FISCAL YEAR 2023

Annual Sustainability Report

SCOULAR®

Scoular's Core Values

CORE VALUES INFORM THE QUALITIES WE EMBODY WHEN WORKING TOWARD OUR VISION AND MISSION.

INTEGRITY
Our word is our bond. We do what is right, not just what is easy or allowable. We are candid in our relationships.

CURIOSITY
It is the root of our creativity, innovation and flexibility. We seek deep understanding of markets and customers' unique needs. Coupled with knowledge, curiosity leads to creative, unique solutions for mutual benefit.

PERSEVERANCE
We commit to shared goals, knowing there are many paths to reach them. Success means that we deliver results in the right way.

INCLUSION
We win when we bring a diverse set of ideas and people together to collaborate for company success.

COMPASSION
Our employees are people first. We show compassion when adversity affects any of us. Each of us is stronger because of our compassion.

STEWARDSHIP
We deploy the assets of the company to win, while being disciplined to safeguard them for the next generation.

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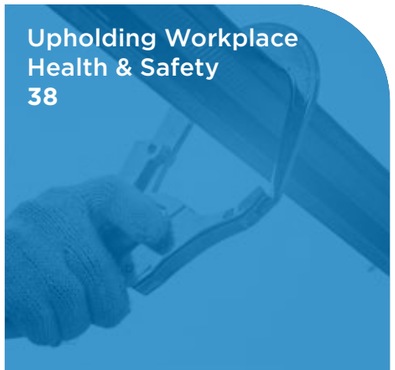


To Our Employees & Shareholders

As a privately held and employee-owned business operating for over 130 years in the agricultural industry, we take deep pride in the way we operate and we believe by working together we create shared value enabling us to provide responsible supply chain solutions for years to come.

Shaping Tomorrow Sustainably

a letter from our CEO, Paul Maass

In this sustainability report, we are excited to share both progress and challenges along our journey to be a modern leader in the industry committed to our five sustainability pillars identified in 2020. This sustainability journey aligns with our continued growth and the investments of new business, technology, geographies and capabilities which help producers, customers and other industry partners adapt to a changing marketplace. The definitions and expectations around sustainability are changing at a rapid pace, but our investments to help producers and customers evolve with those changes and have positioned Scoular to prosper along with our supply chain partners.

Scoular's long-term, company-wide strategic objective to evolve our culture is critical to achieve our potential and to accelerate our strategies. We recognize our people are the key to our success. We also continue to create connections among our sustainability pillars, which optimizes our impact.

Including culture in our long-term strategy has allowed us to make changes and adjust the structure of our sustainability pillars as needed. We engaged new talent and found new ways to integrate sustainability in our core business. Whether it is decreasing load times at a new high-speed shuttle facility upgrade or looking to support the expansive growth of the renewable fuels market, we know we are positioned to make a positive impact to help feed the world for years to come.

As transparency and sustainability practices evolve, I am confident our strategy enables us to proactively provide solutions to the need to decarbonize our planet, and support the people and communities where we operate. As you will see, we have made strides on each of our five sustainability pillars while continuing to be agile and reflect on challenges. We are excited about the challenge to innovate throughout our industry to positively shape the future.

Paul Maass
Chief Executive Officer

About Scoular

Scoular by the numbers (FY23)

1400+ Employees

80+ Countries Shipping goods locally and internationally

100+ Facilities (Offices, Storage, Handling, Processing) in North America and Asia

1.3+ Billion Bushels Traded

$10.54 Billion Annual Revenue

$1.77+ Billion Sales of Feed Ingredients & Proteins

What we do

We facilitate solutions for our customers at every step in the agricultural supply chain.

- Animal Feed Ingredients
- Food Ingredients
- Grains
- International Trade
- Pet Food Ingredients
- Transportation

Who we serve

We deliver innovative supply chain solutions in food and feed that help meet industry goals.

- Animal Feed Manufacturers
- Aquafeed Manufacturers
- Distilleries
- Farmers
- Food, Beverage and Supplement Manufacturers
- Grain Processors
- Petfood Manufacturers
- Renewable Energy Producers

About this Report

This report highlights process and data from Scoular's fiscal year FY23 (June 1, 2022-May 31, 2023). Issues identified during the materiality assessment are discussed within this report. The report covers Scoular's global operations, its indirect wholly-owned subsidiary Petsource, and excludes recent acquisitions including facilities in Helena, Arkansas; Goodland, Kansas (oilseed crush facility); and Burlington, Washington. As we continue to learn and improve our data collection processes and calculation methodology based on the latest available data, figures may be occasionally updated.

LINCOLN, KANSAS

Scoular Governance

Our focus and efforts on sustainability are deeply rooted in Scoular's values. Ensuring we have effective corporate governance, and a solid culture of ethics and compliance, is critical to deliver on our sustainability commitments.

Scoular's Board of Directors and senior leadership team provide oversight of our sustainability program. The Scoular Board of Directors has two committees which oversee our compliance and ethics, risk management, sustainability, and compensation activity.

- **Compensation Committee**
  Oversees our compensation framework, philosophy, governance and guidelines.
- **Audit Committee**
  Oversees the company's compliance and ethics program, enterprise risk management program, and the company's financial and accounting controls and compliance practice.

Both the full Board and board committees receive regular updates on risk management, including sustainability, and regulatory and compliance matters. Members of our senior leadership team are directly involved in the planning and execution of our sustainability strategy and our compliance and ethics programs.

A critical component of our sustainability program is the intentional and deep connection with our Scoular values and driving a culture of ethics and compliance. To that end, we have taken a number of steps to continue to weave together sustainability and culture into that program, ensuring that we continue to build momentum from a strong core. For example:

- In FY22, we formed the Impact Council, a collection of cross-functional leaders across the organization who lead and execute an integrated strategy to advance and promote the sustainability program, the compliance and ethics program, and Scoular values. As our progress has evolved, we repurposed the Impact Council to serve as culture champions. They provide more visibility and support in key areas including safety culture, speak up culture, and other focus areas.

- In April 2023, we held our first Impact Summit, where more than 30 leaders across the organization convened in our Omaha headquarters. They spent a day of learning and exploration, sharing pillar updates and collaborating on opportunities to evolve our culture of ethics and compliance, living Scoular values, and furthering the work of each of our sustainability pillars.

