consumption.

Sources: United Soybean Board, National Oilseed Processors Association



that month by members of the National Oilseed Processors Association (NOPA).

NOPA members account for 95% of U.S.-processed soybeans. Several new crush facilities have come online in recent months and new monthly crush records have been set the previous four months as well as in 10 of the past 12 months.

"We are in new territory in terms of crush," says Darrin Carlson, director of soybean meal trading for CHS. "Records will continue to fall."

Mighty Meal

Since soy oil is the driver behind processing more soybeans, Gerlt says the No. 1 question he is asked by farmers and industry officials is whether there's enough demand to absorb the growing supply of U.S. soybean meal. A 60-pound bushel of soybeans produces about 11 pounds of oil and 44 pounds of soybean meal.

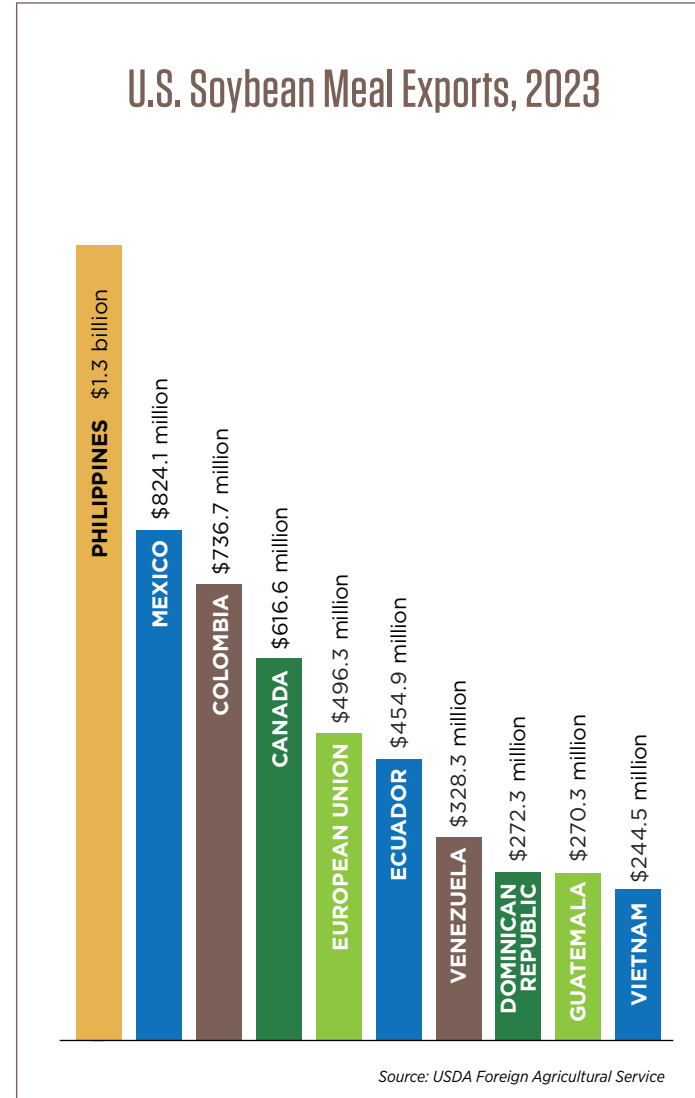
U.S. soybean meal production increased from 51.7 million tons in the 2020-2021 marketing year to a projected 56.7 million tons

during the current marketing year, which ends Sept. 30, 2025, according to the U.S. Department of Agriculture (USDA). If crush capacity increases by 600 million bushels, Gerlt says that would add more than 13 million tons of soybean meal production.

"As supply increases, soybean meal will be more competitively priced and the market will find a way to clear it," Gerlt says. "I think inclusion rates in livestock feed rations can be increased in the United States and abroad. I also think there are a lot of opportunities to increase exports."

CoBank released a study in March 2024 about the rapid expansion of the soybean crush industry. It concluded domestic demand for soybean meal is expected to increase, but not at the same pace as supply, requiring exports to increase.

"Domestic meal consumption is growing 2% to 3% per year, but the crush industry is expanding more quickly," Carlson says. "It takes time, but the incentive is there to feed more livestock and increase the amount of soybean meal in feed rations." >



“Every day, our team is working to strengthen market access and deliver more value back to our U.S. owners for their high-quality soybean meal.”

— *Diego Gavilanez*

> Cooperative Advantage

The cooperative system is uniquely positioned to benefit from crush expansion and opportunities to market more soybean meal, says Jason Marthaler, vice president of oilseed trading and risk management for CHS. Strategic investments by CHS in soy processing, animal nutrition and export capabilities will leverage the changing market.

“CHS owners will benefit from the growth in domestic and global demand for fats, oils and protein,” he says.

CHS was at the forefront of the crush surge. In 2021, the company completed a \$100 million renovation of its soy processing plant in Fairmont, Minn., increasing crush capacity by 30%.

To process the additional crude soy oil produced at Fairmont, CHS modernized its soy processing plant in nearby Mankato and increased refining capacity by 39%. South-central Minnesota farmers typically produce more than 50 million bushels of soybeans annually, according

to Minnesota Department of Agriculture data. Having soy processing plants nearby is a boon for area soybean growers.

“For soybean farmers, adding more crush means stronger local markets,” Marthaler says. “For livestock producers, they’re seeing some of the cheapest meal now than in the last decade, which improves their margins.”

