



2024 SUSTAINABILITY REPORT

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ABOUT THIS REPORT

In the nearly 100-year history of our cooperative much has changed. The heritage cooperatives represented by the Keystone logo are still serving farmers today because they evolved to meet the opportunities that change brought forward. This spirit of change and evolution lives on and is embodied in Keystone's 2024 Sustainability Report. Today's agriculture and energy industries are prioritizing sustainability to meet growing consumer demand and to capture billions of dollars in federal incentives. As industry shifts to these new opportunities, Keystone leads the way, allowing our farmer-owners to capitalize on this new demand for sustainable products. This report outlines our strategy to ensure our farmer-owners are capitalizing on their efforts to adopt solutions to create continued climate resiliency in their operations.

Additionally, this report highlights the ways in which we are prioritizing our employees and rural communities. The younger generation entering the workforce today is increasingly interested in knowing how their potential employer values things like work-life balance, inclusivity, community involvement, and ethical governance. We are proud to showcase our efforts in these areas in this report.

A MESSAGE FROM OUR PRESIDENT & CEO

At Keystone, sustainability is a cornerstone of our efforts, integrated across all four of our divisions and the departments that support our field teams and local communities. We take pride in working alongside farmer-owners who share our commitment to producing high-performing grain while carefully managing the products and practices used to achieve those yields.

With nearly 100 years of history, Keystone farmers have consistently demonstrated stewardship of their land while increasing productivity on every acre. We carry that same passion for environmental stewardship into our broader business practices, constantly seeking opportunities to reduce our impact on the land, air, and water.

The Keystone team, board of directors, and farmer-owners are steadfast in their commitment to preserving the land that sustains our livelihood. Protecting our natural resources for current and future generations is a responsibility we take to heart. We are proud to present our 2024 Sustainability Report, highlighting our continued dedication to this vital mission.



Kevin A. Still | President & CEO



OUR BUSINESS

For 100 years Keystone Cooperative has been farmer-owned and centered on the longevity and success of the family farm. We're headquartered in Indianapolis and Keystone's impact on the rural communities we serve is far reaching. Throughout Indiana, Ohio, Michigan, and Illinois we deliver innovative solutions in agronomy, propane, fuels, grain, seed, swine production, and feed, offering a diverse portfolio of products and services. More than 2,000 Keystone employees work daily to ensure it is our service that sets us apart and provides you with an excellent Keystone experience.

MISSION

LEAD with people and innovation
SERVE customers and local communities
GROW profitably with intent
EMBRACE our cooperative advantage

VISION

To be the standard of excellence, dedicated to enriching the lives of our customers, employees, and communities through commitment and exceptional service.

THE KEYSTONE COMMITMENT

- Live and operate in a culture of safety
- Act with integrity
- Empower our team to have local impact
- Exceed expectations through innovation, support, and stewardship
- Promote a collaborative team atmosphere



ENVIRONMENTAL SUSTAINABILITY

ENERGY

100% OF REFINED FUELS

BLENDED WITH RENEWABLE
FUELS

(9.6% ETHANOL BLENDED IN GAS &
0.9% BIODIESEL BLENDED IN DIESEL)

496 SCHOOL BUSES

CONVERTED TO PROPANE
AUTOGAS

HIGHLIGHTS

40% PROPANE TANKS

CURRENTLY UTILIZING DIGITAL
MONITORS TO ENABLE
IMPROVED DISPATCHING &
ROUTING

(WITH AN ADDITIONAL 25% OF TANKS
TO HAVE MONITORS ADDED IN FY25)

4,864 SHORT TONS

GHGS (CO₂-EQUIVALENT)
PREVENTED FROM ENTERING
ATMOSPHERE ANNUALLY AS
A RESULT OF TRANSITIONING
496 SCHOOL BUSES TO
PROPANE ACCORDING TO
THE GREET FLEET FOOTPRINT
CALCULATOR

240,000 LESS MILES

DRIVEN IN FY24 BY PROPANE
DELIVERY DRIVERS BECAUSE
OF IMPROVED ROUTING FROM
DIGITAL TANK MONITORS

\$18,600

RAISED TO SUPPORT LOCAL
MILITARY FAMILIES THROUGH
COUNTRY MARK'S FUELING
FREEDOM CAMPAIGN



ENERGY DIVISION AT A GLANCE

Our Energy Division is made up of 425 employees in Indiana, Ohio, and Michigan and includes refined fuels and propane. We operate 32 propane stations, 47 refined fuel stations and 32 convenience stores. In FY 2024 our energy division sold 226 million gallons of refined fuels, 740,000 gallons of lube oil, 1.56 million gallons of diesel exhaust fluid, and 75 million gallons of propane.

