

the next horizon

AGRICULTURE FINANCIAL
SERVICES CORPORATION

STRATEGIC PLAN
2025-2030





About the Plan

The Next Horizon builds on momentum gathered between 2020-2025, where we prioritized exceptional client experience and our future workforce, innovating our products and ways of doing business, and embracing new technologies.

The 2025-2030 plan charts a path for seizing new opportunities to help producers and industry succeed while also effectively mitigating risks.

Our five strategic objectives provide a roadmap for our work, while allowing agility to adapt to unforeseen challenges. As we move toward 2030, a plan anchored in our purpose becomes even more crucial, as we prioritize the protection and growth of Alberta’s agriculture and agribusiness sector. The Next Horizon, as a strategic plan, represents the momentum, growth, and collective progress needed to ensure AFSC is positioned to support and strengthen tomorrow’s agriculture industry.

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Land Acknowledgment

As we commit to advancing reconciliation, we acknowledge that AFSC is located on the traditional territories and gathering places of many First Nations, as well as the Métis and Inuit whose footsteps have marked these lands for generations and whose presence continues to enrich our communities.

We express gratitude and respect for the land we live and work on and commit to advancing reconciliation. In the spirit of learning, we encourage our team members and producers to take time to find out whose traditional territories you are on.

Who We Are

Agriculture Financial Services Corporation (AFSC) is a provincial Crown corporation that works with producers to develop risk management plans that fit their operations, providing Alberta's farmers and agribusinesses with annual, perennial and hail insurance; farm and agribusiness loans; livestock price insurance; and farm income stabilization options.

With team members across Alberta, AFSC serves over 22,000 clients across all product lines and delivers insurance products that cover approximately 28 million acres in Alberta, covering approximately \$9 billion in crops and pasture. Further, AFSC supports clients by offering lending products, a portfolio that has grown to in excess of \$3 billion.

AFSC's sole focus on agriculture allows for an in-depth understanding of clients, their challenges, and solutions for their operations. "To work with a team that understands agriculture is huge. It just makes the whole process easier." (AFSC Client)

This focus, strongly supported by the pursuit of operational excellence, positions us as an organization that wants to be *easy to do business with*—and an organization whose teams are dedicated to improving their experiences with one another and with our clients.

Working together,
we grow and sustain
the agriculture
industry in Alberta.

Purpose-Driven

Historically and currently, AFSC's significance in Alberta agriculture is unmatched. Regardless of where we are in the province, we are motivated and driven as we are *working together to grow and sustain the agriculture industry in Alberta*.

Our values and behaviours define how we work together and support each other to deliver our purpose.

People are our Foundation – We are successful because of our team members

Clients are our Focus – We are driven to support their success

Excellence is our Aspiration – We are determined in our pursuit to improve

Our Landscape

Reviewing global trends helps us broadly identify opportunities and risks so that we can align our priorities with the changing market, industry, and client needs. Understanding the external landscape is crucial for strategic planning as it enables us to anticipate changes, adapt our strategies proactively, and ensure our organization remains resilient and competitive in a dynamic environment.

People: The increasing pace of change means employers are looking for innovative ways to support their teams and create environments where people can learn and adapt quickly. Advancements in technology continue to reshape our ways of working, and continuous learning and adaptability are essential for success in an evolving landscape.

Economic: Producers are feeling the strain of rising costs, including farm inputs, equipment and financing. The trend towards large farm operations continues, with smaller producers struggling to survive, leading to farm consolidation. Urbanization has also decreased the total area of farmland in Canada.

Technology: New technology is increasingly becoming part of everyday business. As clients expect enhanced levels of service, organizations are investing in user friendly platforms, increasing communication, and personalized and differentiated products. In the workplace, automation is disrupting manual, time-consuming tasks, allowing for value-added activities and improved efficiency. On the farm, producers are leveraging technological improvements and embracing innovative farming practices.

Climate risk: Managing climate risk involves responding to evolving regulations, ensuring programs are responsive to the shifting weather patterns, and meeting consumer demand for sustainable practices. Climate risk themes centre on resource scarcity, impacts on crop yields, and soil erosion. Risk management tools are critical to help producers deal with climate risk impacts.