- We have taken key steps toward continuing to evolve our ethics and compliance programs.
  - We updated our Code of Conduct, adding substantive content and guidance and improving accessibility by including more user-friendly tools and links.
  - We launched our inaugural ethics and compliance month, which included refresher training on key compliance topics; rolled out Scoular's "Speak Up" campaign with training and related activity; launched an ethical culture pulse survey; and provided employees with opportunities to compete and win prizes for showing their knowledge.
  - We enhanced our conflict of interest process by developing a more robust policy guidance and will launch a company-wide annual certification disclosure process for all employees in FY24. We continue to work through updates on auditing and monitoring of our programs, in partnership with both internal and external audit.
  - We achieved ISO 27001 certification in less than a year. This effort demonstrates our commitment to shareholders and customers that we manage information securely and safely to protect information.

Scoular was recognized for being named a 2023 U.S. Best Managed Company through a program sponsored by Deloitte and The Wall Street Journal.

The award reflects the hard work and excellence of our entire team and their commitment to our customers around the globe.

Sustainability Strategy & Structure

Our five sustainability pillars are interconnected with commitments that ensure we are on a path to success to create shared value in the supply chain while reducing our impact on the earth, nurturing the communities we live in and empowering the people we employ.

With the rise in environmental and social challenges across the globe, our long-term sustainability strategy begins the necessary pathway to make an impact where it is most material to our businesses. As a global player in the agribusiness industry, we know that our impact matters.

In FY23, we adjusted our team to support our sustainability strategy and provide expertise to the pillars. The team partners throughout the company to provide sustainability solutions to customers, producers and other business partners.

A dedicated leader guides each sustainability pillar and its team in monthly meetings to discuss projects, review data, and address challenges in meeting commitments. These leaders convene quarterly to coordinate sustainability efforts and visibility. With the sustainability team, pillar teams, and active and engaged employees company-wide, we aim to achieve our goal of crafting tailored sustainability solutions across our supply chain, contributing significantly to global environmental, social and governance improvement.

Message from the Sustainability Team

FY23 laid the additional groundwork for sustainability at Scoular to expand and to drive impact. We leveraged expertise to drive and implement old and new sustainability actions, some of which can be seen in the report, and some of which are still being developed in the background. At Scoular we recognize that doing work in this area is both valuable for our business and supply chain partners and is vital to being responsible stewards.

Megan Belcher
Chief Legal & External Affairs Officer

Jennifer Deitloff
VP, Senior Associate General Counsel & Chief Diversity Officer

Kate Pitschka
Corporate Sustainability Manager

Beth Stebbins
Customer Sustainability Manager

Lauren Rogers
Sustainability Analyst

Amy Wiechmann
Community Engagement Manager

Dan Harr
Diversity, Equity & Inclusion Manager

Brian Ellis
Producer Origination Business Manager

Our Commitments

At Scoular, we define what's possible and make decisions that carry great responsibility. Our influence spans the global agricultural supply chain—and the sustainable solutions we provide become the links that connect our world. Presented on the upcoming pages is a status update on our commitments across the five sustainability pillars throughout Fiscal Year 2023.

"Our sustainability commitments are the foundation for the work our employees are doing to create sustainable, customized solutions for our customers. As we commit to living our values every day here at Scoular, I know that our deep history of stewardship positions us to be a leading provider for responsible supply chain solutions."

Paul Maass
CEO

OUR COMMITMENTS	STATUS	UNITED NATIONS SDG MAPPING*
ABSOLUTE CO2e — Reduce absolute greenhouse gas emissions	On track	12, 13
CO2e INTENSITY — Reduce greenhouse gas emissions intensity	On track	12, 13
VALUE CHAIN CO2e — Reduce value chain carbon footprint	Behind on Commitment Progress	12, 13
RENEWABLES — Increase renewable energy consumed	Behind on Commitment Progress	7
WATER — Implement pilot program focused on reducing freshwater consumption	Not Started	6
PRODUCT SOURCED — Increase total volume of marine products sourced from sustainable processors or aquaculture sources	Behind on Commitment Progress	14
PRODUCT SOLD — Increase percentage of sales for responsibly sourced and certified marine products	Behind on Commitment Progress	14
PRODUCER PROGRAMS — Develop producer programs that are carbon focused for climate smart agriculture	On track	15
PARTNERS — Establish strategic relationships with marine sustainability NGOs and support additional NGO-led impact programs	On track	14, 15, 17
GIVING % — Invest 2% of annual profits (before taxes) in high-impact community investment areas, with focus on rural communities and cultivating soil health	On track	1, 2, 3, 4, 8, 9, 11
VOLUNTEER HOURS — Complete a milestone number of annual company volunteer hours	On track	1, 2, 3, 4, 8, 9, 11
PARTNERSHIPS — Develop strategic partnerships with local organizations, customers, and third parties	On track	17
TRANSPARENCY — Implement method for transparency on D&I progress	On track	10
RECRUITING — Develop recruitment pipeline and retention program for Black, Indigenous, and People of Color as well as ethnic minority individuals	On track	10
GENDER PARITY — Reach milestone goals for gender parity	On track	5
EXECUTIVE COACHING — Create annual executive leadership coaching program with affiliated KPIs	Behind on Commitment Progress	10
ANNUAL PAY REVIEW — Implement a system for and completion of annual pay parity reviews	On track	5, 10
DART — Reduce our percentage of Days Away Restricted or Transferred (DART) injuries	On track	8
SAFETY ENGAGEMENT — Increase our safety engagement at the below manager level	On track	8
KPIs — Reach milestone improvements on key performance indicators, established by a company cross-functional committee	On track	8

**Scoular's formal SDG alignment will be confirmed as targets are finalized.*

OUR COMMITMENT STATUS

- Not Started
- Behind on Commitment Progress
- On track

Reducing Our Carbon Footprint

Our planet's health is essential, and a stable climate plays a vital role in the agricultural sector's success now and for years to come. We have a rich history of integration into nearly every agricultural supply chain. We understand the impact of carbon emissions. Our carbon pillar is working toward mitigating our own emissions and those throughout our supply chain through innovation, efficiency and partnership. As stewards of our industry, we are committed to decarbonization and catalyzing positive change throughout the agricultural supply chain to ensure we safeguard our actions for the next generation and for our business partners.

