



FISCAL YEAR 2022

Annual Sustainability Report





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, it 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 this.

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

AS AN EMPLOYEE-OWNED BUSINESS OPERATING FOR OVER 130 YEARS IN THE AGRICULTURAL INDUSTRY, WE TAKE PRIDE IN THE WAY WE OPERATE. WE BELIEVE THAT BY WORKING TOGETHER, WE CREATE SHARED VALUE AND A PATH TO SUCCESS THAT BENEFITS THE ENTIRE SUPPLY CHAIN.

Last November marked the public launch of Scoular's first sustainability report, bringing a new level of external visibility to Scoular's formal Sustainability Strategy, including our commitment to our five pillars. We knew at the outset that changes in our industry would translate to different needs for our customers. We also knew that to rise to the challenge to meet those expectations and achieve continued growth for our shareholders, it would be important to think creatively to build an even stronger partnership and win with our employees, customers and partners.

To that end, we approached our sustainability pillar goals by weaving them in with our business strategy, as well as connecting the individual pillars together to create more opportunity and value. We created and launched a cross-functional Impact Council to help drive and support this effort, further allowing interconnectivity among the pillars to increase impact. We also engage passionate leaders throughout our organization that believe in this work and strive to keep Scoular as a modern leader in our industry, who continues to serve as a continued and trusted provider of safe, reliable, and responsible supply chain solutions.

As we have shifted from the opening stages of our sustainability strategy to this second annual report, we experienced tremendous learning and growth about our path to success, while also fostering new and potential partnerships with others. We experienced exciting wins and, in some cases, recalibrated on the path ahead to set our sustainability strategy with a continued strong basis for success.

While some of our work to achieve quantifiable goals is taking longer than expected, we are not deterred and are committed to meeting our commitments in a way that is authentic and right for Scoular.

As you will see, we have made traction on each of our five pillars, namely Reducing our Carbon Footprint, Fostering Responsible Product Sourcing, Engaging in our Communities, Promoting Diversity and Inclusion, and Upholding Workplace Health and Safety. We are excited to share this progress, some exciting highlights, and a look to the future for Scoular and our shareholders.



Paul Maass
Chief Executive Officer



Megan Belcher
Chief Legal & External Affairs Officer



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



Paul Maass



Megan Belcher



Jennifer Deitloff



About Scoular

Scoular by the numbers (FY22)



1400+
Employees



80+ Countries
Shipping goods locally
and internationally



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



1+ Billion
Bushels Traded



\$9.7 Billion
Annual Revenue



\$1+ Billion
Sales of Food & Feed
Ingredients

What we do

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

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

Who we serve

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

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



REPORTING PERIOD: SCoular’S FISCAL YEAR FY2022
(JUNE 1, 2021 – MAY 31, 2022)

This report reflects our Sustainability progress during Scoular’s 2022 Fiscal Year. It covers our most material topics and risk across the environmental, social, and governance metrics established by our Board of Directors and Senior Leadership Team.

By communicating our progress, we maintain alignment with our employees and facilitate opportunities to collaborate with our partners. While this report serves as our annual communication on progress, we are actively working with our partners to help address their sustainability aspirations and embed sustainability into the food and feed solutions we offer.

EMPLOYEE ENGAGEMENT, MATERIALITY, AND GOVERNANCE

Employee Engagement: In 2020, Scoular launched its inaugural company-wide sustainability effort, in partnership with an expert global consultancy.