U.S. soybean crush surged to an ALL-TIME MONTHLY HIGH in December 2024.

— *National Oilseed Processors Association*

About 50% of the soybean meal CHS produces is fed to livestock — predominantly swine and poultry, plus some beef and dairy — within a 100-mile radius of its crush facilities. About 25% is shipped

by rail to livestock producers in feed-deficit regions and the rest is used by the CHS animal nutrition business or exported.

Export Expansion

In late 2024, CHS completed a \$105 million expansion of its export facility in Myrtle Grove, La., in part to facilitate shipping soybean meal produced by CHS and other companies around the globe.

“We can’t store soybean meal for months like we can store soybeans, so each day we’re producing soybean meal, it needs to be shipped,” Carlson says.

Remember the claw and crane games you may have played as a kid and the excitement of trying to pluck a stuffed animal from the prize bin?

Perched high above the CHS export terminal at Myrtle Grove, Stephen Rogers says he has that feeling every time he operates the facility’s new E-Crane, part of the recent upgrades to increase export capacity by 30%. Other new additions at Myrtle Grove include increased storage and systems to speed barge unloading and ship loading with grain and soft



A ship is loaded with soybean meal and other commodities at the CHS export terminal in Myrtle Grove, La.

commodities like soybean meal.

Sitting in the crane’s cab, with a joystick in each hand, Rogers skillfully removes barge lids with a claw attachment. Then he uses the crane’s clamshell bucket to scoop out soybean meal and drop it into a hopper and conveyer system that whisks it away to storage bins or a waiting ship for export. The crane also handles distillers dried grains with solubles (DDGS) and occasionally grain.

“It’s like playing a video game but in real life,” Rogers says. “This is one of the smoothest cranes I’ve ever operated. It makes the job of unloading barges much safer and faster.”

While a fun job, it’s no game. Rogers is part of an elaborate supply chain to export more soybean meal.

The Myrtle Grove terminal is now better equipped to load vessels with more than one commodity,

often called grocery boats.

“The flexibility of being able to load multiple products in a single vessel is exactly what our buyers in Latin America and other regions need,” says Diego Gavilanez, a commodity marketing expert with CHS. “I would say eight of 10 vessels

loaded at Myrtle Grove are now grocery boats.”

Gavilanez projects the lion’s share of increased soybean meal production will find a home overseas. More feed is needed for expanding poultry, swine and aquaculture production in many countries, including Colombia, Vietnam and Morocco, to satisfy the desire for more protein, he says.

The U.S. exported a record 16.1 million metric tons of soybean meal in the 2023-2024 marketing year, according to USDA estimates. Exports are projected to increase to 17.4 million metric tons during the current marketing year, which started Oct. 1, 2024.

“The U.S. will become more relevant as a soybean meal exporter due to competitive pricing and it has a slight advantage in meal quality over other origins because of protein

content,” Gavilanez adds. “Every day, our team is working to strengthen market access and deliver more value back to our U.S. owners for their high-quality soybean meal.”

Domestic Demand

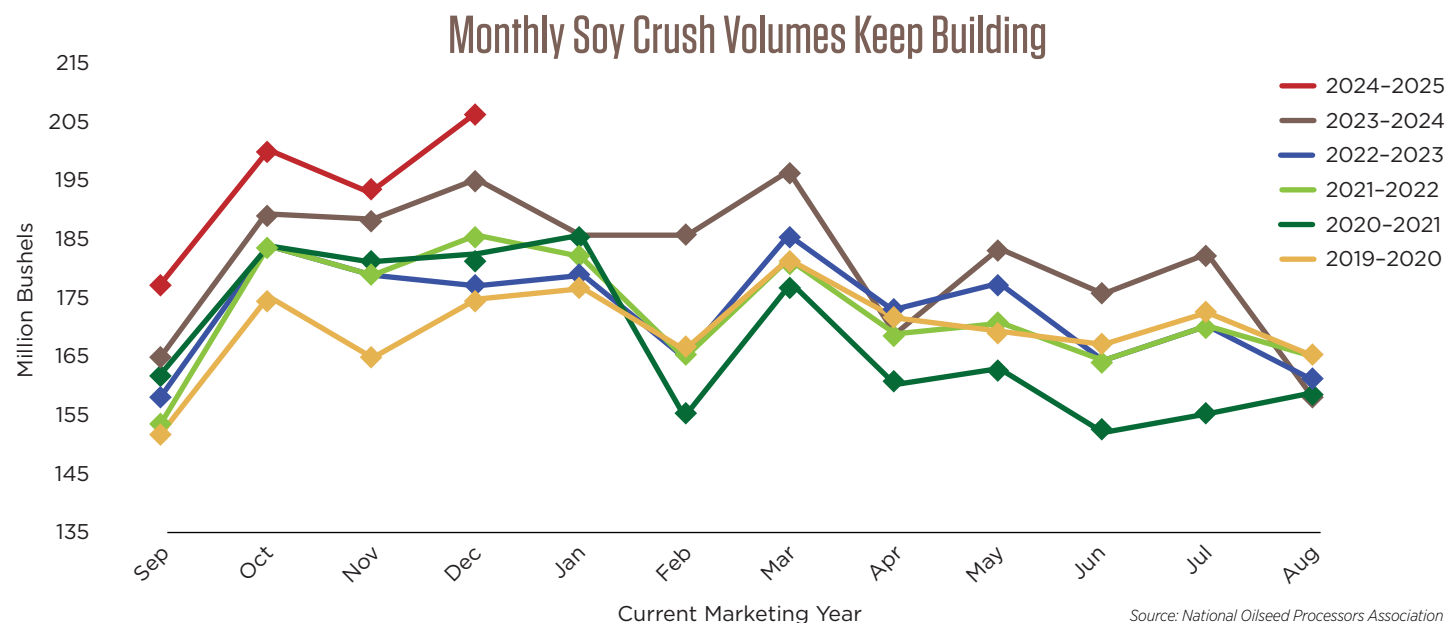
Domestic disappearance of soybean meal is steadily rising. During the 2022-2023 marketing year, 38.5 million tons was utilized, according to USDA. Use increased by an estimated 120,000 tons in 2023-2024 and is projected to exceed 40 million tons during the current marketing year.