"I am excited about the possibility for bold action on top of the solid foundation the carbon pillar has made this past year. I know Scoular's determination will allow us to make great strides. You cannot manage what you do not measure, and our new monthly data process has positioned us to move from strategizing to acting."

Kate Pitschka
Corporate Sustainability Manager

Our Commitments

	COMMITMENT DETAIL	FY23 HIGHLIGHTS
	ABSOLUTE CO2e Reduce absolute greenhouse gas emissions	Baseline established: 88,700 MT CO2e
	CO2e INTENSITY Reduce greenhouse gas emissions intensity	Baseline established: 0.014 MT CO2 e/MT Produced
	VALUE CHAIN CO2e Reduce value chain carbon footprint	Accepted proposal of producer program to reduce emissions
	RENEWABLES Increase renewable energy consumed	Onsite solar evaluation completed with intent to implement onsite project in FY24
	WATER Implement pilot program focused on reducing freshwater consumption	Not started

Featured Highlights

Measuring Our Footprint

We have completed our Scope 1 and 2 greenhouse gas baseline inventory of our operational footprint, including 100 sites, in alignment with GHG Protocol standards. We are excited to have baseline data and a process to monitor our progress monthly moving forward. Understanding our carbon footprint is the foundation to determine strategies to meet our carbon commitments.

We are continuously improving our carbon data capture program and evaluating different technologies to help us improve data reporting and accuracy. As we expand data reporting within our carbon pillar, we intend to complete our Scope 3 Inventory.

Our carbon pillar is evaluating our long-term plan to mitigate our own emissions through efficiency, technology, and renewable energy. As a large portion of Scoular's Scope 1 and 2 total emissions come from electricity, we are working to ensure we use only the energy necessary and identify ways to reduce electricity use. We are exploring ways to mitigate those essential emissions from electricity through purchasing renewable energy, both onsite at our locations and in partnership with renewable energy developers. Our onsite solar strategy includes a ranking assessment for solar technology, which considers seasonality of the operation, available ground and roof space, state incentives and the utility's appetite for green energy. Through this evaluation, we have discovered the complexity of looking across 100+ sites. We are evaluating multiple proposals and are working to complete a solar project in the next fiscal year.

- **Electricity** 27.74%
- **Natural Gas** 49.86%
- **Propane** 3.66%
- **Diesel Fuel** 1.20%
- **Jet Fuel** 17.28%
- **Unleaded Fuel** 0.26%

FY23 GHG emission data:
Scope 1: 64,115 MT CO2e
Scope 2: 24,607.04 MT CO2e

Emissions Efficiency

Efficiency is deeply integrated across our business, and our operations team ensures we are making decisions that positively impact our emissions over time. For example, we are continually updating light fixtures to LED both on a one-off and project basis. Our locations will update indoor light fixtures to LED as less efficient bulbs burn out. We also support larger projects to update outdoor grain bin lighting since these types of changes include additional safety considerations. This past year, we updated 20 outdoor fixtures around two of our Goodland, Kansas, elevators.

In addition, our facility in Downs, Kansas, implemented a conveyor system to tie into the existing rail loadout and coverall buildings. This change eliminated the need to ship grain in trucks from the buildings to the elevator. While this decision will slightly increase our Scope 2 location emissions due to the conveyor system running, it reduces three contracted trucks hauling onsite back and forth 75 days each year (Scope 3 Emissions). This improvement also positioned the facility to loadout three to four different commodities via rail.

Emissions Categories

Carbon Emissions are categorized in 3 Scopes, defined from Scoular's applicability and perspective below:

Scope 1: Direct emissions from fuels and natural gas combusted onsite at Scoular operated facilities.

Scope 2 : Indirect emissions from electricity usage at Scoular-operated facilities.

Scope 3: All emissions upstream and downstream of Scoular's supply chain, including joint ventures, third party transportation and agricultural emissions.

Sustainability Showcase Hub

We are leading the industry by developing an innovative sustainability hub site and education center at our Adrian, Missouri, facility. We aim to advance the knowledge and implementation of impactful practices for Scoular, our customers and our community. The project aligns with all five pillars but has significant impacts in our carbon footprint through investments to reduce greenhouse gas emissions and increase renewable energy use.

Laying the Foundation

- Capital expenditures project to install variable frequency drive motors to fans on both north and south bunkers while implementing anemometer controls to motor speeds based on wind speed readings.
- Reducing the power output of each motor on calm days to significantly reduce operational energy.
- Goals:
  - Reduce 55% of the site's annual electricity use
    - Equivalent to 60% of Adrian's Scope 1 & 2 emissions
    - 2% of Scoular's total Scope 2 emissions
  - Explore implementing at every bunker site throughout Scoular's vast facility network.

Plans for FY24

- Installing solar panels on site to offset approximately 65% of the site's remaining electricity use.
- Validate VFD project savings.
- Identify partnerships with producers to implement regenerative agricultural practices.
- Purchasing Scoular's first EV unit: an electric compact loader, or skid steer.
- Replacing gas-powered handheld tools and equipment with battery-powered models.

Scope 1 Transportation Emissions

Twenty-four percent of our Scope 1 emissions come from fuel usage at our locations. Our fleet of approximately 70 vehicles tally almost 4 million miles a year. We have invested in a telematics system that provides metrics to help us increase efficiency. This system provides accurate, real-time vehicle performance, and safety monitoring. The resulting fuel emission data will help us to select truck technologies that drive efficiencies.

Scope 3 Transportation Emissions

A large portion of our Scope 3 greenhouse gas emissions are related to our third-party transportation network. Transporting material on rail generates one-third of the emissions of long-haul trucking, so we continue to invest to increase the amount we can move on rail. Tracking our Scope 3 emissions will allow the carbon pillar to quantify the emission reduction surrounding those investments in future reports.

In FY23, we completed upgrades to our Grainton, Nebraska, facility to increase efficiency and speed of moving grain. This new high-speed shuttle facility quadruples track capacity from 25 to 110 railcars, expands storage capacity and adds two high-speed receiving legs and two receiving pits to increase unloading speed. These continued investments in our facilities are a foundation to reducing the transportation portion of our Scope 3 emission reduction commitment.