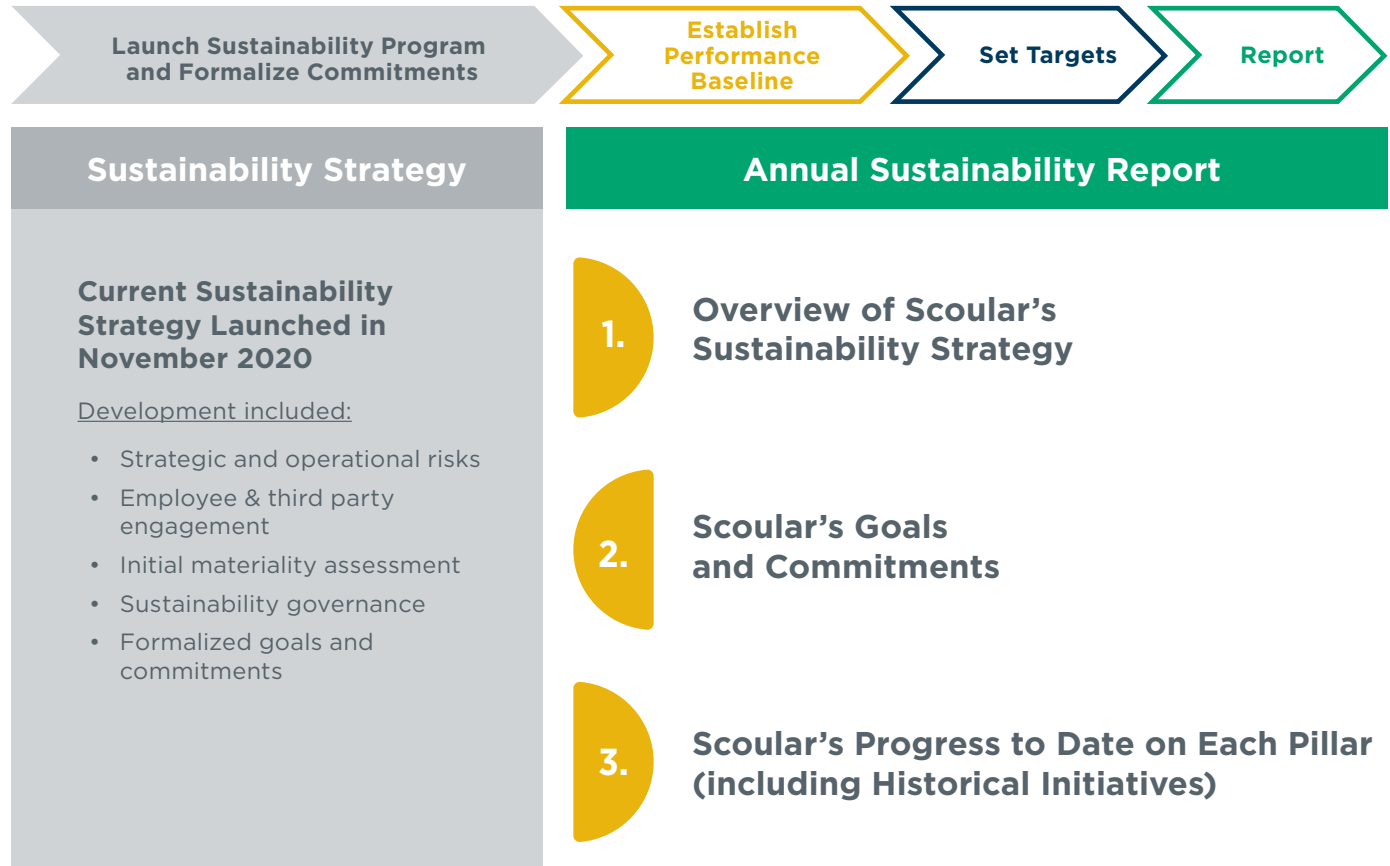
Materiality: During the process we collected inputs from senior business leaders, functional experts, and external partners to align our business model and purpose to the issues that impact the food and feed value chains we operate in.

Governance: Our position in the value chain puts environmental, social, and economic opportunities on the board agenda for every meeting (3x per year), even if the issues are indirect. Our CEO and Chief Legal and External Affairs Officer (Head of Sustainability) receive updates from corporate sustainability leadership and pillar teams to provide an assessment of risk and opportunities.

Bias for Action: We are a solutions-based company and while there are still performance-based targets that are being quantified, we are committed to acting now and continuing to update goals as they are approved by Scoular’s Board of Directors.

About this Report

Phase 1: Aligning our purpose and profits (FY22)



Phase 2: Improving our impact (FY23 and Beyond)

Future reports will include additional details on baselines, targets, new initiatives and detailed tracking on progress





Scoular's Sustainability Strategy



At Scoular we believe:

that the health of our planet is important, and climate plays a vital role

in maintaining resilient ecosystems that produce safe, nutritious, & high-quality ingredients

It is critical to support socially diverse and prosperous communities that protect, manage, and restore local resources

we should connect the needs of our employees and partners with innovative solutions that deliver feed & food worldwide



Planet



Ecosystems & Products



Communities



People

Maintain

Support

Connect



Restore



Protect



Build



Reducing Our Carbon Footprint



Fostering Responsible Product Sourcing



Engaging in Our Communities



Promoting Diversity & Inclusion



Upholding Workplace Health & Safety














and we are committed to addressing our most material issues by:

We do this by creating safe, reliable, & responsible supply chain solutions





Goals and Commitments

Pillars	Goal Type				United Nations SDG Mapping*			
Reducing Our Carbon Footprint		Scope 1 + 2 Emissions	MWh Renewable Energy Consumed	Fresh Water Consumption Pilot				
		Carbon Intensity	Scope 3 Emissions					
Fostering Responsible Product Sourcing		Responsibly Sourced Product	Producer Programs					
		% of Sales Mix Certified Responsible	Strategic Partners					
Engaging in Our Communities		Giving % of Profits	Strategic Partners					
		Volunteer Hours						
Promoting Diversity & Inclusion		D&I Transparency	Gender Parity	Annual Pay Review				
		BIPOC Recruiting	Exec. Coaching					
Upholding Workplace Health & Safety		DART	Cross Functional KPIs					
		Safety Engagement Below Manager						
Legend:					*Scoular's formal SDG alignment will be confirmed as targets are finalized.			
Baseline in Progress					Quantitative Target			
					Qualitative Target			
					Goal Achieved			

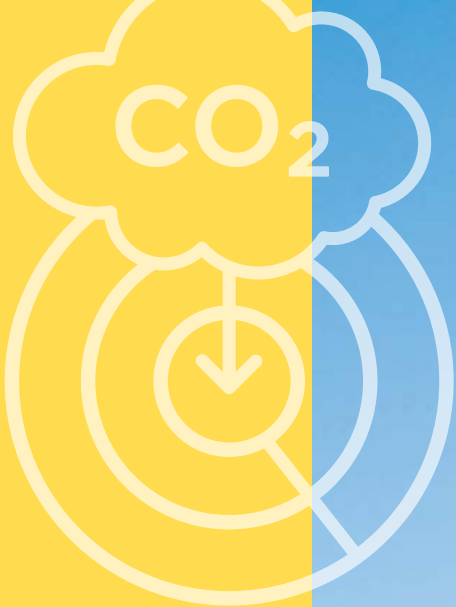
*Scoular’s formal SDG alignment will be confirmed as targets are finalized.