IMPROVING AIR QUALITY AND REDUCING TRANSPORTATION EMISSIONS FOR LOCAL SCHOOL SYSTEMS WITH OUR ENERGY DIVISION

Propane is a key component of our Energy Division at Keystone. Mike Hayden, Assistant Vice President of Propane, leads the division and champions our sustainability efforts. Customers utilize our propane services for home heat, grain drying, and as transportation fuel. Propane is increasingly being recognized as a readily available clean energy solution that can play a significant role in a low-carbon future. Propane generates 43% fewer greenhouse gas emissions than using an equivalent amount of electricity generated from the grid. Propane used as a transportation fuel in school buses can yield both positive environmental outcomes and cost-savings. A study from West Virginia University in 2018 found that school buses using propane on stop-and-go routes reduced emissions of nitrous oxides, a highly potent greenhouse gas that negatively impacts human health, by 96% compared to buses using diesel. The same study found that propane buses emitted 13% less carbon dioxide than diesel buses. In addition to improving air quality, buses run on propane are around 50% quieter than diesel buses when operating. Furthermore, propane buses don't require additives to prevent gelling in winter months and warm up significantly faster inside the bus. A case-study from the U.S.

Department of Energy in 2014 found the average cost per mile for propane buses was \$0.18 less than diesel buses, with some of the schools in the study saving nearly 50% on a cost per mile basis for fuel and maintenance relative to diesel.

School systems in Indiana are increasingly utilizing Keystone's expertise in transitioning buses to propane to capitalize on the benefits mentioned above. We currently work with 11 school systems throughout Indiana who collectively operate 496 propane buses. As more Hoosier schools look to reduce transportation costs and improve air quality in their communities, our cooperative will be here to serve their propane needs.

IMPROVING ROUTE EFFICIENCIES WITH DIGITAL PROPANE TANK MONITORS

Keystone's Energy Division utilizes digital tank monitors on ~40% of the tanks we service. This enables more efficient dispatch and routing for our delivery drivers whose role it is to fill these tanks. These improvements have led to a 15% reduction in miles driven, which amounts to roughly 240,000 miles per year. By the end of FY25 Keystone will have installed digital tank monitors on an additional 25% of tanks and this will further drive reduction in miles traveled by drivers.



HIGHLIGHTS

549,552 ACRES

SOIL SAMPLED

200,000 ACRES

ENROLLED IN
ECOSYSTEM SERVICE
MARKET PROGRAMS IN
FY24

55 EVENTS

HOSTED TO EDUCATE
GROWERS ON
OPPORTUNITIES
TO MONETIZE
CONSERVATION
EFFORTS

666,000 ACRES

REGENERATIVELY
FARMED CURRENTLY
MAPPED IN
SUSTAINABILITY
PLATFORM

~2 MILLION ACRES

OF VARIABLE RATE
FERTILIZER SCRIPTS
GENERATED

18,000 TONS

OF CO₂ REMOVED FROM
KEYSTONE MEMBERS
ENROLLED IN
CARBON PROGRAMS

5,110,576 LBS

OF COVER CROP SEED
SOLD IN FY24

2,400 ACRES

EXPERIMENTING
WITH NOVEL WINTER
OILSEED TO DIVERSIFY
FARM INCOME
THROUGH KEYSTONE'S
PARTNERSHIP WITH
COVER CRESS



KEYSTONE'S AGRONOMY DIVISION AT A GLANCE

Keystone operates 80 agronomy retail locations, 10 fertilizer hubs, 18 chemical load out buildings and 13 seed hubs in Indiana, Ohio, and Michigan. Our locations provide inputs such as crop nutrition, crop protection, and seed as well as a variety of other products and services.