Looking Forward

Over the next three years, we will also:

- Implement carbon accounting software to improve data collection completeness and accuracy.
- Expand our carbon reporting by completing a Scope 3 Emissions Inventory and process to maintain data.
- Establish our yearly pathway to decarbonization in line with the latest climate science.
- Evaluate and apply to other locations the successes from the Adrian sustainability hub.
- Grow our internal capability to assess our products' impact utilizing a lifecycle assessment framework.

Responsible Product Sourcing

Scoular sources ingredients that rely on a variety of Earth's ecosystems. To ensure that these ecosystems are resilient for years to come, Scoular has committed to implementing responsible sourcing strategies across its diverse businesses. We work every day with our end-use customers to build out supply chain solutions that both improve food system resilience and provide value-added opportunities for our suppliers.

What started as a focused effort in the marine sector has expanded to responsible sourcing throughout the company. As we expand into a variety of different programs, we pride ourselves on taking time to understand the true root of impact and ensure we are setting up robust customer specific programs that provide the transparency, data to quantify impacts and value-added ingredients.

"Scoular supplies a wide variety of food and feed ingredients from flax to fishmeal to fiber. This provides us a unique opportunity to learn about sustainable sourcing across supply chains. Although our various product lines may seem very different at face value, exploring the myriad sourcing opportunities allows for cross-functional collaboration which helps us to advance our sustainability goals."

Beth Stebbins
Customer Sustainability Manager

Our Commitments

	COMMITMENT DETAIL	FY23 HIGHLIGHTS
	PRODUCT HANDLED Increase total volume of marine products handled from sustainable processors or aquaculture sources	47% increase in responsibly sourced fish oil
	PRODUCER PROGRAMS Develop producer programs that are carbon focused for climate smart agriculture	Sourcing pilot established prioritizing soil health practices within our grower base
	PARTNERS Establish strategic relationships with marine sustainability NGOs and support additional NGO led impact programs	Strategic partnership with MarinTrust and MSC, allowing expansion of producer certification from two to five

Featured Highlights

Encompass™ Program: Building Marine Sustainability

Scoular developed and launched a market-leading, one-of-a-kind sustainability program in FY22 called Encompass™. We continued to expand Encompass™ in FY23 and educated customers and suppliers on the benefits it provides throughout the supply chain.

The program incentivizes fishmeal producers to implement long-term sustainability practices that exceed standard certification requirements and meet growing consumer demand for high-quality ingredients. By collaborating with each customer to explore, define, and customize their sustainability needs, and helping the fishmeal suppliers (both fishing and processing) to meet those needs, we know the value of partnerships in this program.

As part of the program, in FY23, we sponsored and helped to complete three additional producers for MarinTrust Chain of Custody Certification, bringing our total to five. The certification upholds the identity of the product sold on the global market and ensures independent and reliable certification practices. This meets Aqua Stewardship Council (ASC) and Best Aquaculture Practices (BAP) certification for our end-use customers looking to label products with these high standards on aquaculture practices.

The program's scoring system continues to help our customers by providing real-time producer data. Utilizing this platform, customers can receive data on everything from fishing methods and labor practices to species, trimming applicability, and certifications to bring them the best market opportunities.

Our marine team was excited that Scoular increased its responsibly sourced fish oil by 47%. Our responsibly sourced fish meal volume decreased by 13%, this was more favorable compared to the 15% decrease in global fish meal and oil production due to El Nino and warm waters.

Despite these and other global production challenges, we are striving to achieve:

- 80% supplier program compliance by the end of 2023.
- 20% improvement in producer's program classification by 2024.
- 100% of suppliers above "B" scoring by 2025.
- 75% of products sold by 2025 meeting Aqua Stewardship Council (ASC) and Best Aquaculture Practices (BAP) standards.

% Responsibly Sourced Marine Products as a share of total source products

"Scoular's Encompass™ Sustainability Program continues to bring full transparency to our customers which adds a great deal of value for the full supply chain to help support responsible product sourcing and reduce environmental impact of marine products. We are extremely pleased with how well received the program has been."

Steve Dahlblom
Global Marine Group Manager

New Fishmeal Facility: Upcycling Waste Product

As Scoular continues to look for innovative ways to increase the amount of responsibly sourced product, FY23 marked an exciting milestone with the opening of our joint venture in Warrenton, Oregon. Scoular, Da Yang Seafood, and Bornstein Seafoods have collaborated on this facility. It is expected to upcycle over 40 million pounds of fish trimmings from Da Yang and Bornstein nearby seafood processing plants into nutrient-rich fishmeal and fish oil.

Barley MVP™: Promoting Sustainable Crop Choices

Barley MVP™ is an initiative that has grown the market for winter barley in Idaho and bordering states which provides producers a more sustainable option for their crop rotations. Through this program, we partner with Idaho farmers to expand the production of winter barley as an economically viable, sustainable, and drought-tolerant rotation crop.

Barley MVP™ provides producers with a range of risk management tools and high-yielding seed varieties, enabling them to explore alternative crop rotations. Before the implementation of Barley MVP, winter barley was cultivated on only a small number of acres. However, implementation of this program has contributed to a quadrupling in seed sales since 2019. By incorporating barley into their crop rotation, farmers can embrace a more sustainable approach compared to traditional rotation crops such as corn, wheat, or alfalfa, which require more resources.

Winter barley offers many advantages over other alternatives, including increased yield, early harvest, lower water consumption, and the opportunity for double cropping. The estimated water savings of growers cultivating winter barley instead of winter wheat last year was over 400 million gallons. To put this in perspective, that is enough water to supply over 36,000 households for a year. Reducing the need for irrigation draw also represents an electrical savings, since irrigation pumps need to run for fewer hours.

We are excited about the positive impact the Barley MVP™ program is making, in both environmental sustainability and in supporting the economic sustainability of Idaho's agricultural sector. By continually encouraging the cultivation of barley and expanding its market opportunities, we can contribute to a more prosperous future for our producers and communities.