“Soybean meal inclusion rates for livestock are picking up as meal prices come down,” Marthaler says.

Schmiesing confirms his operation is feeding more soybean meal. While meal inclusion rates can range >

The U.S. exported a record 16.1 MILLION metric tons of soybean meal in the 2023-2024 marketing year.

— *USDA*



Mick Schmiesing sometimes unloads soybeans and picks up a load of soybean meal on the same trip to the CHS soy processing plant in Mankato, Minn.



“Soybean meal inclusion rates for livestock are picking up as meal prices come down.”

— Jason Marthaler

50%
of the soybean meal CHS produces is fed to livestock within a 100-mile radius of its crush facilities.

> from 10% to 35% of the diet, depending on animal size and the price of feed ingredients, he says he was mixing diets to include soybean meal near the lower end of the spectrum a year ago and is now using rates closer to the middle of that range.

Dairy and beef cattle are less efficient than pigs and poultry at using soybean meal’s high protein content, but are still important feed markets, says Rod Benson, a dairy and swine feed expert with CHS. He says soybean meal sales to dairy operations have increased significantly, indicating market forces are working to use growing meal supplies.

“It really comes down to supply and demand,” he says. “When meal is reasonably priced, it’s hard for other protein sources to compete. It’s a pretty significant shift.”

Ken Bryan, who leads animal nutrition product development for CHS, says the company’s team of nutrition experts works with livestock producers and animal nutritionists to determine the best and most cost-effective feed rations. With increased affordability of soybean meal, “I anticipate seeing increased use.”

With constant shifts in market and input prices for livestock producers, increased soybean meal supply gives

them opportunities to shop around for the best quality and most economical feed, says Sam Bild, animal nutrition sales director at CHS. The company’s animal nutrition logistics and procurement teams are working together to move soybean meal where it’s needed most.

“Whether that’s through CHS directly or through our cooperative owners, we have the network to get soybean meal where it needs to go.” ■

LEARN MORE: Watch a video on soy processing at chsinc.com/c.



U.S. broilers consumed 18.2 million tons of soybean meal in 2022, more than any other livestock group, according to the Soybean Meal Info Center.

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When Matt Nelson, Grinnell, Iowa, discovered an engine issue in his primary tractor, coverage under the Cenex Total Protection Plan® warranty program helped cover repair costs.

By Megan Gosch

Ready for the Unexpected

A proactive plan to protect equipment helps minimize risk and control costs.

There's never a good time for equipment to be out of commission.

"As a farmer, your equipment can easily become one of your biggest investments and one of your biggest expenses," says Matt Nelson, who runs a corn and soybean operation with his father-in-law, Don Kaisand, near Grinnell in central Iowa.

"When you discover you've got a serious repair on your hands, it might cost you some downtime in the field, but it's almost certainly going to come with a price tag you weren't budgeting for," Nelson adds. "You have to make sure you're prepared for surprises."

In late 2023, after discovering one of his primary tractors might >

> need major repairs, Nelson turned to Bob Rabey, a certified energy specialist with Key Cooperative, for help with questions he had filing a claim through the Cenex Total Protection Plan® (TPP) warranty program.

The TPP program, which provides protection for up to eight years or 8,000 hours on used equipment and up to 10 years or 10,000 hours on new equipment, covers repairs on thousands of pieces of agricultural equipment, including tractors, combines, sprayers and more.

“We had to completely replace the engine and were facing a \$25,000-plus repair job,” says Nelson. “That’s not a bill we’d be able to cover overnight. Luckily, we had enrolled in TPP and, with just a few months left on

our warranty, we knew we could count on that backup to help cover the repair cost.”

Maximizing ROI

Nelson and Kaisand have enrolled their equipment in the TPP warranty program for more than a decade, adding new pieces of equipment to the program with each purchase.

“We saw firsthand just how much the plan covered and how hassle-free it was to submit a claim,” Nelson says.

He worked with the local repair shop to ensure proper documentation was submitted with the warranty claim. Nelson received a check covering repairs in weeks and his tractor was ready in time for planting season. “The process was so smooth

and painless; it just can’t get simpler than that. That allowed us to get the most out of the equipment,” he says.

“A used oil analysis is a lot like a blood test for the human body or a soil test for your fields.”

— Jon Woetzel

Nelson says he and Kaisand invest in maintenance and repairs to keep their equipment, especially their tractors, running smoothly for the long term.