SUPPORTING THE TRANSITION TO REGENERATIVE AGRICULTURE

American agriculture is uniquely positioned to solve some of the 21st century's biggest challenges. Our farmers are being called on to combat food insecurity by continuing to produce more food on a shrinking amount of farmland, to eliminate America's dependency on foreign oil by growing low-carbon feedstocks for renewable fuels, and to mitigate climate change by adopting and maintaining practices that transfer CO2 from the atmosphere and convert it to soil organic matter. We believe that our cooperative has a vital role to play in these endeavors by ensuring our farmer-members receive their fair share of the billions of dollars being deployed to incentivize conservation. The following sections outline the ways in which we are enabling our farmer-members to capitalize on current and future opportunities to monetize conservation practices.

CONNECTING GROWERS TO ECOSYSTEM SERVICE MARKET OPPORTUNITIES

Many factors have resulted in more than 91% of the global GDP making future commitments to achieve net-zero greenhouse gas emissions. Because certain agricultural management practices can remove these greenhouse gases from the atmosphere, billions of private and public dollars have been injected into programs that pay farmers

to reduce the carbon footprint of their operation. Keystone is working with a variety of partners to provide programs that offer payments to growers who use conservation practices, and not just those who recently adopted the practices.

CONNECTING GROWERS TO NEW MARKETS FOR LOW-CARBON OILSEEDS

Keystone has partnered with Cover Cress to provide our farmer-members with the opportunity to try out a new cash crop. Cover Cress is a novel winter oilseed derived from native field pennycress. This oilseed crop is planted in the Fall and harvested in late May, allowing a double crop opportunity with a shorter growing season than wheat. The oil from Cover Cress has an ultra-low carbon intensity, which makes it a premium feedstock for biofuels like renewable diesel and sustainable aviation fuel. It also provides many soil benefits similar to overwintering cover crops but can be harvested for an additional revenue stream.



HOW WE ARE BRINGING GROWERS OPPORTUNITIES TO MONETIZE CONSERVATION

- Partnering with Truterra to offer our growers a diverse suite of programs that pay them for their on-farm conservation efforts
- Utilizing our various digital tools to provide comprehensive data management and enrollment services for these programs at no charge to the grower
- Exploring partnerships with CPG companies to offer additional programs for our farmer-members
- Hosting meetings to educate growers on ecosystem service markets, emerging opportunities to capture premiums for climate-smart and low-carbon grain, and federal policy that could impact the agriculture industry.

ENABLING NUTRIENT STEWARDSHIP WITH PRECISION TECHNOLOGY & AGRONOMIC INSIGHTS

Our Keystone agronomy team is dedicated to helping our customers utilize the products we sell them in the most efficient way possible. Our Elite AGx platform works with our customers and agronomy team to convert production and agronomic data into actionable insights aimed at boosting grower profitability and environmental stewardship. We utilize precision soil sampling to enable prescriptive applications of fertilizer and other inputs in order to improve nutrient-use efficiency and prevent runoff. This team is also trialing a variety of new technology, such as autonomous sprayers, to better understand how we can continue to drive efficiencies for our farmer-members.

As biological inputs continue to flood the market, we are working with our customers to trial and validate a variety of

biological products with diverse functionality. These on-farm trials will provide much-needed insight into the efficacy of these products and aid our agronomy team in understanding how to maximize the value of these inputs for our farmers. low-carbon grain, and federal policy that could impact the agriculture industry.