Partnering With Our Producers

New FARM Team

In 2023, Scoular created the Farmer Advisory Roundtable Members (FARM) advisory panel to help deepen its relationship with its producer customers. FARM advisors are a diverse group of forward-thinking farmers who partner closely with Scoular leaders as we uncover opportunities to evolve and grow together. FARM advisors are invited to join the Scoular team to identify innovative solutions to emerging farm management challenges and influence Scoular's producer strategies for the future. In addition to strengthening producer relationships and fostering the exchange of information and opportunity, FARM focuses on how Scoular can develop industry-leading technology to capture opportunities in renewable fuels and help growers implement the art of regenerative agriculture.

Regenerative Agriculture

Regenerative agriculture is a system of practices that can increase the carbon sequestered by soil, which results in both healthier soil and lower greenhouse gas emissions. Regenerative practices can include minimizing tillage, planting cover crops, increasing crop diversity, and incorporating livestock. However, there is no one definition of regenerative agriculture as growers work to create individualized, evolving systems that work best for their operations. The unifying theme is working to actively improve soil health.

Scoular has been working with our customers to develop a sourcing program that rewards both producers who have already implemented regenerative practices and those who are looking to implement regenerative practices for the first time. We plan to launch this program in late FY24.

"Scoular's Farm Advisory Roundtable Member group (FARM) was created to intentionally bring a valuable voice to the table – the farmer. The advisory nature of this group creates an opportunity for Scoular to receive farmer input and perspectives to help influence and execute on Scoular's strategic initiatives."

Melissa Norem
Director of Producer Strategy

Identity Preserved (IP) winter wheat

We have built an identity preserved wheat sourcing program that allows us to source grain for our customers looking for specific end product qualities. This program also allows us to communicate the sustainable practices used to grow the wheat to our customers, preserving our producers' hard work through the supply chain. Producers are paid a premium for participating in the program, providing benefits to both our suppliers and customers.

Looking Forward

MARINE

- Continue progress toward four marine specific goals, ensuring we overcome industry challenges previously faced.
- Expand program and identify additional opportunities to increase value of trimmings previously landfilled as a feed or aquaculture ingredient.

AGRICULTURE

- Work with an end-use customer to launch a sourcing pilot that prioritizes soil health practices in our producer base.
- Collaborate with key customers on developing projects for reducing on-farm greenhouse gas emissions by incentivizing growers to increase soil carbon.

GENERAL SOURCING

- Explore membership in industry supply-chain working groups.
- Identify additional relevant, value-added responsible sourcing certifications across our portfolio.
- Work on alignment on supplier sustainability metrics across divisions.

Engaging in Our Communities

Impacting the communities where our employees live and work is not only good business and part of our values of integrity and stewardship, but also a foundation of our culture inspired by our modern-day founder, Marshall Faith. At Scoular, we deploy a portion of our profits to The Scoular Foundation, and employees contribute thousands of volunteer hours to charitable organizations. This culture of giving runs throughout the fabric of our organization and around the world because, quite simply, it's just the right thing to do.

Our leaders and employees also understand the importance of working closely with the experts in the spaces where Scoular seeks to invest our time, treasure, and talent. Consequently, year over year, we continue to grow strategic partnerships with organizations around the globe to drive deeper impact and long-term return on our sustainability investments.

"Our community engagement model is not based simply on deploying funds or time for charitable endeavors. It is deeply connected to the concept of the company's and our employees' mutual aid with our community members. We are interested in building long-term and impactful bonds with organizations, communities, and people where Scoular and our employees will not only be a high-impact strategic partner, but also organizers and advocates for the local community benefit, particularly in our rural communities."

Megan Belcher
Chief Legal & External Affairs Officer

Our Commitments

	COMMITMENT DETAIL	FY23 HIGHLIGHTS
	GIVING % Invest 2% of annual profits (before taxes) in high-impact community investment areas, with focus on rural communities and cultivating soil health	240 grants made to 170 organizations
	VOLUNTEER HOURS Complete a milestone number of annual company volunteer hours	Successful Helper Helper Pilot Rollout to track volunteer hours
	PARTNERSHIPS Develop strategic partnerships with local organizations, customers, and third parties	New and continued partnerships with United Way of the Midlands, inCommon, local food banks and Methodist Foundation

Featured Highlights

Scoular Gives Back

The Scoular Foundation
With a multi-decade history and funded by a percentage of Scoular's profits, The Scoular Foundation supports projects in the communities where our employees live and work, focusing on rural communities and basic human needs. The foundation made 240 grants to 170 organizations in FY23.

Our 2% Goal
We continued to invest 2% of the company's profit before taxes in The Scoular Foundation for distribution to non-profit partners. We focused on organizations where our employees, company, and/or business partners have a close connection and/or role of advocacy.

Innovating in Mental Health Impact
Scoular partnered with Boys Town and the Methodist Foundation to provide $500,000 over a three-year period for innovative mental health programs for children and adults. The programs will not only strengthen the availability of much-needed mental health resources in Omaha and Nebraska communities, but also provide expanded access to mental health support for Scoular families.

Commitment to Our Agricultural Roots
From local 4-H chapters and the Cattlemen's Ball, to unique programs in our rural communities, Scoular supported a number of rural efforts focused on agriculture. For example, The Scoular Foundation donated $500,000 to the nation's largest research dairy center, a sustainability initiative led by the University of Idaho.

Enabling the Gift of Education
We expanded Foundation donations to key university partners to provide scholarships for those focused on agricultural needs, and who are in financial need and bring an inclusive perspective to the future of our industry. The Foundation also announced scholarship funding at Kansas State University, Bellevue University in Nebraska, and the University of Nebraska-Lincoln as part of the Faith Legacy Scholarship Program.

Continued Investments in Powerful Partnerships
We pursued new and fostered current community partnerships throughout FY23, in strategic areas tied to our giving principles. For example, we grew our ties with long-term food bank partners as we looked to scale significant donations to headquarter and rural communities alike, including employees serving in leadership roles with a key food bank partner.

Magnifying Rural Impact
We expanded the breadth and depth of our rural giving through our Rural Engagement Committee. Whether it's supporting the local ballpark or funding school supplies for small towns, we partner with our leaders in rural communities to understand and respond to local needs.

Expanding Impact with United Way
Through our growing partnership with the United Way of the Midlands, the company raised over $250,000 though our employee giving and The Scoular Foundation's match.

Taking our Leadership to New Venues
In FY23, Scoular grew its board person development program launched in FY22. The number of employees serving as non-profit board members increased by over 30%. The company's community engagement team also provided training to over 90 employees through training facilitated by the Non-Profit Association of the Midlands and through the company's board person training and placement program.