“When we buy new equipment, we take care to make sure it’s going to last because we plan to run it into the ground,” Nelson says.

“When you run your equipment for as many years as we do, you know it’s going to need repairs and you know you’re going to need a safeguard of some sort. We’ve come to see our warranty and the repairs it helps us cover as a way to maximize the investments we’ve already made in our equipment and to keep it running as long as possible.”

Catch Issues Early

While the TPP warranty program has helped Nelson cover needed repairs, it also helps him catch equipment issues before they escalate and require additional downtime.

Make the Most of Your Warranty

The energy technical experts at CHS suggest the following steps to leverage warranty protection to avoid equipment issues.

- **Designate a used oil sample point person.** To ensure used oil samples are accurately tracking equipment performance, know the proper steps for pulling a sample and identify who will own the responsibility. “We often find the person who pulled the sample is not the same person who filed a warranty claim,” says Jon Woetzel, lubricants quality assurance manager. “If we run into an issue with missing samples or the quality of the sample itself, that could disqualify a claim.”

- **Put used oil test results to work.** “Many operators will receive their analysis results, see that no major issues have been flagged and file the report away,” says Woetzel. “If you flip a page further, you’ll find historical data and trends that show how your equipment is performing. That’s valuable information you can use to optimize equipment and product use.”

- **Pay attention to transmission fluid.** “We often find operators are diligent when it comes to changing engine oil, but try to stretch transmission fluid too far,” says Woetzel. “You’re better off changing your transmission fluid early than risk losing compliance with warranty programs.”



As part of the warranty program, equipment owners must follow a consistent schedule for routine maintenance and used oil sample tests.

Certified energy specialist Bob Rabey, left, with Key Cooperative, supports Matt Nelson and other equipment owners when they have warranty questions.



Used oil samples are lab-tested for viscosity, oxidation, alkalinity and more to detect potential equipment issues or failure. Customers receive a full analysis report detailing results, along with recommendations.

“What good is a warranty, if it’s too complicated or too cumbersome to actually use it?”

— Bob Rabey

“A used oil analysis is a lot like a blood test for the human body or a soil test for your fields,” says

Jon Woetzel, lubricants quality assurance manager with CHS. “When performed regularly in addition to regular required maintenance, these simple tests can catch issues like antifreeze or fuel leaks before they get out of control and cause your equipment to shut down or cause costly repairs.”

For Nelson, an early used oil sample taken before fall harvest and a second one taken at the end of the season helped flag a potential issue with his tractor that required attention.

“If we hadn’t been testing regularly, we could have been in the middle of our next spring planting season when this engine issue came to a head and left us broken down in the field,” says Nelson.

“Instead, we were able to catch the issue when it started

and tackle the repairs during our regular winter maintenance cycle, so we didn’t have to worry about downtime at the busiest time of the year.”

Expert Advice

Support from trusted experts has also helped Nelson through each step of the warranty program, he says.

“When I have questions about submitting oil samples, about what the warranty covers or what my oil sample lab results mean, Bob’s available to talk me through next steps and help keep the process running smoothly,” says Nelson.

“We want to be sure our customers can stay focused on their operations, not on filing paperwork, especially when it comes to submitting a claim,” says Rabey. “What good is a

warranty, if it’s too complicated or too cumbersome to actually use it? I’m here to make sure they can make the most of this tool and keep their operations running.”

“A warranty certainly provides insurance from financial surprises,” says Nelson, “but it also comes with some peace of mind knowing we’ve got support from the experts in our corner when we need it most.” ■

LEARN MORE about Cenex Total Protection Plan® warranty program benefits and how to enroll equipment at cenex.com/tpp.



Springing Ahead

Across America's farm country, thoughts are turning to spring. The days are a little longer, the sun shines a bit brighter and cheerful birdsongs reflect optimism for the new growing season.

The pace is picking up in farm and co-op shops as a parade of equipment lumbers through for preplanting checks and maintenance. Tools spend more time in hands than on walls and toolboxes and replacement parts stand ready to play their role as everyone prepares for the busy season ahead.

— Cynthia Clanton



Jerome Benish, right, an agronomist at CHS High Plains in Yuma, Colo., discusses crop protection strategies, including spray nozzles, with grower Randy Wenger.

By Matthew Wilde

Preemergence POWER

Farmers embrace a soil adjuvant to help control herbicide-resistant weeds.

It's an awful feeling knowing you're being robbed and there's little you can do to stop the losses. For years, Randy Wenger spent consistently more money and time on weed control on his Yuma, Colo., farm with diminishing results.

"I was struggling big time," he says. "I would do a burndown herbicide application, and sometimes it didn't look like we had done anything. If you can't control weeds, yields will suffer."

Herbicide-resistant weeds were stealing valuable nutrients, moisture and sunlight from Wenger's crops — dryland and irrigated hard red winter wheat, corn, grain sorghum and black-eyed peas. Palmer amaranth and kochia were the worst culprits.

Battling Resistance

After herbicide-tolerant crops were introduced in the 1990s, growers needed just one or

two herbicide applications to control weeds. Those glory days were soon gone.

By the mid-2000s, herbicide-resistant weeds were a growing problem nationwide due to repeated exposure to the same herbicide or herbicides with similar sites of action.