HIGHLIGHTS

16,590,212 BU CORN + 3,218,019 BU BEANS

LOADED ON RAIL OPPOSED
TO TRUCKS

1,563,397 BUSHELS

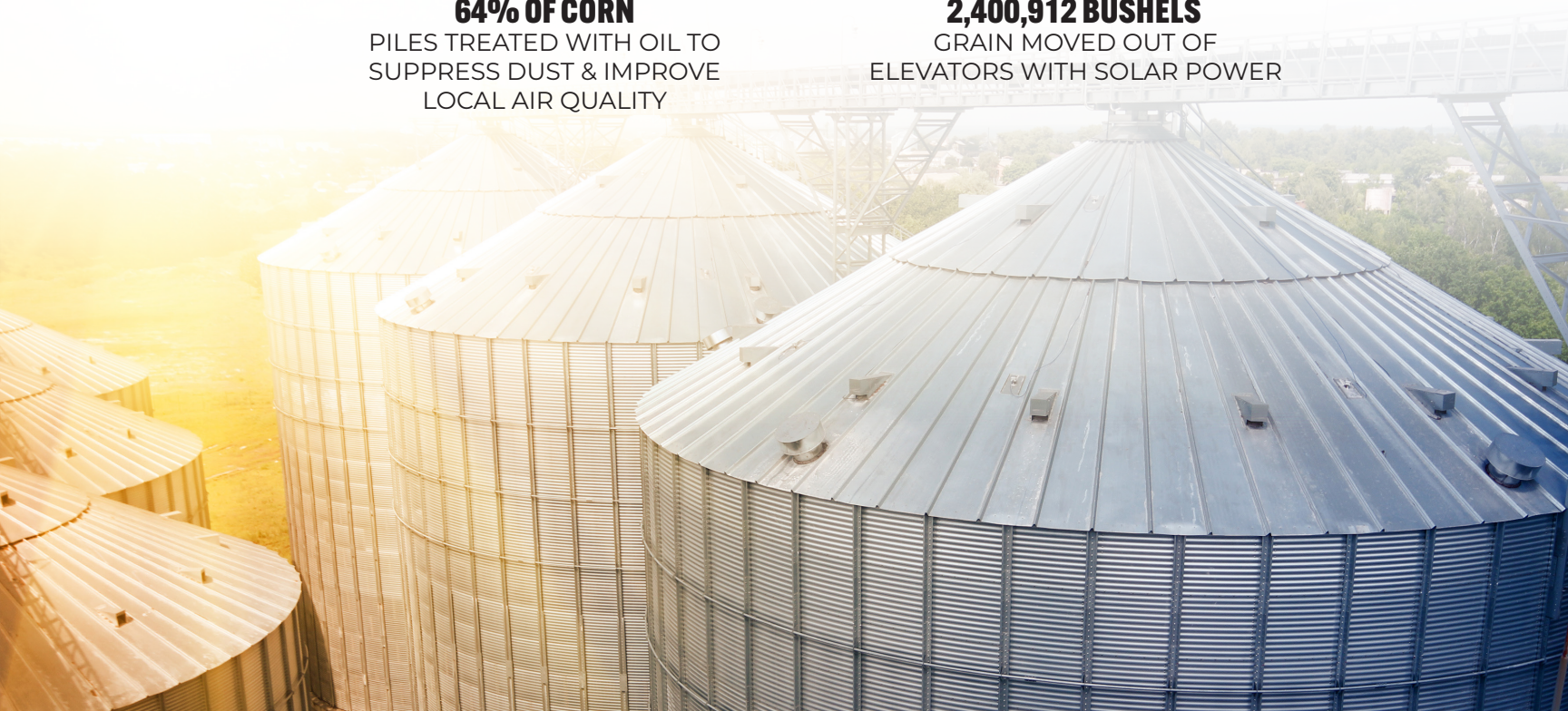
OF GRAIN SENT TO BIOFUEL
PRODUCERS AS FEEDSTOCK
FOR RENEWABLE FUELS

64% OF CORN

PILES TREATED WITH OIL TO
SUPPRESS DUST & IMPROVE
LOCAL AIR QUALITY

2,400,912 BUSHELS

GRAIN MOVED OUT OF
ELEVATORS WITH SOLAR POWER



GRAIN DIVISION AT A GLANCE

Our grain division at Keystone consists of 38 employees that operate 13 grain elevators throughout our territories in Indiana and Ohio. These locations have 20.9 million bushels of upright storage capacity and 8.1 million bushels of temporary storage capacity. Our grain is marketed to a variety of end-users in various segments of the ag industry.