*With **The Next Horizon: AFSC's Strategic Plan 2025-2030**, Agriculture Financial Services (AFSC) will strengthen its position within the ag industry, reinforcing its role as a key partner to Alberta's farmers, ranchers, and agribusinesses.*

Message from the Board Chair

Over the past few years, every time I visit with AFSC team members, I see how proud they are to work in this industry. I've also heard from producers who have really appreciated the recent changes we've made to programs, emphasizing how these improvements have positively impacted their operations. These improvements are driven by our strategic plan, our team, and feedback from clients and government.

While planning for 2025-2030 I was thinking about the last five years, which have been filled with challenges and great rewards. During this time, the diversity of AFSC's core business areas has provided a strong foundation for resilience and opportunities in agriculture—even with the rapidly evolving challenges producers face.

In this strategic plan, AFSC is committed to providing the greatest value for our clients, the Government of Alberta (GoA), and our industry. Providing value is critical, and we can accomplish this by taking the time to listen, understand and offer expertise and solutions that meet producers' needs.

The future of agriculture depends on innovation and resilience as we face tomorrow's challenges. By 2050, producers worldwide will need to feed approximately 10 billion people.

For AFSC to play our part in feeding the world, we need to focus on preparing our team members for what's ahead; improving our products and how we engage with clients and stakeholders; building an agile and efficient organization that drives innovation; developing a strong technology foundation that supports our growth; and fostering an environment where data is valued, trusted, and informs decision-making.

For as long as I can remember, AFSC has been a cornerstone of the agriculture industry in Alberta. As board chair, I'm excited about our focus for the next five years, positioning AFSC as a critical and long-term partner in this incredible industry.

Kelly Smith-Fraser



The past five years have provided ample opportunity to deliver AFSC's purpose: *working together we grow and sustain the agriculture industry in Alberta.* As we look to 2030, a plan anchored in our purpose becomes even more crucial.

Message from the CEO

Like the producers we support, AFSC is resilient and grounded in the heritage and legacy of agriculture in Alberta. This year marks our 87th year in industry and we're proud to be part of the exciting future of agriculture in our province—working with the government of Alberta in support of the growth, diversification and sustainability of the industry.

Looking back, I am proud of the revitalization of our purpose and values, and confident that 2025 to 2030 will bring more opportunities to use that foundation to contribute meaningfully to a strong and resilient agriculture industry.

As I look ahead, **people continue to be our foundation.** As we embrace the change around us, we will focus on supporting our teams so they can do their best work, in a spirit of continuous improvement. We are committed to fostering a workplace that empowers individuals, inspires collaboration and innovation, and provides opportunities to learn and improve skills.

Clients remain our focus, and each day, we are driven to support their success by collaborating to provide relevant programs and solutions for today's needs. We understand the big picture and use our experience, product knowledge and relationships to deliver real solutions, such as recent improvements to MDI and our Next Generation Loan.

As we prepare for the next five years, it's necessary to build on the work we've done to modernize our systems, refine our data use and protection practices, and remain agile and easy to do business with. **Excellence is our aspiration,** and we are determined in our pursuit to improve our processes and interactions with our clients and partners. We appreciate the value of hearing from and working with industry partners to ensure we're responding to real issues in real time.

As we look to 2030, a plan anchored in our purpose becomes even more crucial. We will need to prioritize the protection of Alberta's agriculture sector from both familiar and emerging risks that could impact the ag sector's long-term sustainability and growth.

Our commitment to Albertans is to continue to learn, improve, and adapt as part of the foundation that allows agriculture and agribusiness to survive and thrive in Alberta.

Darryl Kay

Our Path Forward

While the strategic plan provides direction for the next five years, each year AFSC reviews client and team member expectations, the economic environment, progress toward goals, and government priorities to ensure our objectives are still relevant and realistic.

The **2025-2030 plan** charts a path for seizing new opportunities to help producers and industry succeed while also effectively mitigating risks. It serves as a roadmap and practical guide, positioning us as a prominent industry partner, committed to the longevity of the agriculture industry in Alberta. To make that happen, we need a talented and resilient workforce that can learn, adapt, and deliver value in changing times. Every team member plays a vital role in our success.

In combination, the alignment of our purpose (why we exist), values (what we believe and how we behave), and strategy (our roadmap) ensures we are **all moving in the same direction** towards shared success. Our strategic objectives, outcomes, and indicators of progress help track our progress toward 2030 goals.