Weeds have evolved resistance to 21 of the 31 known herbicide sites of action and to 168 herbicides, according to the International Herbicide-Resistant Weed Database. Palmer amaranth is resistant to eight sites of action, while kochia is resistant to two sites. As of the end of 2024, there were 533 unique cases of herbicide-resistant weeds globally, including 273 species, according to the database.

"I went from using mostly one to three herbicide applications [which included one preemergence application, if weather conditions allowed]

to four or five passes a season," Wenger recalls. "That was too expensive."

Jerome Benish, Wenger's agronomist at CHS High Plains based in Yuma, suggested a solution.

Instead of trying to control growing weeds, Benish recommended not letting the yield-robbers emerge in the first place. In 2023, on that advice, Wenger began an overlapping two-pass preemergence herbicide program followed by postemergence applications as needed. He added Soiltrate™, a soil-applied herbicide adjuvant by CHS, to the preemergence tank mix.

"The program we're using now is keeping my fields clean," Wenger reports. "I'm impressed."

Longer Control

For more than a decade, farmers have been asking for >

Best Practices to Manage Herbicide Resistance

Eric Jones, an Extension weed management specialist at South Dakota State University, says preemergence herbicides are an important part of a diversified approach to managing herbicide-resistant weeds.

“There isn’t a one-size-fits-all strategy that works,” Jones says. “Don’t rely on a single herbicide group because that’s how you select for resistance. Use multiple modes of action. Scout fields for weeds and tailor your weed management plan accordingly.”

1. Understand the biology of weeds present.
2. Use a diversified weed management approach. Focus on preventing weed seed production.
3. Plant into weed-free fields, then keep fields as weed-free as possible.
4. Plant weed-free crop seed.
5. Scout fields routinely.
6. Use multiple herbicide modes of action (MOAs) that are effective against the most troublesome weeds or those most prone to herbicide resistance.
7. Apply the labeled herbicide rate at recommended weed sizes.
8. Emphasize cultural practices that suppress weeds by helping crops compete for moisture and sun.
9. Use mechanical and biological management practices where appropriate.
10. Prevent field-to-field and within-field movement of weed seed or vegetative reproductive structures.
11. Manage weed seed during and after harvest to prevent buildup of the weed seedbank.
12. Manage field borders to prevent an influx of weeds.

Source: Weed Science Society of America

> innovative solutions to quell the growing herbicide-resistant weed crisis. CHS listened.

“Our approach to product development is taking feedback from our growers and agronomists to find solutions to problems,” says Steve Carlsen, director of

proprietary products with CHS. “When Soiltrate came into our lineup about eight years ago, it was ahead of its time.”

Back then, he says, growers were still able to control weeds with a combination of preemergence and postemergence herbicides.

“We’ve seen that approach become less effective over time.”

Wenger credits Soiltrate for much of the recent weed management success on his farm. The soil and spray deposition agent improves absorption and efficacy of

“The results we have had using [Soiltrate] were awesome. You could really tell where it was used.”

— Dylan Tacke

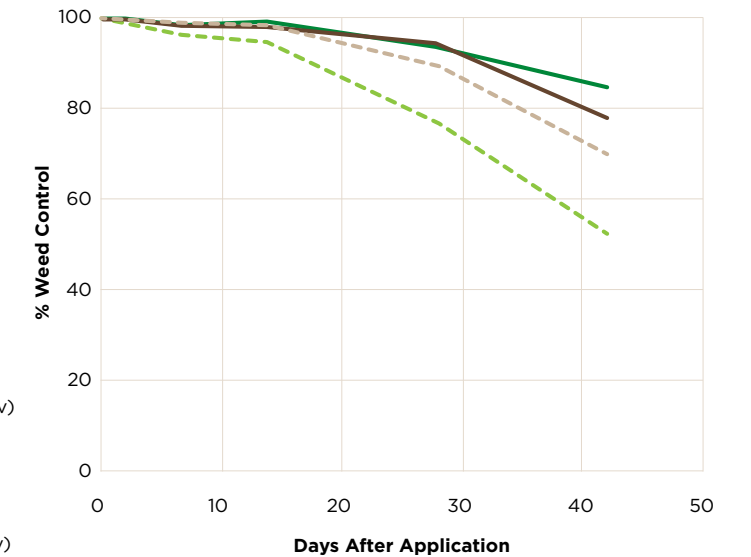


Grower Randy Wenger, left, and agronomist Jerome Benish review crop protection plans for Wenger’s operation.

Soiltrate™ Improves Weed Control

Tim Swanson, a regional crop protection product specialist with CHS, says the efficacy of Soiltrate is backed by rigorous test results.

“If you can improve and stretch the efficacy of a herbicide with a well-chosen adjuvant in the tank, that’s astronomical,” Swanson says.



Sources: CHS and university research

soil-applied herbicides, improves drift control and enhances application efficiency. It’s designed to keep herbicide active ingredients in the weed-kill zone longer.

“Palmer amaranth is an amazing survivor. The only way we’ve found to control it is not letting it come up,” Benish says, using a practice he likes to call “spray dirt.”

“We apply a preemergence herbicide right before or after planting and then make another preemergence application before the first one fails. The idea is to start and stay clean until the crop canopies and can shade out late-emerging weeds.”

Most preemergence herbicides promise residual control of germinating weeds for about 30 days. Benish says Soiltrate extends that residual control by five days to two weeks.