Our grain locations strive to improve local air quality by utilizing a variety of dust suppression methods on grain piles. Additionally, 5 of these locations have access to rail, which enables us to move bushels more efficiently to their next destination in the supply chain. Moving grain on rail also reduces the transportation related scope 3 emissions connected to the life-cycle analysis of the product that will eventually be produced with the grain. As markets continue to emerge for low-carbon grain, our Grain Division will explore opportunities to generate premiums and create value for connecting environmental attributes like carbon intensity to bushels of grain.



SWINE & ANIMAL NUTRITION

HIGHLIGHTS

270 FAMILY FARMS

WORK WITH OUR SWAN
DIVISION TO DIVERSIFY FARM
INCOME

188 DIGITAL

FEED MONITOR UNITS
INSTALLED AT HOG BARN TO
IMPROVE LOGISTICS + TIMING
OF FEED DELIVERY

4 PROP12

COMPLIANT BARN AT 6,000
HEAD SOW FARM

100,000,000 GALLONS

OF MANURE UTILIZED BY OUR
HOG GROWERS AS FERTILIZER

\$32,000 DONATED

BY SWAN DIVISION TO
INDIANA PORK'S MILLION
MEALS CAMPAIGN



Given projections of increases in the global population to 9.7 billion people by 2050 it has never been more critical to ensure that the production of nutrient-dense meat is sustainably achieved. Pork has a major role to play in satisfying consumer demand for environmentally friendly protein and our Swine and Animal Nutrition Division (SWAN) is committed to satisfying this demand.

SWAN AT A GLANCE

Keystone's SWAN division is made up of 185 employees throughout Indiana, Ohio, and Michigan. Our vertically integrated SWAN division consists of two complementary components: farrow-to-finish contract swine production and animal nutrition/feed production. We currently work with 270 family farms. Our pig supply comes from a mix of internally owned sow farms and supply agreements with production partners. Our hogs are marketed to a variety of end-users. Today we operate six feed mills, with three of those being retail based in Michigan. Our three Indiana mills are vertically integrated with swine production.

KEEPING THE FAMILY ON THE FARM

A foundational component of our swine management contract is the opportunity it provides for our farmer-members to diversify their operations in a way that affords the next generation the ability to remain on the farm. With the guarantee of a sustained source of income, this next generation can secure financing to create their own path on the family farm. Our swine management contract is structured to eliminate the inherent financial risks that often come with expanding farm operations. To further simplify the process for our hog farmers, we utilize our feed mills to develop custom formulations to fit the nutritional requirements of pigs throughout their varying stages of

growth. This vertical integration enables us to shield our hog farmers from volatility in the feed market so they can focus on the well-being of the animals. The geographic locations of our feed mills, centralized around our major production areas, serve to drive efficiencies in production by reducing the distance our feed must travel to reach contract growers and feed markets.

While we know it's critical to continue lowering the carbon intensity and environmental footprint of swine production, it's also important to note the swine industry's historic improvements in these areas. A 2015 report by The Pork Checkoff and University of Arkansas quantified improvements in environmental outcomes of pork production from 1960 to 2015. The report found that pig farmers in 2015 were using 75.9% less land, 25.1% less water and 7% less energy compared to 1960. Keystone's SWAN team looks forward to continuing to find ways to improve these environmental outcomes while producing a sustainable, affordable, and nutritious source of protein for global consumers.





SOCIAL RESPONSIBILITY

HIGHLIGHTS

\$68 MILLION

IN PATRONAGE RETURNED TO
FARMER MEMBERS

\$40,000

DONATED TO INDIANA FFA

\$400,000

DONATED TO 4-H PROGRAMS

\$55,000 SCHOLARSHIPS

GRANTED TO HIGH SCHOOL
SENIORS PURSUING A
DEGREE IN AGRICULTURE

87 TRAINED

FIRE DEPARTMENTS

98 SWINE

SHOWS SPONSORED

21 GRAIN RESCUE TUBES

DONATED TO FIRE
DEPARTMENTS

8 PHYTORMEDIATION

PROJECTS ACROSS INDIANA &
OHIO

7 SEED

DEVELOPMENT
PROFESSIONALS IN 2024



INVESTING IN OUR RURAL COMMUNITIES

PATRONAGE & LOCAL REINVESTMENT

Keystone embraces the cooperative advantage by returning profits to its members and reinvesting in the future. In 2024, members benefitted from patronage payouts, reflecting the strength and success of the co-op system. Additionally, significant reinvestment dollars went directly into enhancing operations, ensuring the cooperative continues to grow and thrive for years to come to support our farmer-owners.