Volunteering In Our Communities

Making Volunteerism Part of Team
In FY23, Scoular incorporated volunteerism throughout the organization as part of networking events, team meetings, and company leadership forums. Whether it's packing backpacks for CASA as part of Scoular's Impact Summit or filling hygiene kits for homeless youth at a team-building happy hour, we found ways to incorporate community engagement.

Impact Through Play
We supported the build, through employee time and foundation funding, for a new playground in partnership with longtime partner inCommon Community Development in the Walnut Hill neighborhood of Omaha.

Building Close Collaborations with Our Employee Resource Groups
Our employee time and The Scoular Foundation's funding supported dozens of community engagement efforts by the company's four employee resource groups.

Growing the Impact of Employee Time
We fully deployed a policy that provides every employee with eight hours of paid volunteer time per year. We also launched a pilot of the technology tool Helper Helper to track employee volunteer time as we work to track our employee volunteer impact worldwide.

Growth in Employee Volunteer Opportunities
We continued to expand volunteer activities with imaginative community partners and in all divisions of our business around the world.

HAMILTON COUNTY FOOD PANTRY
(COOLIDGE, KANSAS & TRIBUNE, KANSAS)

HABITAT FOR HUMANITY
(OMAHA, NEBRASKA)

HEART MINISTRY CENTER (OMAHA, NEBRASKA)

PROJECT LINUS (OVERLAND PARK, KANSAS)

HABITAT FOR HUMANITY (OVERLAND PARK, KANSAS)

Looking Forward

- Continuing to focus in areas that reflect the hallmarks of Scoular's community engagement model, namely those that are authentic, impactful, committed, sustainable, and generational.
- Providing transparency in FY24 to the number of hours dedicated by our employees through the Helper Helper technology tool.
- Incrementally expanding high-impact rural community efforts sponsored by our Rural Engagement Committee.
- Partnering with Omaha-based agriculture companies for a significant build project with Habitat for Humanity.
- Broadening our culture of volunteerism in our Minneapolis, Overland Park, and other corporate offices to locations outside of Omaha, Nebraska.
- Continuing to expand the company's board person development program to Director and Manager levels.
- Growing our educational partnerships to offer differentiated primary, secondary, and higher education opportunities to those in communities where we focus.
- Innovating to create proactive programs through The Scoular Foundation to foster innovation in the non-profit world in areas tied to our giving principles.

Promoting Diversity & Inclusion

Creating and fostering an inclusive culture for all employees is a key concept of our approach to our sustainability strategy to continue to evolve our culture through building inclusive leadership skills and offering impactful learning and development opportunities,

We create an environment where all feel welcome and respected. We know that a diverse and engaged workforce is essential to deliver on our promises for meeting customer expectations in a global market. We embrace the Scoular value of inclusion, and continue to move the needle in a focused and practical way.

"Scoular's Diversity & Inclusion efforts have a meaningful impact on our employee engagement, which reflects our authentic approach to continue to grow, develop and evolve our culture, attract and retain top talent, and expand our business."

Jennifer Deitloff
Chief Diversity Officer

Our Commitments

	COMMITMENT DETAIL	FY23 HIGHLIGHTS
	TRANSPARENCY Implement method for transparency on D&I progress	Focus on increased communication through a quarterly sustainability newsletter and educational sessions open to all employees
	RECRUITING Develop recruitment pipeline and retention program for Black, Indigenous, and People of Color as well as ethnic minority individuals	Recruiting, retention and development KPIs developed, for roll out in FY24
	GENDER PARITY Reach milestone goals for gender parity	Increased representation by 18% at director level and above over 3 years, focused investment on leadership development
	EXECUTIVE COACHING Create annual executive leadership coaching program with affiliated KPIs	Focused on inclusive leadership skill development through various training sessions conducted
	ANNUAL PAY REVIEW Implement a system for and completion of annual pay parity reviews	On track for 2025 implementation

Featured Highlights

Workforce

As our company grows and expands into new markets, our ability to attract and retain top talent becomes paramount to our success. We recognize that increasing the diversity of our workforce is not a zero-sum game. When we can invite more people to the table, we have the best opportunity to attract, hire, and retain the very best. However, we know that we must be intentional about our path forward.

"I have experienced the benefits of building an inclusive culture first-hand, both as a member of the Diversity & Inclusion Council and as a facilities manager. Focusing on inclusion helps us build a culture where people know they are appreciated, and we can leverage our value of curiosity to engage in conversations that can help us grow together as a team."

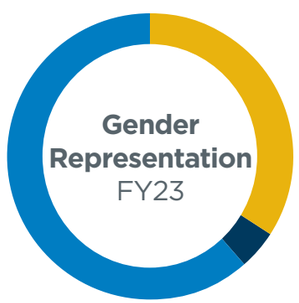
Justin Reed
Regional Manager

We seek development of inclusive leadership at Scoular by deploying training and awareness sessions, encouraging behavior in line with Scoular's values, offering skill building on creating psychologically safe teams and speak up culture, and listening to and engaging with our employee resource groups.

Regarding our gender parity commitment, our senior leaders have increased gender representation by nearly 18 percent over the past three years.

Employee Resource Groups

Employee Resource Groups (ERGs) create a forum for employees and their allies, who share common interests, goals, and/or concerns to meet and support one another in creatively addressing and developing opportunities around those matters. They also provide resources and data to Scoular leadership regarding employee interests, needs, and opportunities for change. In addition, ERGs advance a respectful, engaging, and inclusive workplace at Scoular. ERGs also help further Scoular's overall diversity and inclusion strategy.



- **Male** 61.48%
- **Female** 34.26%
- **Not Specified** 4.26%

SELO
SCOULAR EMERGING LEADERS ORGANIZATION

Scoular's Emerging Leaders Organization is Scoular's newest ERG.

Mission: SELO develops leadership and learning opportunities outside of daily work and builds community across teams and locations. This ERG will tap learnings from outside experts and provide experiences to learn leadership skills in a safe and welcoming environment.

SWIC
SCOULAR WOMEN INFLUENCING CULTURE

Scoular Women Influencing Culture (SWIC) supports the women of Scoular and their allies.