Proactive Approach

Dylan Tacke, a CHS agronomist based in Wausa, Neb., says the mindset of Midwest farmers

is changing from reactive to proactive measures to control pigweed species — predominantly waterhemp and its nasty cousin Palmer

“If you can improve and stretch out the efficacy of a herbicide with a well-chosen adjuvant in the tank, that’s astronomical.”

— Tim Swanson

amaranth. Instead of relying on postemergence applications, he says more farmers are upping their preemergence game by layering active ingredients and using Soiltrate.

Tacke advocates an integrated weed management approach

that includes rotating crops and herbicides with different sites of action, cover crops, tillage and more. Using the right adjuvants can make a difference, he adds.

“The results we have had using [Soiltrate] were awesome. You could really tell where it was used.”

Soiltrate also acts as a hedge against volatile weather, Tacke says. It usually takes a half-inch of rain to sufficiently activate preemergence herbicides, moving active ingredients to the depth of germinating weed seeds. Soiltrate provides extra time for needed rain to fall or for herbicide applications if rain delays occur. It also reduces herbicide leaching after a downpour.

Adding Soiltrate to the tank costs about \$4 to \$6 per acre, Benish says. “When you can get effective preemergence herbicides onto fields and make them last longer, Soiltrate delivers return on investment through more effective control,” he adds.

Wenger agrees. He estimates he is saving \$15 to \$30 per acre

with a Soiltrate-enhanced preemergence control approach compared to his old program because fewer postemergence applications are needed. And cleaner grain sorghum fields are producing an extra 15 to 20 bushels per acre, he says.

“I’m very happy with [Soiltrate],” he says. “It takes some of the stress out of weed management.” ■

LEARN MORE: Learn more at chsagronomy.com/soiltrate.

Grants Support Rural Needs

CHS Foundation program strengthens 10 communities.

By Annette Bertelsen

Ten rural community projects have received CHS Foundation grants to improve safety and basic needs services. Nonprofit organizations submitted applications for the opportunity to receive grants of up to \$15,000 and the CHS Foundation narrowed the list to three finalists and seven honorable mentions. Attendees at the 2024 CHS Annual Meeting voted to award the first-, second- and third-place grants.

Rebuilding a Grocery Store

The first-place grant winner, Lane County Community Foundation, received \$15,000 to help build a new grocery store in Dighton, Kan., after the county's only supermarket was destroyed by fire.

"Just imagine the difficulties you, your family and your neighbors would face if your county suddenly didn't have a grocery store," says Casey Venters, executive director. "It's a hardship that impacts the elderly and people on fixed incomes the most, and it quickly starts hurting the local economy.

"People from across our county are donating money to get our new store opened and

keep it operating. The beauty of this solution is that over time, profits from the store will go into the Lane County Community Foundation's general fund to help revitalize our community," says Venters. "We're thrilled to receive the CHS Foundation grant, which is another example of the exceptional collaboration that's enabling us to build a community-based grocery store that will have longevity."

Equipping a Rescue Team

Balaton (Minn.) Fire Department won the second-place grant for \$10,000 and is using the funds to purchase a rescue trailer, enabling the team to keep its grain rescue and other gear preloaded and ready for emergency response.

"Like many small towns with volunteer fire departments, we have to make do with less space and equipment. When we get a call for help, we need to grab gear from throughout the firehouse and load it into the fire truck before we can head to the scene," says Jared Hively, training officer.

"The new trailer means we'll be able to respond faster. This will benefit our town and

the surrounding agricultural communities because we know that in an emergency, seconds can turn into minutes, and minutes can turn into somebody's life."

Making a Park Accessible

Jamestown (N.D.) Parks and Recreation will use its third-place \$5,000 grant to help build an all-abilities park and playground.

"We are creating a destination space near the heart of our downtown where people of all abilities can engage and learn from each other, which is an important part of building a strong community," says Amy Walters, executive director. "Residents and visitors will enjoy the renovation.

"What's even more exciting is the impact will extend well beyond today. We will be forming inclusive behaviors in our children that will shape how they grow into adults and become tomorrow's leaders."

More Communities Benefit

After receiving more than 60 applications from worthy nonprofit organizations for the

rural community grants program, the CHS Foundation Board of Trustees increased the budget to enable the following honorable-mention finalists to each receive \$2,500 grants to strengthen their communities.

Community Foundation of Greater Dubuque, Delmar, Iowa, therapy dog at a rural school

Cutting Fences Foundation, Laurel, Mont., adaptive equipment for farmers with injuries and disabilities

Feeding Our Communities Partners, North Mankato, Minn., rural student hunger relief

Graceville Fire Department, Graceville, Minn., grain bin extraction gear

Grant Regional Health Center, Lancaster, Wis., EMT training for students

Lil Chompers Child Care Center, Greenbush, Minn., rural community child care

Richland Wilkin Emergency Food Pantry, Wahpeton, N.D., mobile food pantry vehicles ■

SEE MORE: Watch videos of the finalists at chsinc.com.

Working Together for Rural Success

CHS Seeds for Stewardship, a long-standing grants program that matches cooperative contributions with CHS funds, provides ongoing assistance to help communities thrive. Priority goes to requests that strengthen ag safety, farmer well-being, agriculture education and rural community vitality. In 2024, 104 Seeds for Stewardship grants put \$519,000 to work in towns across rural America.