PLANET

Reducing Our Carbon Footprint

The health of our planet is important and a stable climate plays a vital role in the agricultural sector’s success. Our deep and lengthy history in the agricultural industry provides Scoular with a unique vantage point into the effects and impact of carbon emissions, presenting all of us with an opportunity to affect change.

As stewards of our industry, we are committed to addressing our own environmental impacts and catalyzing positive change throughout the industry.



Our Commitments

ABSOLUTE CO2e



Reduce absolute greenhouse gas emissions

IN PROGRESS
On Track - 2025

CO2e INTENSITY



Reduce greenhouse gas emissions intensity

IN PROGRESS
On Track - 2025

VALUE CHAIN CO2e



Reduce value chain carbon footprint

IN PROGRESS
On Track - 2025

RENEWABLES



Increase renewable energy consumed

IN PROGRESS
On Track - 2025

WATER



Implement pilot program focused on reducing freshwater consumption

NOT STARTED
On Track - 2025



FEATURED HIGHLIGHTS

Investing in Measurement. Important efforts to measure our greenhouse gas emissions and establish an associated baseline occurred in FY22. Several groups were involved in determining the proper organizational footprint in alignment with GHG Protocol standards, and we also invested in enabling software that will allow us to streamline the ongoing data collection and analysis processes going forward.

Carbon footprint measurement. We are in the process of determining carbon footprint allocations for select Scoular products.

Reducing transportation emissions. The vast majority of our greenhouse gas emissions are related to the transportation network. As such, we invested heavily in our processes, infrastructure and technologies aimed at reducing truck emissions. These resulted in the following:

1. Faster truck dump times as a result of increasing unload speeds and/or number of pits to unload
2. Faster truck weighing/scaling times
3. Technologies to move grain onsite, thereby eliminating the need for any offsite trucking
4. Shifting transportation from truck to rail, removing thousands of semi-trailers off the road annually
5. Automation investments to avoid constructing bunkers
6. Construction of new plants in locations that will reduce transportation emissions



Asset utilization & backhaul. Our cross-country trading businesses, moving more than 700,000 annual loads, continued to optimize trucking efficiencies through securing complementary backhaul loads. This effectively reduces trucking miles by including multiple distinct freight moves into a single truck round. Continuous improvement on efficient and effective communication between our assets and cross-country groups has improved asset utilization.

Additionally, we continue to make investments in asset purchases to further expand on market efficiencies.

Renewable Energy Site Analysis. We analyzed several sites for optimal renewable energy and identified the premier site (Coolidge, KS) for a 500+ kW solar panel installation. The array is expected to meet 80% of the facility's current power consumption.



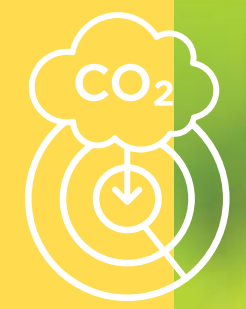
Scoular enables supply chain sustainability through efficient operations.

Our primary focus in FY22 remained on measuring our current footprint and enabling strategies for reducing emissions associated with the agricultural transportation network. We invested heavily in new processes, technologies and infrastructure that reduces truck transportation distances, truck wait times, and truck dump times, all of which benefit the environment and our customers.

“ We are particularly excited about the opportunity we have to reduce carbon emissions throughout the agricultural sector. It all starts with measuring our own footprint and then taking action to drive down our emissions in areas where we can have true impact. ”



