Framework

This disclosure has been prepared in alignment with TCFD guidance. The following recommendations have not been included:

Governance

Board Engagement

Climate risk falls under Scoular's enterprise risk management (ERM) program. The audit committee is informed about climate risk annually during ERM review. The full board reviews Scoular's sustainability report annually before publishing, which includes climate metrics, targets, and customer interaction on sustainability topics.

Role of Management

Climate-related responsibilities are assigned to the Director of Sustainability, with oversight from the Scoular senior leadership team (SLT). The Director of Sustainability leads the enterprise sustainability team, which focuses both on internal sustainability initiatives and opportunities for collaboration with external partners.

The Director of Sustainability reports to the audit committee on climate-related issues on an annual basis to inform business decisions.

The SLT approves sustainability strategy on an annual basis. Formal commitment refreshes are conducted with external advising every five years, or as needed.

Strategy and Risk Management

Climate risk is addressed both through our formal ERM program and through the work of the sustainability team. The sustainability team develops programs to help reduce Scoular's greenhouse gas emissions and work with suppliers to increase resiliency via adoption of regenerative agriculture practices. Collaboration across the enterprise is key to the success of these programs and has resulted in projects such as:

- Installation of energy-saving variable frequency drive fan motors at bunker pits in Adrian, MO, reducing their energy consumption by approximately 50% and reducing site greenhouse gas emissions by 33%.
- Regenerative agriculture programs totaling over 40,000 acres for the 2025 crop year
- Development of a robust internal emissions tracking program

These projects not only help reduce our climate impact, but also keep Scoular on the leading end of sustainability solutions providers in agriculture.

Risk identification process

In addition to the enterprise risk management process, climate risks are separately approved by Scoular's board of directors. These risks are identified by the Scoular sustainability team with support from business leaders and reviewed by Scoular's senior leadership team. Risks identified and their respective mitigation plans are then presented to the audit committee on a biennial basis.

Potential Financial Impact

Risks

Time horizons:

Short: 1-5yrs

Medium: 5-10 yrs

Long: >10 yrs

Transition Risks

Risk	Description	Time Horizon	Likelihood	Potential Impact	Mitigation strategy

Policy	Increased regulation on greenhouse gas emissions	Medium (5-10 yrs)	Medium	Increased compliance and energy costs	Voluntary greenhouse gas reduction commitment; regenerative agriculture projects
Market	Changes in demand for commodities and products due to economic effects of climate change	Medium (5-10 yrs)	Medium	Reduced product demand	Diversify product portfolio to minimize risk
Reputation	Pressure from consumers and buyers to reduce emissions and market lower carbon commodities	Ongoing	High	Loss of business volume	Farmer and supply chain engagement in emissions reduction projects

Physical Risks

Risk	Description	Time Horizon	Likelihood	Potential Impact	Mitigation strategy
Acute	Increased frequency of severe weather events	Ongoing	High	Crop failures; loss of assets; difficulty in transporting goods	Diversify location of facilities and origination
Chronic	Changing weather patterns	Medium (5-10 yrs)	High	Changes in sourcing regions for commodities; cost of goods increase; asset irrelevance	Diversify location of facilities and origination strategies; cultivate supplier relationships across the globe

Opportunities

- Realizing cost savings via efficiency upgrades to reduce GHG emissions
- Leveraging assets and grower base to participate in developing biofuels markets
- Supply chain engagement to reduce emissions in grain supply

- Producer direct origination allows for less complicated implementation of regenerative agriculture programs

Scenario analysis

Scoular has not yet conducted a climate scenario analysis. The need for scenario analysis will be evaluated as a part of the climate risk assessment process.

Metrics and Targets

Scoular has set a goal to reduce absolute greenhouse gas emissions by 10% by 2030 from a 2025 baseline. Greenhouse gas emissions are calculated using the Greenhouse Gas Protocol and are published annually in Scoular's sustainability report.

For more information and FY2025 emissions data, see page 21 of Scoular's FY2025 sustainability report.