Member cooperatives and CHS ag retail locations can apply for matching funds to double their impact at chsinc.com/stewardship.



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CHS REPORTS FIRST QUARTER FISCAL YEAR 2025 EARNINGS

CHS Inc. reported net income of \$244.8 million and revenues of \$9.3 billion for the first quarter of fiscal year 2025, which ended Nov. 30, 2024. The results compare to net income of \$522.9 million and revenues of \$11.4 billion in the first quarter of fiscal year 2024.

Key highlights for first quarter fiscal year 2025 financial results:

- Decreased selling prices for grains, oilseeds and refined fuels led to lower revenues.
- Despite strong sales volumes, Energy segment earnings declined due to evolving market conditions negatively impacting refining margins.
- Ag segment earnings were moderately lower due to softening oilseed crush margins compared to historically high margins in the first quarter of the prior fiscal year.
- Equity method investments continued to perform well, with the CF Nitrogen investment being the largest contributor.

“The energy industry is experiencing compressed refinery margins at the same time that U.S. agriculture is seeing a weaker farm economy with a globally competitive marketplace for grains and oilseeds,” says Jay Debertin, president and CEO. “Just as we have for nearly 100 years,

CHS is leveraging our efficient global supply chain, strong relationships and expertise to navigate these changing markets, while strategically investing to meet our owners’ future needs.”

Energy

Pretax earnings of \$19.8 million for the first quarter of fiscal year 2025 represent a \$247.1 million decrease versus the prior year period and reflect:

- Lower refined fuel margins due to less favorable market conditions, including higher U.S. refinery capacity utilization

and global production

- The positive impact of lower costs for renewable fuel credits, which partially offset lower income from refined fuels

Ag

Pretax earnings of \$166.7 million represent a \$3.1 million decrease versus the prior year period and reflect:

- Decreased margins in oilseed processing due to a larger supply of canola and soybean meal and oil across global markets, somewhat offset by the timing impact of market adjustments

• Market-driven price decreases in wholesale and retail agronomy

Nitrogen Production

Decreased market prices for urea, partially offset by lower natural gas costs, contributed to pretax earnings of \$25.2 million — an \$11.2 million decrease versus the prior year period.

Corporate and Other

Pretax earnings of \$47.2 million represent a \$3.3 million increase versus the prior year period, primarily reflecting improved equity method investment income.

CHS INC. EARNINGS* BY SEGMENT (in thousands \$)

	Three months ended November 30	
	2024	2023
Energy	\$19,763	\$266,835
Ag	166,652	169,720
Nitrogen Production	25,241	36,459
Corporate and Other	47,181	43,832
Income before income taxes	258,837	516,846
Income tax (benefit) expense	13,244	(6,522)
Net income	245,593	523,368
Net (loss) attributable to noncontrolling interests	803	445
Net income attributable to CHS Inc.	\$244,790	\$522,923

*Earnings is defined as income (loss) before income taxes.

VERIZON AND T-MOBILE DISCOUNTS AVAILABLE TO CO-OP OWNERS

Cooperative farmer-owners are eligible for discounted rates on devices and monthly plans with Verizon and T-Mobile. To qualify, a two-year contract is required. Existing customers are eligible for the discount.

To learn more about the program or if you have questions regarding participation, email chswirelessprogram@chsinc.com.

CHS OWNERS ELECT FIVE BOARD MEMBERS

Elected to the CHS Board of Directors at the 2024 CHS Annual Meeting, Dec. 5-6 in Minneapolis, Minn., were Trent Sherven, Ryder, N.D.; Chris Edgington, St. Ansgar, Iowa; David Kayser, Alexandria, S.D.; Russ Kehl, Quincy, Wash; and David Beckman, Elgin, Neb.

David Johnsrud (Region 1) and Steve Fritel (Region 3) retired from the Board at the conclusion of the annual meeting. Amendments to the CHS Bylaws approved by members in December 2023 added a

director seat to Region 7 (filled by Edgington) and removed a seat from Region 1.

The following CHS Board members were elected to one-year officer terms: Dan Schurr, LeClaire, Iowa, reelected chair; C.J. Blew, Castleton, Kan., reelected first vice chair; Scott Cordes, Wanamingo, Minn., reelected second vice chair; Russ Kehl, reelected secretary-treasurer; and Al Holm, Sleepy Eye, Minn., reelected assistant secretary-treasurer.



Elected to the CHS Board of Directors at the 2024 CHS Annual Meeting were, from left, David Kayser, Alexandria, S.D.; Chris Edgington, St. Ansgar, Iowa; Trent Sherven, Ryder, N.D.; David Beckman, Elgin, Neb.; and Russ Kehl, Quincy, Wash.



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LISTEN IN: CHS PODCAST

CHS has launched a monthly podcast to help raise awareness and value of the cooperative system.

Through interviews with people inside and outside CHS, each episode of the It Takes a Co-op™ podcast highlights agricultural and energy topics. The inaugural episode examined the value of the impact of the cooperative system, while others provide insights into economic trends affecting agriculture, cooperative value in action and the CHS global supply chain.

Find It Takes a Co-op episodes at chsinc.com/podcasts or your favorite podcast service.

CHS COMPLETES ACQUISITION OF WEST CENTRAL AG SERVICES

CHS closed on its acquisition of West Central Ag Services, a cooperative based in Ulen, Minn., in early January 2025. The merger connects more producers to the global supply chain, providing more value to farmer-owners.