Ron Bingham
Sr. Vice President
& Grain Division Manager



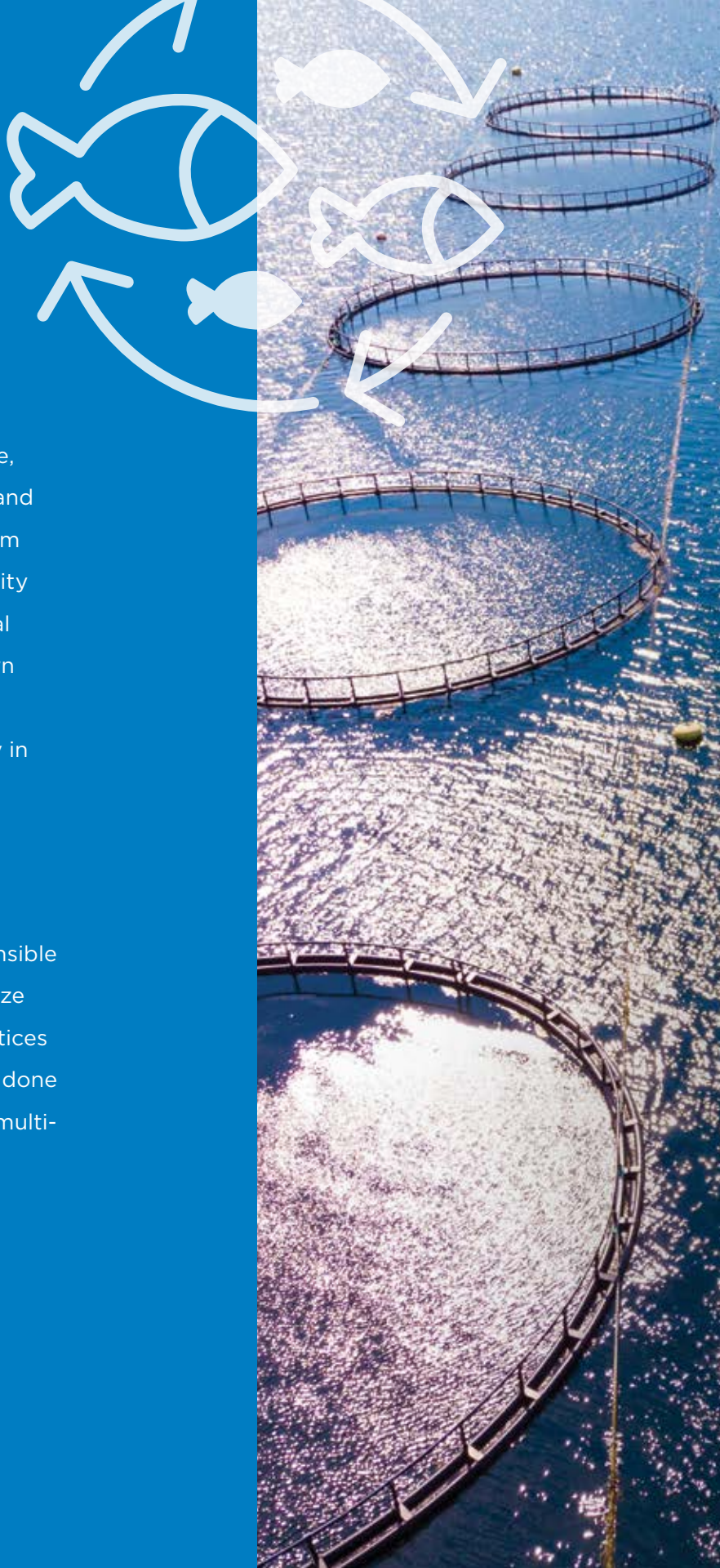
LOOKING FORWARD

- **Finalize baseline.** We will finalize our greenhouse gas inventory baseline and systematize our process for ongoing updates to the metric.
- **Decrease facility emissions.** We aim to identify and pursue actions that will reduce our Scope 1 and Scope 2 greenhouse gas emissions and our associated greenhouse gas emissions intensity.
- **Optimize grain transportation.** Scoular is examining the optimal model for moving grain from one location to another so as to reduce costs, improve customer service, and decrease emissions.
- **Transportation emissions.** We intend to leverage and expand upon the successes we have had with reducing transportation emissions with an eye toward better measurement of emissions reductions and scaling best practices to more locations.
- **Circular soybean programs.** We are in continued pursuit of a circular soybean program including a responsible supply chain commitment that our soybeans don't contribute to deforestation.
- **Sustainability lab.** We are in the early stages of refining a plan for Project Steward in Adrian, MO, which is envisioned as a sustainability lab site for exploring renewable energy, pollinator fields, electric vehicles, and other advanced technologies. As planning develops, we intend to incorporate regenerative agriculture practices with a tie to both the producer and commercial end user.
- **Renewables analysis and investment.** We will conduct additional potentiality studies for additional renewable energy investment and, when appropriate, invest in renewables.

ECOSYSTEMS
and PRODUCTS

Resilient ecosystems produce safe, nutritious, and high-quality food and feed ingredients. But many of them are at risk. Reduction of biodiversity and habitat, exploitation of natural resources, and pollution are known concerns and disruptions in food supplies already exist, particularly in marine supplies.

We are committed to supply chain solutions that move beyond sustainable harvesting and responsible management. We aspire to catalyze and encourage regenerative practices that undo the damage previously done and create thriving systems with multi-dimensional benefits.



Our Commitments

PRODUCT SOURCED



Increase total volume of marine products sourced from sustainable processors or aquaculture sources

IN PROGRESS
On Track - 2025

PRODUCT SOLD



Increase percentage of sales for responsibly sourced and certified marine products

IN PROGRESS
On Track - 2025

PRODUCER PROGRAMS



Develop producer programs that are carbon focused for climate smart agriculture

IN PROGRESS
On Track - 2025

PARTNERS



Establish strategic relationships with marine sustainability NGOs and support additional NGO led impact programs

IN PROGRESS
On Track - 2025



FEATURED HIGHLIGHTS

Encompass Sustainability Program: We developed and launched a market-leading, one-of-a-kind sustainability program that brings full transparency for various levels of sustainability throughout the entire supply chain. The program supports our commitments to increase volume from sustainable sources as well as percentage of sales. We published the new sustainability page on our Encompass website to build awareness of the program for both producers and customers.

1. With Encompass fishmeal, we understand the importance of maintaining resilient ecosystems that produce safe, nutritious, and high-quality food and feed ingredients. Challenges in climate health, overfishing, ecosystem losses, and lack of transparency across the supply chain could lead to food supply disruptions in the future. Our sustainability strategy directly addresses the responsible product sourcing for marine products as well as the environmental, social, and economic considerations that marine products have on our planet, ecosystems, communities, and people.
2. The Encompass Sustainability Program, among the most comprehensive in the industry, incentivizes fishmeal producers to implement long-term sustainability practices that exceed standard certification requirements and meet growing consumer demand for high-quality ingredients. Our goal is to collaborate with each customer to explore, define, and customize their sustainability needs, and to help suppliers in meeting those needs.

