



2023 UFA MEMBER REPORT

EXPANDING OUR ROOTS



OUR ROOTS.



OUR GROWTH.



OUR CO-OPERATIVE.




THE ROOTS OF UFA RUN DEEP.

UFA delivered one of the strongest financial results in our history which we are sharing with members through a patronage return of \$30 million, our highest cash patronage ever!



We have been serving members for 115 years and appreciate our responsibility to continue providing great service. This responsibility has inspired us to expand our roots to strengthen our co-operative, bring value to new members in Western Canada and provide even greater value to the members and communities we currently serve.

We are extremely proud to share that 2023 was another exceptional year for UFA, as we delivered one of the strongest financial results in UFA's history, second only to the outstanding results we delivered in 2022. This success is being shared with members through a patronage return of \$30 million, our highest cash patronage ever. This marks our seventh consecutive year of growing patronage and is a 7% increase over last year. We know the strength of our co-operative, and our results, is rooted in the support of the members we serve. We sincerely thank you and look forward to serving you in 2024. 

 **FINANCIAL PERFORMANCE**

\$141_M

EBITDA*

Compared to \$157 M in 2022

For more information visit UFA.com/MemberReport

*Earnings Before Interest, Tax, Depreciation and Amortization **Net debt consists of member loans, capital leases and bank borrowing less cash.

\$2.1_B

REVENUE

Compared to \$2.4 B in 2022

\$68_M

NET INCOME

Compared to \$34 M in 2022

\$310_M

GROSS MARGIN

Compared to \$324 M in 2022

\$6_M

NET DEBT**

Compared to \$33 M in 2022

2023 PATRONAGE

\$**30**

M

2024 PAYOUT
FOR 2023 PURCHASES

6.5 CENTS PER LITRE ON DIESELEX® GOLD | 5.5 CENTS PER LITRE ON DIESEL
1 CENT PER LITRE ON GAS | 3% ON OTHER PURCHASES**

2024 PROMISE

2025 PAYOUT ON 2024 PURCHASES*

- PLUS+** Minimum 6 cents per litre on Deselex® Gold
- PLUS+** Minimum 5 cents per litre on Diesel
- PLUS+** 1 cent per litre on gasoline
- PLUS+** A percentage payout on other purchases**

*Minimum combined \$5,000 purchase on all categories to qualify for patronage.
Includes clear and dyed fuels. Subject to Board Approval.

**Exclusions: Micro Beef, crop nutrition and leased purchases.



 **STRENGTHENING OUR COMMUNITIES**

UFA is proud to invest in local community programs, organizations and projects with a goal to educate, engage and enrich the communities we serve.

\$900_K

INVESTED IN

450⁺

COMMUNITY INITIATIVES



1.3 B

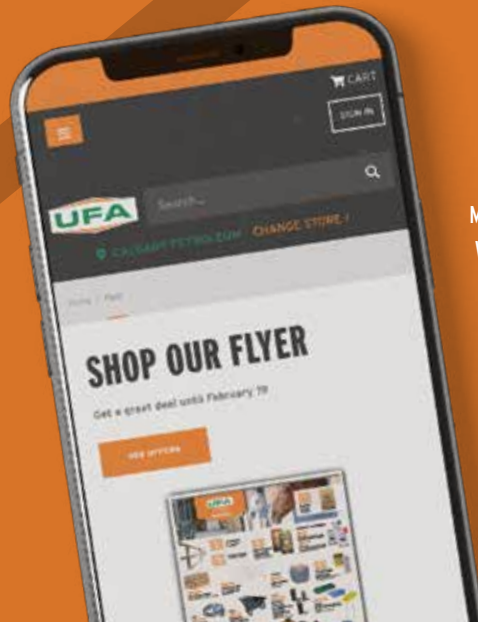
LITRES SOLD Compared to 1.3 B in 2022

\$226 M

GROSS MARGIN Compared to \$236 M in 2022

10,000

Additional products available
on UFA.com



Members now have more choices for shopping than ever before! With UFA.com, you now have access to more products, new brands and a broader selection of favourites from the names you trust like Edgeline, Gallagher and Kane Vet Supplies. With over 22,000 products on UFA.com, it's easier than ever to find what you're looking for online, anytime. Buy online, then pick-up in store, with some vendors even providing the option to ship directly to your door.

In 2023, UFA opened three new petroleum locations in Saskatchewan as part of our multi-phased petroleum expansion. These new sites, now open in: Corman Park, located 5 kilometres northwest of Saskatoon; Weyburn and Yorkton complement UFA's existing offerings in Kindersley, Macklin and Swift Current.

While UFA is committed to expanding our network, we have not forgotten our roots and were also pleased to open new Petroleum locations in Dunmore and Wildwood.



 **SUPPORTING COMMUNITY GATHERINGS**

UFA was proud to be named as the Official Fuel and Farm Supplier for the World Professional Chuckwagon Association (WPCA) and the Lethbridge & District Exhibition Agri-food Hub and Trade Centre.

LETHBRIDGE & DISTRICT EXHIBITION

In addition to our continued sponsorship of the Ag Expo, the Saturday Lethbridge Farmers' Market, Whoop-Up Days and the Pro Rodeo, one of the exhibition halls has been named as UFA Hall, which will host numerous trade shows and other world-class events that showcase Canadian agriculture throughout the year.



