



Market Demand for Conservation STAR Producer Reward Payment Program

Siemer Milling Company is committed to connecting growers with opportunities to help preserve their land and legacy. Siemer is working with STAR (Saving Tomorrow's Agriculture Resources) to identify eligible fields and compensate growers who are implementing conservation practices that result in improved or outstanding (5-STAR Rating) environmental outcomes.

What is STAR?



Steve Stierwalt and Joe Rothermel, farmers in Champaign County, Ill., developed the STAR tool in 2017.

STAR was developed by farmers, for farmers

Farmers deserve recognition for their commitment to land stewardship and soil health. STAR allows farmers to evaluate their current production system, identify areas for improved management, document their progress and share their successes.

STAR was created by two farmer board members from the Champaign County Soil & Water Conservation District. STAR is now operated by the Illinois Department of Agriculture, and STAR staff will provide farmers their STAR Ratings confidentially. STAR staff can also direct farmers to expert technical conservation assistance that can help them adopt new practices that may raise their STAR Ratings.

Eligibility and how it works:

Siemer customers' corn, soybean and wheat fields are eligible to participate.

To be eligible, a grower has to both submit a Grower Agreement with Siemer Milling Company AND enroll fields with STAR. STAR provides each field a confidential rating of 1 to 5 STARS. Growers receive a payment for:

1. Receiving and maintaining a 5-STAR Rating (the highest rating), OR
2. Demonstrating improvement in their initial STAR rating over a two-year period.

Example:

- Year 1: A field's STAR rating is a 1
- Year 2: A field's STAR rating is a 2

Because of the STAR rating improvement from one year to the next, the farmer will collect \$10/acre up to the acreage cap (500 acres/grower/year). Compensation is tied to acres, not bushels.

STAR rating scale and compensation levels:



The fine print:

1. The incentive is tied to the acre, not bushel. There is a 500 acres/grower/year cap.
2. Prioritization (if needed) will be first come, first served, using the date the signed Grower Agreement is received.
3. Fields that are already in private environmental incentive programs, such as carbon markets, are not eligible. Fields enrolled in publicly eligible programs, like USDA- or state-based conservation programs, however, are eligible.
4. A small subset of STAR fields is randomly selected each year for verification and quality control. Verification will occur in late 2024. If a field that is participating in this program is randomly selected, the grower will be notified by a STAR representative.
5. No backsliding: In subsequent years of STAR's Producer Reward Payment Program, fields will not be eligible for a payment if they were previously rewarded for a certain STAR Rating Improvement. For example, in the image below, Field A received a payment for achieving an improvement from 2 to 3 STARS; this same field would NOT be eligible to receive a payment if the field went back down to a 2-STAR rating, and went back up to a 3-STAR rating. It would only be eligible for another incentive payment when it achieved a 4-STAR rating, or the flat payment for a 5-STAR rating.



What does STAR do with farmers' data?

Personal information, email addresses, management plans, operational details and results are for growers' use only. STAR will not share this information with any third party unless growers specifically agree to a data-sharing option. Aggregate information may be used and shared by STAR and authorized third parties to improve conservation management services and tools, and to promote the understanding and adoption of sustainable agriculture practices.

Refer to STAR's full Terms of Use and Privacy Policy on their website: www.STARtool.ag

If a field is accepted in STAR's Producer Reward Payment Program, STAR will share aggregated, NOT field-level, data with Siemer Milling Company.

When:

Deadline for signing up for the program and completing a STAR field form is August 31, 2024. Growers will be notified if they are approved for payment by mid-October, and payment will be processed (from Siemer Milling Company) in late 2024 after all verification has taken place.

How to sign up:

1. Enroll fields with STAR by visiting www.STARtool.ag AND
2. Submit a Grower Agreement to Siemer Milling Company. Contact your representative or:

Brian Semple
T: 217-857-2247

BSemple@siemermilling.com

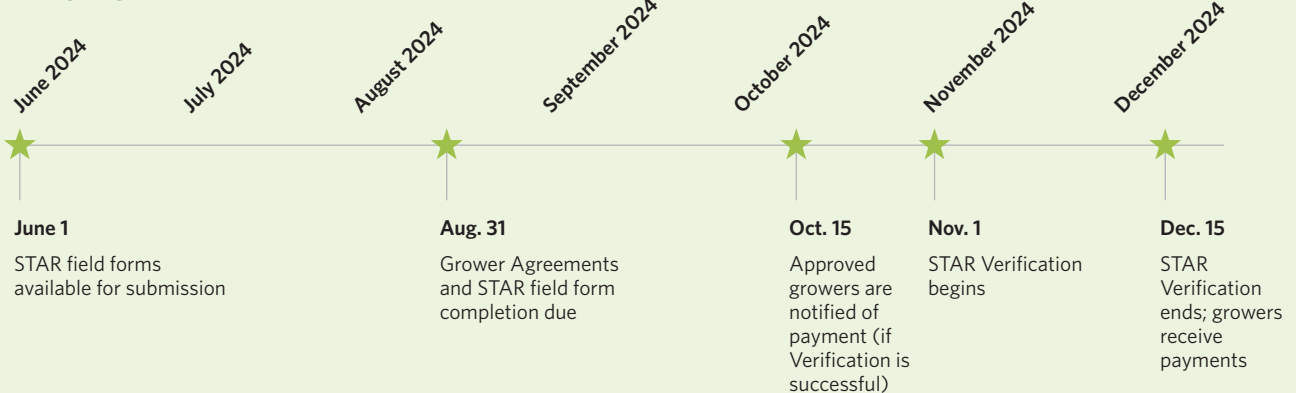
Jane Thoele
T: 217-857-3131

JThoele@siemermilling.com



Scan the QR code to learn more.