Supporting supplier sustainability: We created an all-encompassing scoring system for all suppliers that incorporates marine sourcing code of conduct, social and economic factors, and more. Once a supplier has received a score, we support them in addressing concerns and moving up within the system. This allows suppliers to compete in higher-valued recognized markets, become more sustainable, and increase their opportunity to sell ingredients further.

Sustainability goals: We established and published four sustainability goals that will help our partners in the industry:

1. 80% supplier program compliance by the end of 2023
2. 20% improvement in producer's program classification by 2024
3. 100% of suppliers above "B" scoring by 2025
4. 75% of products sold by 2025 will meet Aqua Stewardship Council (ASC) and Best Aquaculture Practices (BAP) standards



MarinTrust certification: We sponsored and drove the process for two fishmeal/oil producers to complete MarinTrust certification, with three other producers in progress and near completion. MarinTrust Certification is a sought-after certification that allows aquaculture farms to meet BAP and ASC certification for sustainability. These five producers represent approximately 22% of our portfolio.

1. Freight volatility and restricted vessel capacity limited the ability to source from normal strategic producers and therefore volumes of sustainable sources remained flat YOY. However, by working with 5 producers on MarinTrust certification, a decrease in volume was avoided.

Sedex certification: Two new marine suppliers were audited and certified under the Sedex certification.

Customer platform: We developed a platform for reporting real-time metrics that can be used to help producers identify the road map to bring them the best market opportunities. The platform incorporates a database with search and filter capabilities, which helps each customer focus on the information and levels of sustainability that are most important to them in order to identify the right sources. Customers can be provided data on everything from a fishery's gear to a processor's facility and safe labor conditions.

Encompass Sustainability Program: Our sustainable advantage means targeting points that are important to customers and the market as we work with suppliers to adopt sustainable practices.

Barley MVP: We are partnering with Idaho farmers to expand the production of barley as an economically viable and sustainable, drought-tolerant rotation crop. Barley MVP™ is a first-of-its-kind program that provides a variety of risk management tools and high-yielding seed varieties for farmers seeking alternative rotation crops. By participating in Barley MVP, farmers can help to meet demand by incorporating barley into their crop rotation. Barley is more sustainable than some traditional rotation crops in Idaho, such as corn or wheat, because it requires less water and fertilizer to grow.

Identity Preserved (IP) winter wheat: We are building several programs that will help provide products with a lower carbon footprint, like Identity Preserved (IP) winter wheat, to end users seeking to reduce emissions within their supply chain.

Partnership exploration: We engaged with many NGOs to discuss potential partnership and collaboration, and have narrowed down to a few organizations that are the most relevant for Scoular's industry/needs.



Fostering Responsible Product Sourcing

We are committed to creating supply chain solutions that reduce ecosystem impact, encourage responsible fisheries management, and promote social and economic growth through a variety of strategies:

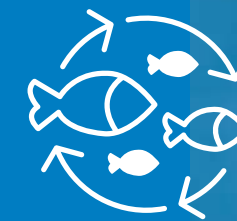
- Creating end-to-end traceability and transparency for all marine ingredients, from catching the fish to processing it into fishmeal and fish oil to transporting it to customers.
- Offering a unique seven-level classification system that uses this data to rate fishmeal producers and the supply chain.
- Supporting producers to bring their products to the highest valued market where we service some of the most recognized brands and premium companies globally.
- Introducing fisheries and customers to new products, services, technology and other investments that reduce waste and drive efficiency. For example, we are currently investing with processing partners in Warrenton, Oregon, to upcycle marine byproducts and trimmings into nutrient rich fishmeal and fish oil.
- Continuing to set measurable goals. By 2023, our goal is for 80% of producers to be program compliant and by 2025, 75% of marine products sold will meet ASC and BAP standards.

“ Our Encompass Sustainability Program represents a significant leap forward in the industry. It brings full transparency for various levels of sustainability throughout the entire supply chain and adds a great deal of value for our customers. ”



Steve Dahlblom
Global Marine
Group Manager

LOOKING FORWARD



Encompass Sustainability Program:

- Complete onboarding of 18 producers, which will represent 60% of our portfolio.
- Continue to onboard more suppliers and move them up within the scorecard system.
- Work with additional suppliers to complete 3rd party certification processes.
- Expand this program and work toward our four sustainability goals.
- Begin engaging a few pilot customers in designing a premium pricing model, an incentive that could be passed on to growers for practice adoption.

Climate-smart agriculture pilot program:

- Plans have been finalized to initiate a pilot project that will support growers in adopting climate smart agricultural practices that improve soil health, increase drought resistance of crops, and reduce soil erosion. This program will include support for growers to offer climate-smart products, along with Regenerative Agriculture Practice certification services for customers who have voluntary sustainability commitments. The project will start with a baselining effort with a few growers in the Kansas area. We will help these growers access climate-smart practices, capture the data, and deliver it back to customers.
- Co-innovate along with our technology and education partners to capture data around climate-smart practices and distribute information about these practices.
- Develop and deploy easy-to-use systems and metrics score cards, while digitally sharing climate smart practice trends on ingredients.
- Focus on moving forward to build partnerships with NGOs that were identified as those most relevant.