ADVANCING PHYTOREMEDIATION PROJECTS

For 20 years, Keystone has been committed to cleaning up contaminated sites through phytoremediation, using trees to remove pollutants from soil and groundwater. With initiatives active at 8 locations across Indiana and Ohio, this process could reduce contaminants in groundwater by up to 85% within 30 years, ensuring a healthier environment for the communities Keystone serves.



CULTIVATING COMMUNITIES

Keystone's "Cultivating Communities" program emphasizes service and giving back. Employees are encouraged to donate 8 hours to local causes, with Keystone contributing \$100 to the organization in their name. This initiative strengthens the cooperative's ties to its communities and reflects a long-standing tradition of local investment.

INVESTING IN OUR YOUTH

INVOLVEMENT IN FFA & 4-H

Keystone is deeply committed to fostering the next generation of agricultural leaders through robust support of 4-H and FFA at the national, state, and local levels. Each year, we invest over \$400,000 in 4-H programs across Indiana, Michigan and Ohio, funding sponsorships, facility improvements, livestock auctions, and more, including the sponsorship of 98 swine shows in 2024. At the national level, we engage with FFA members during the National FFA Convention, hosting an interactive workshop for 200 students, showcasing career opportunities, and providing hands-on safety education through our grain bin entrapment simulator. At the state level, our \$40,000 annual sponsorship of Indiana FFA, matched by Syngenta, supports leadership events, workshops, and awards like the Living to Serve Chapter Awards. Locally, Keystone employees actively judge contests, host workshops, and share expertise with FFA chapters in their communities.

These efforts reflect our dedication to empowering young leaders, strengthening communities, and ensuring a vibrant future for agriculture.

SCHOLARSHIP PROGRAMS

Annually we award approximately 55 \$1,000 scholarships to high school seniors who are going on to study agriculture in college. These awards are given based on academic performance, extracurricular involvement, and their passion for agriculture. We see a very bright future in today's college-bound seniors who demonstrate exceptional academic or extracurricular leadership ability. The scholarship program

was developed specifically to invest in students who represent the best of our member-families, our communities, and our industry.

SEED DEVELOPMENTAL PROGRAM

Launched in 2024, the SEED Program (Securing Experience + Employee Development) offers graduating FFA members a unique two-year opportunity to explore careers in agriculture. Participants rotate through 5 business areas—Grain, Energy, Agronomy, Swine & Animal Nutrition, and Corporate Operations—gaining real-world experience and discovering their passions.



PRIORITY ON SAFETY

PRIORITIZING SAFETY & TRAINING FIRST RESPONDERS

Safety is at the core of Keystone's operations. A dedicated 14-member safety team oversees training, inspections, and compliance. Keystone has trained 87 fire departments using a grain bin simulator trailer and donated 21 grain engulfment tubes to enhance rescue capabilities. These efforts ensure the safety of employees, customers, and communities while reinforcing Keystone's commitment to being a responsible industry leader.