Timeline:





Saving Tomorrow's Agriculture Resources

Overview of STAR Verification Procedures

To establish STAR as a credible evaluation tool, STAR is committed to verifying the practices reported on a subset of randomly chosen Field Forms each crop year. As stated on the Field Form, STAR participants acknowledge that their fields may be randomly selected for Verification. Verification is handled by STAR's Verification subcommittee. The information gathered will be private and confidential with only aggregated data shared outside of the volunteers and committee members. Verification involves collecting evidence from STAR participants to document the reported practices on a particular Field Form.

Timing

Verification for Siemer Milling Company's pay-for-performance program will occur in late 2024. A grower selected for Verification can expect the process to take a total of one hour, including being notified, collecting documentation, and speaking with the Verifier.

Field Selection

All Field Forms are grouped into distinct geographic regions in Illinois (Figure 1), along with any other participating states' field forms (IN & KY) added to the appropriate region. The square root of the total number of STAR fields from each region determines the number of fields to be randomly selected for Verification.

Verification Process

(for a participant whose field is selected)

1. In early November, a STAR participant will be notified (by their region's STAR Verifier) that their field has been selected for Verification. Verifiers are often SWCD employees who have experience administering STAR in their own counties.
2. The Verifier will work with the STAR participant to complete a STAR Verification Report for each selected Field.
3. To complete the Report, Verifiers contact each assigned STAR participant and gather evidence for the practices reported on the Field Form. A variety of evidence can be used to document a practice, depending on the type of operation and records available. See the form on the next page for a list of acceptable evidence for each section of the Field Form. The type of evidence provided is at the discretion of the STAR participant.
4. Verifiers complete the Report and collect the evidence for the Verification Committee to review.
5. STAR's Verification subcommittee will review the Reports and validate the process with its own internal review. Any disputed Verifications will be reevaluated. Any participant who is unable to provide adequate evidence for Verification will be included in Verification in the next crop year.
6. Participants wishing to appeal the Verification process or findings may submit their appeal to the STAR Steering Committee for referral.
7. The Verification Report and collected evidence documenting reported practices serve as the record of Verification. The records will be kept until June 30th of the year following the Verification.

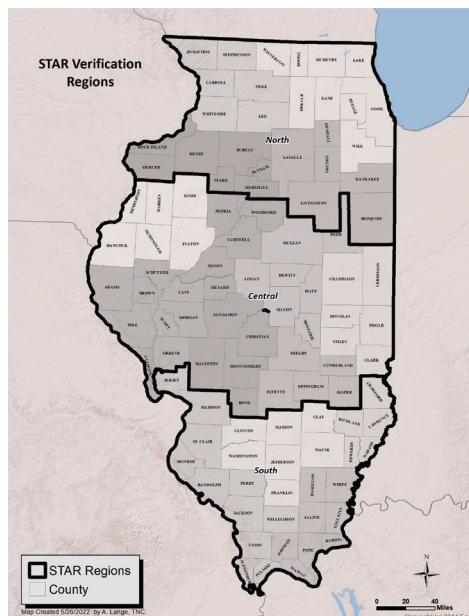


Figure 1

STAR Verification Report Evidence Form

Only one (1) item needs to be selected for each section. "Other" evidence can also be submitted for each section if needed.

Section #9 Evidence — Conservation and Management Practices

- Cost-share program documentation
- Enrollment verification in PCM, EQIP, CSP, etc.
- Conservation Plan on file in the Service Center
- Plans and results from trial(s)
- Dated photo, aerial image, Google Map coordinates, GIS, etc.

Section #10 Evidence — Crop Rotation

- FSA 578 or Crop Insurance APH summary
- Planter or harvest log

Section #11 Evidence — Cover Crops (Summer 2023–Spring 2024)

- Local person to confirm (SWCD or NRCS staff, retailer, neighbor)
- FSA 578 crop acreage report or NRCS Cost Share
- Receipts and seed tags
- Dated pictures of growing cover crops
- Dated drone imagery confirmation

Section #12 Evidence — Soil Sampling

- Dated copies of soil test results and maps

Section #13 Evidence — Fall Tillage (starting after harvest of 2023 crop)

- Local person to confirm (SWCD or NRCS staff, retailer, neighbor)
- Residue check
- HEL compliance check
- Dated drone imagery confirmation

Section #14 Evidence — Spring Tillage (2024 field operations)

- Local person to confirm (SWCD or NRCS staff, retailer, neighbor)
- Residue check
- HEL compliance check
- Dated drone imagery confirmation

Section #15 Evidence — Nutrient Management (Fall 2023–February 2024)

- Dated spread maps as applied or application logs
- Invoice of products and amounts billed
- Manure application rate and sample test results
- Copy of MRTN plan

Section #16 Evidence — Nutrient Management (March 1–Summer 2024)

- Dated spread maps as applied or application logs
- Invoice of products and amounts billed
- Manure application rate and sample test results
- Copy of MRTN plan

Section #17 Evidence — Additional Nutrient Activities

- Dated spread maps as applied
- Copy of MRTN plan