COMMUNITIES



Engaging in Our Communities

Making a positive impact in each of the communities in which our employees, customers, and business partners live and work is a priority for Scoular, while being a core foundation of our modern day approach to our business. We aspire to work closely with the local experts in the communities we inhabit to explore opportunities where Scoular can help improve quality of life for all. We know that through community action, we can build bridges, enhance relationships, and learn from one another. We seek to give back to these communities by leveraging resources from The Scoular Foundation, while also dedicating the time and resources of our committed and passionate Scoular employees. By continuing to listen and learn about what our communities need, we endeavor to tie together the pillars of our sustainability efforts to increase our positive impact.

Our Commitments

GIVING %



Invest 2% of annual profits (before taxes) in high impact community investment areas, with focus on rural communities and cultivating soil health

IN PROGRESS
On Track - 2025

VOLUNTEER HOURS



Complete a milestone number of annual company volunteer hours

IN PROGRESS
On Track - 2025

PARTNERSHIPS



Develop strategic partnerships with local organizations, customers, and third parties

IN PROGRESS
On Track - 2025



Seward, Nebraska: Back-to-School Supply Drive

FEATURED HIGHLIGHTS

Our 2% Goal: We invested 2% of the company's profit before taxes in the Scoular Foundation for distribution to non-profit partners, with a focus on deploying funds to organizations where our employees, company, and/or business partners have a close connection and/or role of advocacy.

Giving Principle Refinement: We continued to refine the Scoular Foundation's giving principles to focus on areas of employee passions, food insecurity, rural communities, and mental health of our employees and community partners around the world.

Solidifying Giving Principles: We operationalized the use of the Scoular Foundation guiding principles, with an emerging focus on our sustainability pillars and building consistent, strategic, and year-over-year community partnerships around the world.

Rural Community Focus: We established a rural giving community to foster expansion of rural giving and connectivity to the Scoular Foundation Board of Trustees as an expansion for giving strategies making donations in many of our rural communities, many of which were paired with employee volunteer efforts and opportunities.

Impact Council: We launched an Impact Council whose aim is to tie giving and community engagement with other impact pillars.

Paid Volunteer Time: We developed a policy and opportunity for every employee to have eight hours of paid volunteer time per year.

More & Better Volunteer Opportunities: We continued the expansion of volunteer activities with imaginative community parties, and company-wide giving events at our locations around the world.

Nonprofit Board Training: We developed a board member development program to enable foundational learning for Scoular leaders to

make them better non-profit board leaders or to make those who wish to serve "board ready", and grew numbers of Scoular leaders serving in non-profit board leadership roles.

Expanding Engagement: We implemented new and imaginative communication strategies to broaden engagement. We continue year-over-year partnerships and actively seek to strengthen impact by involving more customers, suppliers, and partners in community events, including through individual employee storytelling about their community passion on our employee intranet site.

SWIC Community Giving Strategy: We launched a community giving strategy as part of Scoular Women Influencing Culture Employee Resource Group, developing partnerships with organizations like the Women's Center for Advancement and Minorities in Agriculture, Natural Resources, and Related Sciences.

Partnerships: We pursued new and fostered current partnerships throughout the course of FY22. Highlights include:

- Developed formal partnerships with leading climate tech companies and non-profits
- Developed a drive through pro bono legal clinic with the Women's Fund of Omaha, partially staffed by the company's in house lawyers
- Strengthened our ties with key food bank partners as we looked to scale significant donations to headquarter and rural communities alike
- Partnering with local non-profits to provide food pick up at local farmer's market, paired with the ability to purchase products at the market, supporting local farmers
- Co-sponsored a tent at Omaha's Maha Music Festival with Farm Credit Services of America
- Sponsored Ralston, Nebraska's High School's greenhouse project



Scoular invests in the places that matter most

Based on our 130 year track record of success and commitment to the communities where our company has impact, Scoular has continued to grow and develop its institutional end employee passion for giving in its many forms. We know that stronger communities make stronger business environments, while also creating safe, stable, and diverse communities where our employees can thrive. As we have brought our many internal leaders together to drive powerful strategy with our Impact Council, we have seen a multiplier effect in how and where we bring our resources to bear.

Scoular invests in the places that matter most. Deep community engagement, and giving back in transformative ways to the communities where our employees live and work, have been part of Scoular's fabric for the entirety of its 130-year history, and a legacy we continue to build on with our sustainability program. One of the ways we give back is through our collaboration with InCOMMON, a longtime community partner for Scoular and the Scoular Foundation, with their mission to alleviate poverty at a root level by uniting and strengthening vulnerable neighborhoods consistent with so many of our foundation's giving principles. In 2021, Scoular employees made an impact by volunteering as part of the United Way of the Midlands Day of Action, cleaning up the community garden at inCOMMON Community Development, as well as partnering on holiday giving events and investments from the Scoular Foundation.

“ Our company's and our employees' investments through acts of service and the work of the Scoular Foundation bring our values of compassion and stewardship to life each and every day at Scoular. It has been exciting to watch Scoular's deep history of community engagement continue forward in new generations at Scoular, and expand around the world. ”



Megan Belcher
Chief Legal &
External Affairs Officer



LOOKING FORWARD

- We are in the early stages of formation of an effort with two Omaha based health organizations, and plan to contribute \$500,000 over two years to hire three mental health care providers who will serve community members and Scoular employees.
- A cloud based employee volunteer hour tracker will be implemented across the company to track and drive insights about how employees are using their volunteer time, and how we can maximize impact.
- Growth of the company's board person development program to expand to the Director and Manager levels at our company.
- Implementation of a community engagement strategy at our Sustainability Lab in Adrian, Missouri, focused on supporting various local and state community partners.
- Expansion of 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.