Mission: To harness the collective resources of Scoular, its employees, and its stakeholders to empower and engage the women of Scoular in transformative ways, personally and professionally.

Vision: To create a culture of true inclusion for the women of Scoular, the women who do business with Scoular, and their allies, creating significant advancement opportunities for those women while also serving as a visible leader of inclusion for women in the agricultural industry and our communities.

SPAN
SCOULAR PROUD ALLY NETWORK

Scoular Proud Ally Network supports and empowers Scoular employees who identify as a member of the LGBTQIA+, while also providing educational opportunities and insights for their allies.

Mission: To continue to empower employees to learn about and support LGBTQIA+ experiences and identities where we live and work.

Vision: To experience a workplace where all LGBTQIA+ employees feel included, valued, and empowered to thrive as their authentic selves.

SEPOC
SCOULAR ETHNICITIES AND PEOPLE OF COLOR

Scoular Ethnicities and People of Color supports and empowers Scoular employees who identify as a racial and ethnic minority group while providing educational opportunities and insights for their allies.

Mission: To cultivate an inclusive culture by providing resources to learn and celebrate heritage.

Vision: To experience a workplace where employees of all heritage and backgrounds can feel valued, be their authentic selves, and can thrive.

WOMEN'S LEADERSHIP DEVELOPMENT ACADEMY (SALINA, KANSAS)

Education & Partnerships

A key component of Scoular's campus recruiting strategy includes introducing our industry and career opportunities to a diverse set of students and increase the applicant pool. In FY23, Scoular partnered with new organizations at colleges and universities where we have legacy relationships. For example, sponsoring Iowa State University's Women in Business student organization and Kansas State University's RiseUp, a student organization focused on supporting students in building a successful career while celebrating diverse identities and cultures. We have built new relationships on a national level to bring brand awareness to students interested in careers in agriculture through a partnership with Minorities in Agriculture, Natural Resources and Related Sciences (MANRRS). Through these partnerships we have provided experts on panels, participated in workshops, offered scholarships and hosted tours at the Scoular headquarters.

We also built partnerships with external talent sourcing organizations to help us find talent for hard-to-fill positions and locations.

- Through our partnerships with Bradley-Morris, a military and veteran recruiting agency, we have re-imagined what experiences can translate into some of our operations positions.
- We've built a relationship with Peak Performers, a nonprofit staffing agency that helps people with disabilities obtain jobs, which has provided us with skilled candidates for a variety of positions.
- Both partners support the populations they serve, leveling the playing field for candidates who have unique experiences.

In FY23, nearly 500 employees attended live, unconscious bias training sessions. The training recording, along with additional resources, are available for employees. We continue to provide our employees with inclusive learning opportunities, including delivery of digital content through our digital provider.

THANKSGIVING TRIVIA
(SASKATOON, SK, CANADA)

Supplier Diversity

In FY23, we built the framework for a pilot supplier diversity program, which involves actively seeking and including suppliers from underrepresented groups — minorities, women, veterans, LGBTQIA+ individuals, and those with disabilities — in our procurement processes. Because we are a global agribusiness, our supplier portfolio should expand to reflect the diverse demographics that we serve and operate in.

Two key factors drive the importance of this initiative:

1. Innovation and Competitiveness: A diverse supply chain brings a wealth of varied perspectives, leading to increased innovation.

2. Corporate Social Responsibility: A supplier diversity program allows us to generate meaningful economic opportunities within marginalized communities, amplifying our social impact by strengthening our commitment to economic inclusivity and sustainability.

Our pilot will expand across the company as we learn and develop best practices.

Looking Forward

- Launching new initiatives and programs, including our third cohort of Scoular Advocates, a popular program that drives awareness and education and provides opportunities for cross-functional collaboration and relationship building.
- Evolving our ERG infrastructure and creating external connections to increase engagement and inclusion at Scoular and in our communities.
- Implementing our goals and to develop diverse slates of highly qualified candidates. This will enable us to both expand the diversity at Scoular and continue to hire the best candidate for our open roles.

Upholding Workplace Health & Safety

Our people are our most valuable resource at Scoular, which is why we believe in maintaining a safe and healthy work environment. We uphold a culture of safety by ingraining safety goals throughout our company and involving all levels of our organization in education and training.

In FY23, our emphasis shifted to include more hands-on training and a more systematic approach to safety. For example, we created five critical program training modules for our facilities. In addition, facility goals and objectives were measured monthly.

"At Scoular we believe safety is everyone's responsibility. Everyone needs to know they are empowered to speak up if there is an issue. Employees, from new hires to seasoned veterans, are stepping up when it comes to safety. It makes a difference when everyone 'owns' safety."

Noland Morris
Director, Environment, Health and Safety

Our Commitments

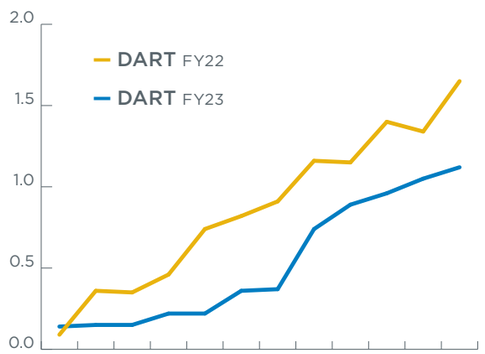
	COMMITMENT DETAIL	FY23 HIGHLIGHTS
	DART Reduce our percentage of Days Away Restricted or Transferred (DART) injuries	DART reduced 33% in FY23 compared to FY22
	SAFETY ENGAGEMENT Increase our safety engagement at the below manager level	Baseline established in Intelex
	KPIs Reach milestone improvements on key performance indicators, established by a company cross-functional committee	All KPI Targets achieved in FY23: • Near Miss/Hazard ID Reporting • Training Percentages • TRC rates • DART rates

Featured Highlights

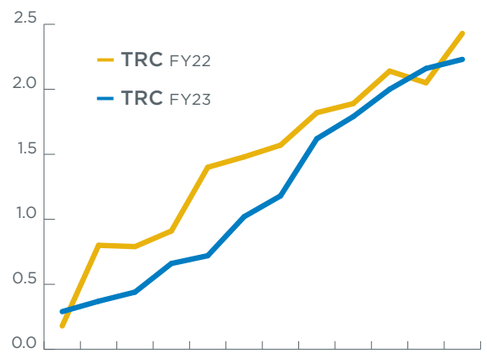
Safety by the Numbers

Scoular has committed to identifying hazards and performing workplace observations, resulting in declining Total Recordable Cases (TRC) and Days Away or Restricted (DART) rates.