The former West Central Ag Services is a new CHS ag retail business unit called CHS West Central. All locations will remain operational, and grain and agronomy services will continue to be available. Jesse McCollum, former West Central Ag Services CEO, will serve as senior director of operations.

“This is an exciting time for our owners and our cooperative as we join CHS and become part of the global supply chain through CHS,” says McCollum. “We are thrilled to be

part of the nation's leading farmer-owned cooperative to serve farmers in west-central Minnesota for generations to come.”

The producer board that served the former West Central Ag Services remains in place.



Grain assets in Beltrami, Minn., are some of the assets that are now part of CHS West Central.

CHS PLANS TO EXPAND NORTHERN MINNESOTA GRAIN FACILITY

CHS has announced plans to expand and upgrade its grain facility in Warren, Minn. The investment will enhance market access in the Red River Valley by providing a reliable destination for farmers' grain production.

Construction is planned to begin in summer 2025 and will double grain storage capacity to nearly 4 million bushels. An additional high-speed receiving pit will be added and grain-drying capacity will be increased by up

to 200,000 bushels per day.

“We see the agricultural area in central and northern Minnesota as a vital growing region in the United States,” says Rick Dusek, executive vice president, ag retail, distribution and transportation, CHS. “Investing here ties into other infrastructure investments we've made recently to build out a strategic network of grain shuttle loaders that connects growers to the global market.”

Fortunate

Jordan and Anna Shearer are members of Rocky Mountain Supply Cooperative, based in southwestern Montana. The following is an excerpt from the reflection they provided at the 2024 CHS Annual Meeting.

There is tremendous diversity across the operations represented in this room, but we also have much in common. We can agree that we are the lucky ones, to have livelihoods where the work is different every day and every season. We are outside in God's creation each day — even when it's 100 degrees or 40 below with windchill.

And we are blessed to bring our families along for much of our work. In our children, we all hope to instill a strong work ethic and a love of agriculture, passed from one generation to the next.

As the seasons change, there are many aspects of the job we look forward to. On our operation, the pace after a busy summer has slowed down. Fall on the ranch brings time in the semi, delivering hay, straw, wheat and peas.

Overnight, the season changes to winter, which means feeding cows. There is something exhilarating about feeding cows in fresh snow in below-zero weather and the adventure that could result.

Winter also gives us time to get equipment through

the shop for service and to properly repair any "band-aid" fixes made during busy times.

Springtime is ushered in with calving season. After late-night checks, tagging newborn calves and feeding bottle calves, it's time for branding. All generations are involved. It was especially meaningful this year to have Jordan's 98-year-old grandpa there to make sure we did things his way. Spring also brings excitement in the air as we get back in the tractor and watch to see if our neighbors have started seeding yet.

Summer brings many hours of haying and then combining wheat and peas. Every year, when we cram in the combine together as a family, the cab seems a little smaller with growing boys. We celebrate when the last windrow of hay is baled and the last truckload of wheat makes it to the bin.

Before we know it, we're back to plowing snow, keeping ice off water troughs, feeding cows and eventually calving. And our kids are another year older.

With any luck, our boys have gained independence so they can someday take over

the ranch for themselves. And if not, then we hope the ranch has been a place for them to gain skills and work ethic to chase their dreams in another direction.

Agriculture comes with daily challenges. It requires creative innovation and adaptation that only fellow farmers and ranchers can understand. Nothing ever goes exactly as planned and it seems like something is always broken. Sometimes the money is in short supply and the days are long and stressful. We make sacrifices on our social calendars and forget what a day off looks like.

But at the end of the day, aren't we all blessed to be part of this life-giving industry? It isn't just a job or even a career; it's a way of life. We are truly fortunate to build our lives around agriculture.

READ MORE: Find the Shearers' full reflection at chsinc.com/c.



From left, Wade, Jordan, Weston and Anna Shearer pause during winter chores at their Montana ranch.



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C TOMORROW

Reimagining the Retail Experience

First there was the swipe, then the tap. Now the latest evolution in payment technology is bringing even more convenience to the c-store experience, cutting the lines and eliminating the need to check out at a register altogether.

In Minot, N.D., Enerbase Cooperative's new South Broadway c-store is bringing new meaning to the grab-and-go concept with a state-of-the-art self-serve system.

Utilizing Amazon's Just Walk Out technology, customers register a payment method before they enter the store, creating a virtual "cart." Once inside, customers can browse their favorite road trip snacks and beverages, and when they're done shopping, they simply walk out.

A network of more than 200 cameras and sensors tracks customers as they shop and registers the items they've picked up. Once customers leave, they are automatically charged for the items and a receipt is emailed to them.

As new technologies continue to shape the brick-and-mortar shopping experience, the Enerbase team invested in the cashless payment system to embrace the changing preferences of their customer base.

"In the retail space, we've seen that customers are leaning toward more convenience and less contact," says Shawna Chilcoat, c-store operations manager for Enerbase.

"With this system, we can give them that new level of convenience. To be able to just walk in, take what you want and leave, the process couldn't be easier, and that's what we want to deliver for our customers: a shopping experience so fast and simple, they don't even have to think about it."

— Megan Gosch



Customers register an account where their items will be charged before passing through the entrance kiosks.