PEOPLE
Promoting Diversity
and Inclusion (D&I)

Creating and fostering an inclusive culture for all employees is a key concept of our approach and supports our strategy to continue to evolve our culture. We believe that by focusing on an inclusive culture through building leadership skills and offering impactful learning opportunities, we create the environment that all feel welcome and set up to thrive. 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 our core value of Inclusion and continue to move the needle in a focused and practical way.



Our Commitments

TRANSPARENCY



Implement method for transparency on D&I progress

IN PROGRESS
On Track - 2025

RECRUITING



Develop recruitment pipeline and retention program for Black, Indigenous, and People of Color as well as ethnic minority individuals

IN PROGRESS
On Track - 2025

GENDER PARITY



Reach milestone goals for gender parity

IN PROGRESS
On Track - 2025

EXECUTIVE COACHING



Create annual executive leadership coaching program with affiliated KPIs

IN PROGRESS
On Track - 2025

ANNUAL PAY REVIEW



Implement a system for and completion of annual pay parity reviews

IN PROGRESS
On Track - 2025



JEROME, IDAHO



OMAHA, NEBRASKA



FEATURED HIGHLIGHTS

Tracking progress: We continued to invest in the creation of a system to evaluate and share organizational D&I progress, including the creation of a scorecard to capture key performance indicators. Our D&I Council is also working to establish metrics to share progress and challenges.

Demographic Data: New hires are now able to voluntarily answer expanded demographic questions, which will allow us to better understand the demographics of our workforce and set - and achieve - diversity goals in the future.

Partnerships: We pursued partnerships with key third parties including Minorities in Agriculture Natural Resources and Related Sciences (MANNRS) which promotes academic and professional advancement for minorities in the agriculture sector, and Together We Grow, a consortium of some of the world's largest agribusiness interests focused on building a skilled, diverse and inclusive agricultural workforce.

Comp & Benefits: We completed a compensation and benefits review to gather inclusivity strategies (in areas of benefit offerings and communications) to ensure our benefit offerings are meaningful and inclusive. We also introduced a paid mental health day and added Juneteenth as a paid holiday.

Employee Resource Groups: We launched an Employee Resource Group (ERG) focused on Ethnicities and People of Color (SEPOC), joining two existing ERGs, Scoular Women Influencing Culture and Scoular Proud Ally Network. Our Asia D&I Committee was also initiated in FY22.

Recruitment: We expanded our college recruiting efforts, being thoughtful about where and how we recruit. Both our professional development and Intern programs received a refresh and refocus, while continuing to strategize about how to recruit and attract a more diverse set of students.

Focus on Language: The language we use is important, and as such, we focused on removing symbols of exclusion from language.

Scoular Women Influencing Culture (SWIC): Our SWIC ERG was busy in FY22 with a retreat, networking sessions, hosting a financial learning series, General Manager sessions, and Chief Human Resources Officer "CHRO" listening sessions.

Leadership Education: Several activities were held to increase understanding of and engagement in our D&I strategy, including:

1. Senior Leadership Team psychological safety sessions
2. Launched 2nd DEI advocate cohort with significant facility leader focus
3. Spring speaker series
4. LGBTQ+ and Allyship education event, including a "fostering inclusive LGBTQ+ workplaces and communities" panel discussion
5. Transformational Leadership Series focused on "living our values"
6. Blue Ocean Brain content, a professional development mechanism powering employee growth and company culture
7. Introduction to Equity sessions
8. Juneteenth education event



Creating a place where we all thrive

The strategic work of continuing to evolve our culture was a priority for Scoular this year, and included an expanded set of passionate employees taking part in this work. Scoular Women Influencing Culture (SWIC), Scoular's first employee resource group, continued to provide meaningful content and opportunities to connect, support, and empower the women of Scoular. Additionally, our second and third employee resource groups, Scoular Proud Ally Network (SPAN) and Scoular Ethnicities and People of Color (SEPOC) launched, providing a source of support, engagement and culture building for Scoular employees.

“ 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



LOOKING FORWARD

- Finalization of the key performance indicators, their associated baselines, and communication to our employees, shareholders, and key partners.
- In addition to our continued efforts to expand diverse slates of candidates and continue to build our pipeline, we intend to set a meaningful BIPOC and ethnic minority representation goal for FY23.
- We selected a DEI analytics vendor to provide support for the first annual pay parity review for Scoular. We are on track to complete this review by 2025.
- In FY23, we will be deploying unconscious bias training, further deployment of the transformational leadership series on living our values, psychological safety work, continued Scoular Talks, and tailored programming from our three ERGs.





PEOPLE
**Upholding Workplace
Health and Safety**

Our people are at the heart of everything we do at Scoular, which is why we believe in maintaining a safe and healthy work environment. We are committed to upholding a culture of safety by involving all levels of our organization in education and training programs, and we believe that goals and objectives concerning safety should be ingrained throughout the company. A proactive approach to safety that values our people and encourages progressive improvement will always be a top priority at Scoular.

Our Commitments



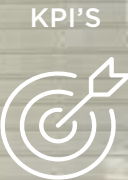
Reduce our percentage of Days Away Restricted or Transferred (DART) injuries

IN PROGRESS
On Track - 2025



Increase our safety engagement at the below manager level

IN PROGRESS
On Track - 2025



Reach milestone improvements on key performance indicators, established by a company cross-functional committee.