DART Rate FY22 vs FY23



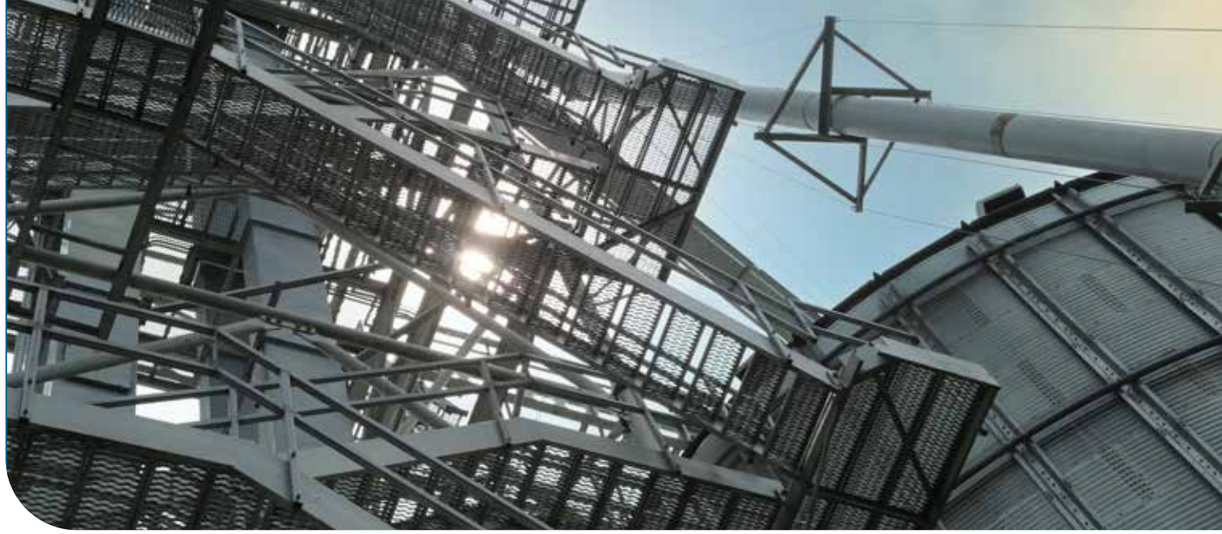
TRC Rate FY22 vs FY23



In FY22, we began to track observations (observing tasks to check whether they're completed safely) and hazards (a situation that could potentially lead to an incident). In FY23, we fully implemented the tracking system and gathered baseline data, with the goal of continuous improvement.

- 1831 observations
- 3756 hazards identified and actioned

These observations and hazards are the baseline for our commitment to increase safety engagement at below manager level. Of the above numbers, 70% of the hazard identifications submitted and 87% of the observations were submitted at the below manager level.



Behavior-Based Safety Strategy

In FY23 we continued to enhance our proactive approach to safety and increase accountability by implementing behavioral-based strategies. These strategies contributed to a steady decline in injury rates and improved key performance indicators. In addition, our new Safety Management System (Intelex) encouraged proactive reporting and allowed us to quickly identify and implement improvements.

Our strategies included:

- **Observation strategy:** This requires manager and peer-to-peer observations, which engaged everyone, from leadership to frontline staff, in monitoring and coaching.
- **Leadership goals:** Scoular implemented shared health and safety goals for all officers, general managers and directors.
- **Cross-functional observations:** Managers and supervisors assisted with workplace inspections in businesses other than their own. Different sets of eyes and experience helps to address complacency at a location.
- **Measurement and accountability:** We measure facility goals and objectives monthly.
- **Education and training:** We created five critical program training modules for our facilities.

Creating a Safety Culture: Winkler Facility

A sign hanging at our Winkler, Manitoba, facility, reads: "This Team Only Knows WE." Leaders and employees have worked together to create a culture where safety is top-of-mind. Workers know how to keep themselves and coworkers safe and recognize the value and importance to Scoular.

We have created this culture by:

- Receiving safety support from all levels of management, who communicate safety expectations to all Winkler team members.
- Creating site-specific safety policies and procedures.
- Constantly communicating safety verbally, visually, and through action by allotting time for training and scheduled meetings.
- Holding pre-shift meetings that communicate safety and allow for group stretching.
- Increasing visibility of facility production, safety, and quality metrics using a weekly display on the lunchroom TV.
- Promoting First Aid training for all staff.
- Coaching superintendents and leads to become strong safety ambassadors.
- Creating an events committee to plan facility and family events and community involvement, such as participating in local parades, which has helped in building culture.

"To be a 'world-class facility,' you need strong core values and a passionate leadership team that supports all areas of the facility as well as continuous improvement. This leads to engaged employees who are excited to come to work. "

Jamie Fehr
Winkler Plant Manager

Awareness & Training

FY23 Highlights:

- 1,333 training sessions logged.
- 691 employees participated.
- Continued our focus on supporting employee mental health including training on employees' right to refuse dangerous work.
- Increased awareness of new anti-retaliation policy that aligns with OSHA legislation on ensuring psychological safety of our employees as they report incidents or other concerns.

Raising Safety Awareness
Launched a new monthly awareness bulletin campaign. The initiative is aimed at raising safety awareness across the company, covering such topics as fall protection, electrical safety and winter driving.

Instilling Safe Driving Habits
Scoular implemented Motive's telematics platform that provides data on driver speed, breaking and other metrics to reinforce safe driving habits.

Looking Forward

- Developing our safety software as our businesses evolve.
- Providing regional facility managers with safety assessments to conduct through an auditing process.
- Incorporating key safety performance objectives into annual performance reviews for all levels of management and frontline employees.
- Incorporating safety into our sustainability hub project at our grain facility in Adrian, Missouri.
- Expanding use of the system that collects and houses Scoular's safety data.

ON THE COVER: ANDRES, ILLINOIS

SCOULAR®

Let's get growing.®

To learn more about Scoular's commitment to sustainability, email sustainability@scoular.com

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