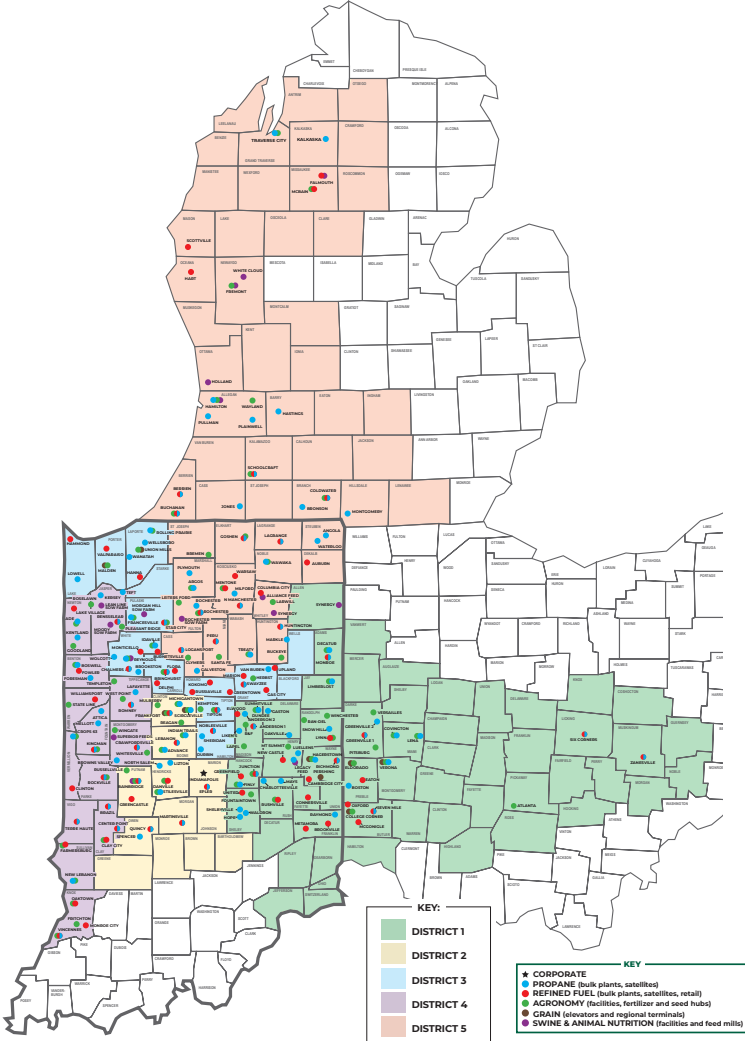
SUSTAINABLE GOVERNANCE

Governance refers to the way a company is managed and governed, including its leadership, internal controls, and decision-making processes. Governance practices encompass a range of issues, including transparency in financial reporting, ensuring ethical behavior, minimizing risk, and, most importantly, maintaining the trust of our employees, member-owners, and rural communities. In the following sections we will discuss some of the ways Keystone prioritizes sustainable governance.

LEADERSHIP SUPPORT

Keystone’s commitment to environmental sustainability and responsible governance starts with our membership governance, which consists of advisory boards and a board of directors. As a farmer-owned cooperative it is critical that our members’ voices are heard, and our board of directors serve this role by representing our 20,000 members throughout the regions in which we operate. Our board of directors guide strategic direction alongside our advisory boards to ensure our cooperative is doing all it can to serve our members and remain financially healthy. Leadership is also supported by four committee charters, which include an executive committee, board governance/bylaws/policy committee, partnership committee, and audit committee. Our board of directors and advisory board members adhere strictly to the Standards of Performance outlined in Keystone’s Board Operating Manual, which also contains the roles and responsibilities of the four aforementioned supporting committee charters. The Board Operating Manual is reviewed and updated annually to ensure all standards remain relevant.

Our board members are farmers who have spent their



lives stewarding the land and responsibly managing the natural resources of their unique agroecosystems. Many are long-time practitioners of conservation agriculture practices who have remained at the cutting edge of the regenerative agriculture movement.

RISK MANAGEMENT

Keystone employs a suite of risk management tools and strategies to protect our business and stakeholders from market volatility and cybersecurity threats. Risk management policies unique to our agronomy, energy, grain, and swine & animal nutrition divisions are outlined in Keystone’s Board Operating Manual. These policies function to mitigate the inherent risks and volatility of energy and agriculture commodity markets and ensure we are capable of offering seed and crop protection products at a competitive price. In addition to financial risk management, Keystone also takes great strides to prevent cybersecurity threats and other forms of fraud. To ensure robust cybersecurity measures, Keystone collaborates with multiple companies, employing various methods and tools to safeguard user data and systems. These initiatives encompass top-tier user security training, endpoint protection, managed incident response and disaster recovery.



www.keystonecoop.com