IN PROGRESS
On Track - 2025



GRAINTON, NEBRASKA



FEATURED HIGHLIGHTS

Milestone improvements: We have seen a steady improvement in key performance indicators. Total Recordable Cases (TRC)/DART rates have declined, with TRC at 1.66% in August 2022 vs. an industry rate of 3.1%. Our DART rate has largely remained under the 1.7 target line, with the majority of months at 0. Training performance has also improved, and Near Miss/Hazard ID and Observations submissions continue to surpass historical levels.

Safety Management System: We launched the Intelex system, which has improved reporting practices, resulting in all injuries of any magnitude being reported. Intelex has also helped us proactively identify and eliminate hazards to avoid additional injuries, with hazard reporting rates doubled over this time last year.

Observation strategy: We initiated an Observation strategy that requires Manager and Peer-to-Peer observations be conducted on work task activity, engaging everyone from leadership to frontline staff in monitoring and reporting.

1. Since the beginning of the new FY23 have seen 169 **observations** occur throughout the organization, which were non-existent in the previous fiscal year. Hazard IDs: 444
2. **Cross-functional observations:** The Grain Division recently began completing cross-functional observations, wherein Managers/Supervisors assist with workplace inspections in business units other than their own. Having different sets of eyes and experience completing inspections helps address any form of complacency that might otherwise exist.
3. **Observation goals:** We implemented shared Health and Safety goals for all Scouler Officers, General Managers and Directors related to Observations.
4. **Psychological safety:** To support the mental health of our employees, critical program training included coverage of employees' right to refuse dangerous work and their obligations therein. Anti-retaliation policy was written to align with new OSHA legislation, to ensure psychological safety of our employees as they report incidents or other concerns.
5. **Culture of safety:** A peer group was created that pairs Officers, General Managers, and Directors with Safety Team members to build a pervasive safety culture and drive positive performance, with periodic communication across the group.
6. **Education and training:** We developed focused education and training that empowers employees and ensures accountability across locations. Six critical program training modules were created, which are being utilized and delivered by Environmental Health & Safety best practices at the facility level.

Proactive reporting: Our proactive reporting approach, with the help of the Intelex system, helped us reach these milestones and continue to reduce injury rates.

Corporate Safety Committee: We developed a cross-functional committee composed of employee representatives throughout the organization, which has been actively functioning and self-sufficient for nine months.

Facility goals: Goals and objectives were created for each facility, measured on a monthly basis, for each key performance indicator.



Accountability leading to safety

In FY22 we shifted our approach to a more proactive model and worked to improve accountability throughout the company, which led to a steady decline in injury rates and improvement across key performance indicators. Our new Safety Management System encouraged proactive reporting and allowed us to quickly identify and implement improvement opportunities. Throughout the year we implemented robust Health and Safety goals in conjunction with critical program training at all levels. Our new observation strategy built on existing protocols to better encourage collaboration and empower employees.

“ We cannot be a thriving business without being a safe one. Rather than safety being a small facet of life here at Scoular, safe production is becoming a state of mind. Keeping the health and safety of our workers at the top of mind is inherent in our operations. ”

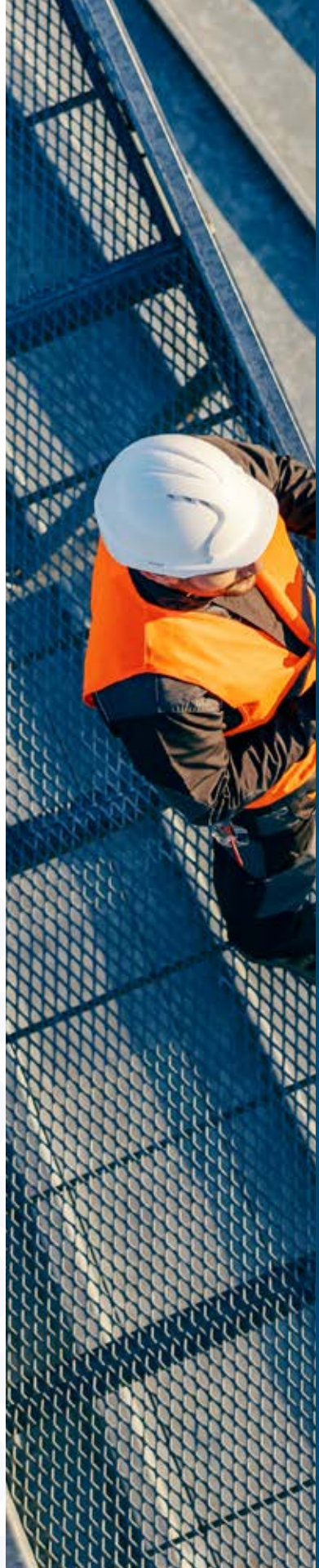


Noland Morris
Director, Environment,
Health and Safety



LOOKING FORWARD

- Intelix implementation was divided into three phases, with the first two phases completed in FY22. Phase three will be completed in November 2022.
- Objectives will be established for regional managers to conduct safety assessments through an auditing process.
- Environment Health & Safety self-assessments will be developed and distributed for measuring progress.
- Key safety performance objectives will be incorporated into annual performance reviews for all levels of management and frontline employees.





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