Support our team members so they are ready for what's ahead.

Why this matters: While the pace of change is transforming every aspect of our lives, productivity and excellence depend on people.

At AFSC, people are our foundation—and we are successful because of our team members. When we recognize and support each other, we help create environments that are collaborative, inclusive, and equitable. In these environments, innovation—the process of adapting to change by developing new ideas, solutions or approaches that improve efficiency, address challenges, and create value—can thrive.

By 2030, AFSC will develop an adaptable, future-ready workforce through continuous investment in team member growth and development. We will equip team members with skills for tomorrow—leveraging existing talents and offering opportunities to upskill and reskill for emerging technologies (e.g., artificial intelligence). In our flexible and inclusive work environment, every team member will be valued, respected, and empowered to learn, innovate, and drive continuous improvement. We will continue to foster a sense of belonging and create a safe, supportive environment where people are valued, respected and encouraged to contribute unique perspectives and ideas.

2025-2026 Desired Outcomes



We will be a valued employer by defining and sharing what makes AFSC a great place to work.



We will assess skill gaps within AFSC by taking an inventory of current skill sets against the expected skills required for the AFSC of the future.



We will build leadership capabilities within AFSC by delivering leadership training for leaders, managers and supervisors.



Indicators of Progress

- Year-over-year change in the AFSC engagement driver
- Year-over-year change in the inclusion metric

Improve our programs and how we engage with clients and stakeholders.

Why this matters: As the agriculture landscape becomes more complex, it is critical that AFSC programs, such as AgriInsurance, AgriStability, Livestock Price Insurance and Lending, respond to the evolving needs of our clients and industry.

AFSC engages with a wide range of stakeholders that includes clients, industry groups, post-secondary institutions, and community members. In addition, we are part of the Ministry of Alberta Agriculture and Irrigation, and work with Agriculture and Agri-Food Canada. By leveraging opportunities for collaboration and structured feedback and working with our government partners, we can help meet the evolving needs of clients and promote program participation and growth.

To ensure AFSC is easy to do business with and clients have the flexibility and support they need, we continue to enhance our digital and personal service options. AFSC's *Client Standards of Care* demonstrate our commitment to living the AFSC values by:

- Building trusting relationships.
- Developing and delivering products that meet clients' needs.
- Engaging with clients through multiple channels.
- Understanding our clients and their aspirations.
- Helping our clients achieve their goals.

By 2030, as our clients' operations continue to evolve, AFSC will adapt and respond to their changing needs and preferences by leveraging feedback, technology (e.g., for claims) and data (e.g., to speed up decision making affecting client loans and claims).

2025-2026 Desired Outcomes



We will increase service delivery efficiency by continuing to evolve and promote client interactions on our digital platforms.



We will inform future program design by consulting with stakeholders and conducting research and analysis.



We will continue to build our innovation capacity by leveraging strategic partnerships, such as post-secondary institutions.



Indicators of Progress

- Year-over-year change in the net promoter score
- Year-over-year change in the client effort score

Build an agile and efficient operation that accelerates innovation.

Why this matters: Operational excellence, while often associated with finding efficiency and improving processes, is a powerful catalyst for innovation. By finding new and improved ways of doing things, focusing on continuous improvement, and adapting to changing circumstances—we can drive sustainable growth and provide better client experiences.

Creating lean, less complicated processes within AFSC will free up valuable time for better communication and information flow among teams, resulting in faster decision-making and better outcomes for clients. Equipping our teams with improved processes to effectively respond to client needs and market changes supports us in delivering excellent service and products.

The maturation of our Enterprise Risk Management (ERM) and Environment Social Governance (ESG) frameworks position us to make informed decisions that reflect the current risk landscape. Prioritizing the adoption of advanced technologies such as automation will allow us to optimize workflows and improve decision-making and collaboration across the organization.

By 2030, AFSC will be more efficient and less complex, with an empowered team that makes timely decisions that result in better outcomes for clients. With a bias for action and a continuous improvement mindset, we will free up time for improved communication and information flow among teams.

2025-2026 Desired Outcomes



We will strengthen our decision-making processes by integrating our ERM framework into our day-to-day activities.



We will reduce frustration/friction by collaborating to simplify work processes and reduce bottlenecks and delays.