ROOKIE RACER

At WPCA tour stops, 10 lucky youth were chosen to be a UFA Rookie Racer, with an exclusive behind-the-scenes barn tour, two tickets to the event and a photo and autograph session with a WPCA driver.

\$433_M

SALES Compared to \$445 M in 2022

\$84_M

GROSS MARGIN Compared to \$88 M in 2022



UFA invested in upgrading sites across our network in 2023 including store remodels in Airdrie, Fort Saskatchewan and Stettler. Additional upgrades were also planned for Camrose, Grande Prairie and Mayerthorpe, which will see the addition of new Project Desks, more retail space and a refresh of the fixtures, doors, paint and flooring, all to provide our members with an enhanced shopping experience.



In support of



Canadian
Red Cross

When out-of-control wildfires in Spring 2023 threatened our members, our people and the communities we serve, UFA immediately announced support for the Alberta Fires Appeal Fund through the Canadian Red Cross by launching a donation collection program at sites across our network.

We kicked off the program with a \$10,000 donation of our own, and were pleased to raise a combined total of \$15,500. Thank you to all members who donated in support of your friends, neighbours and communities in need.





Construction continues at our new site in Red Deer which will feature a 12,000 square foot Farm & Ranch Supply store, a 14,000 square foot drive-through warehouse with three bays, a 7,700 square foot chem shed/workshop building and a new Cardlock. Once the new site opens, the current farm store will close, but the Bar W office and shop, along with the cardlock, will continue to operate from their current locations. The new site in Gasoline Alley is anticipated to open in early 2025.

 **STRENGTHENING OUR NETWORK**

UFA understands it is critical to the success of members' operations to ensure you have access to fuel when and where you need it. Recognizing our card reader software and equipment was nearing end of life and needed replacement, UFA began upgrading card readers across our network in 2023.

The new cardlock readers offer a Global Payments solution that includes Visa, Mastercard, and Interac, along with the potential of new payment technologies that will ultimately make it easier for members to do business with UFA.





UFA renewed our commitment to providing a safe work environment in 2023, hosting an annual Safety Week to highlight key areas of improvement, and committing to the SafeStart program that not only keeps people safe at work, but also at home. These initiatives, paired with a mandatory Safety Stand Down, where our entire network paused to collectively focus on the importance of safe practices at UFA, demonstrates the critical attention we pay to providing a safe work environment, for employees, and the members and customers we serve.

These efforts resulted in UFA's strongest health and safety performance over the past two years. We sincerely thank our team for their commitment and focus on safety and for delivering these incredible results.

TELL US YOUR THOUGHTS ON THIS YEAR'S MEMBER REPORT

FOR A CHANCE TO WIN!

Tell us what you think about this year's member report, and you could win a \$2,500 UFA Gift Card.

Contest open April 1-May 20, 2024



Details at UFA.com/MemberReport

* NO PURCHASE NECESSARY TO ENTER OR WIN. VOID WHERE PROHIBITED BY LAW. UFA members only, who are legal Canadian residents (excludes OC) of majority age at time of entry in resident province. Contest begins 12:00AM MT on April 1, 2024 and closes at 11:59PM MT on May 20, 2024. To enter, complete and submit online survey (limit of one entry per person), or mail in (limit of 1 entry per mail piece), as detailed in Official Rules. 3 prizes available to be won, consisting of UFA Gift Cards for the following amounts (CDN) with equivalent approx. retail value: (1) \$2,500; (2) \$1,000; (3) \$500. Odds of winning depend on total number of entries. Potential winner subject to eligibility verification and must correctly answer mathematical skill-testing question to be eligible to win. See Official Rules at UFA.com/MemberReport. SPONSOR: United Farmers of Alberta Co-operative Limited, Suite 700, 4838 Richard Road SW, Calgary AB T3E 6L1. UFA reserves right to cancel, rescind, modify or extend this offer without notice.

A man and a woman are walking in front of a building with orange and white siding. The man on the left is wearing a dark blue UFA baseball cap, a bright orange high-visibility safety jacket with reflective yellow stripes, and dark work pants. The woman on the right is wearing a brown jacket over a dark top and a bright orange high-visibility safety vest with reflective yellow stripes. Both are smiling and looking towards each other. The background shows a building with large windows and a door.

 **EMPOWERING OUR PEOPLE**

In 2023, we took a proactive approach to attract young, qualified employees to begin and continue their career at UFA with the launch of a new scholarship program aimed at supporting post-secondary students with an interest in agriculture. Students in the program received a \$1,000 scholarship for accepting select summer positions at UFA in Alberta, BC or Saskatchewan. Starting this year, students returning to the program for a second term of employment will be eligible to receive a \$1,500 scholarship. Additional spots in this employment / scholarship program are available in 2024 and interested students can apply by completing the application form on [UFA.com](https://www.ufa.com). The application deadline is April 15, 2024, and scholarships will be awarded at the end of summer.

UFA OVERVIEW

123,000 UFA Members

114 Petroleum Agency
& Cardlock locations



112 Communities served

34 Farm & Ranch
Supply stores



4 Provinces: Alberta, British Columbia,
Manitoba and Saskatchewan

6 Fertilizer
Blending Facilities



GOVERNANCE

50k Approximate number of
eligible voting members
who elect Delegates.

44 Delegates represent
members across 44
geographical regions

12 Directors serve on
UFA's Board and are
elected by Delegates