We will encourage a bias for action by finding the right opportunities to delegate decisions to allow for more timely and efficient decisions.



Indicators of Progress

- Year-over-year change in the net promoter score
- Year-over-year change in the client effort score
- Year-over-year change in the AFSC engagement driver

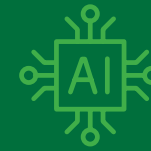
Develop a strong technology foundation that can support our growth.

Why this matters: Moving away from older, outdated computer systems (legacy systems) to newer, more advanced technology allows us to operate more efficiently, securely, and flexibly.

Modernizing our technology systems provides the foundation to support future growth in product participation and promotes confidence that our systems will work together smoothly and share information easily. Investments in technology and the integration of innovative approaches—such as artificial intelligence—significantly improve our operations, reduce costs, improve our client experience, and equip us to remain relevant and effective in a fast-changing world.

By 2030, we will have reduced reliance on legacy systems and accelerated processing times through increased automation. Modernization of our technology will decrease the number of siloed systems, reduce manual tasks, and facilitate easier collaboration across the organization. This will allow our teams to dedicate more time to delivering exceptional value and less time on rote and repetitive work.

2025-2026 Desired Outcomes



We will prepare for the future by clarifying AFSC's approach to implementing artificial intelligence in a responsible and ethical manner for the benefit of augmenting our team across the business.



We will prepare for the future by updating the roadmap for the long-term transition between legacy systems and modernized platforms



We will reduce approval times by defining process risk tolerances and automating approvals for low-risk claims and loans.



Indicators of Progress

- Year-over-year change in the net promoter score
- Year-over-year change in the client effort score

Foster an environment where data is valued, trusted, and informs decision-making.

Why this matters: Data is a key organizational asset, and its safe and effective use improves our decision-making, transparency, and ultimately, our client experience. Reliance on data will only increase in the future, and the volume, complexity and sources of data continue to grow. Organizations that effectively collect, analyze, and use data will be better equipped to succeed in the data-driven business landscape.

AFSC is dedicated to safeguarding client data and investing in the necessary resources to ensure the highest level of data security and privacy. Enhanced data management and governance strategies will optimize our use of data (including information), ensuring it becomes a key organizational asset. We will make data easier to find, use, and trust by connecting all our data sources. This will help teams access and use data more effectively by improving how we connect and manage our data.

By 2030, AFSC will have optimized our use of data and information in decision-making and will have our clients' highest level of digital trust. In a world where technology and data connect us all, securing that data is a growing challenge. We are committed to being a good steward of data and information, ensuring accuracy, security, and ethical use.

2025-2026 Desired Outcomes



We will enhance the trust clients have in AFSC to protect their data by increasing the transparency of what we collect, how we use it, and how we protect it.



We will enhance the data ecosystem within AFSC by establishing our data/ information governance and continuing development of a unified platform to support advanced analytics.



Indicators of Progress

- Year-over-year change in the AFSC engagement driver
- Year-over-year change in the net promoter score



Indicators of Progress

INDICATOR	MEASURES	2024-25 ACTUAL	2025-26 TARGET
AFSC engagement driver	Engagement driver – average over conducted surveys *	82%	83 - 85%
Inclusion metric	Inclusion metric – average over conducted surveys **	76%	77 - 79%
Client Effort Score	Client Effort Score = % of clients who responded "How easy was it to do business with AFSC?"	80%	83 - 85%
Net Promoter Score	Net Promoter Score (NPS)*** = % of promoters, minus % of detractors	32	23 - 33

**Questions asked to determine engagement results are:*

- 1. I am proud of the work I do.*
- 2. My contributions are important to the success of AFSC and our clients.*
- 3. Taking everything into account, I enjoy my job at AFSC.*
- 4. Taking everything into account, I like working at AFSC.*
- 5. I am committed to AFSC.*
- 6. I talk about my job in a positive light with family and friends.*

***Questions asked to determine the inclusion metric are:*

- 1. AFSC supports an inclusive environment where individual differences are valued and respected.*
- 2. I am comfortable being my true, authentic self at AFSC.*

**** Question asked to determine Net Promoter Score are:*
Would you recommend AFSC to your family and friends? This measures client's loyalty, satisfaction and their enthusiasm for AFSC. Net Promotor Score results can range between -100 to +100, benchmarking for our industry is between 20-30.