

Spotlight on Sustainability

June 2023

Issue 1

Welcome to the first issue of *Spotlight on Sustainability*, PHC's newsletter on all things sustainable at PHC. The Sustainability Leadership Team is pleased to share this newsletter providing information on some of the initiatives underway at Plant Health Care spanning the three pillars of Sustainability: the Environment, Social Responsibility, and Governance (ESG). We hope you find it interesting.

In this issue you will find the following updates:

1. The role of sustainability at PHC
2. New board members—profiles
3. Sustainable commercial partnerships
4. Sustainability in packaging
5. Day of Service global summary
6. Impact of sustainability communications
7. New PHC policies
8. Employee satisfaction & engagement

Our goal is to publish this newsletter 2x/year, in June and December.

If you have any questions or suggestions, please contact a member of the Sustainability Leadership Team: Mark Turner, Meagan Osborn, Tucker Walton, Matt Audley, Gustavo Yopez, or use the following email.

Sustainability@planthealthcare.com



Fermentation vessels at PHC's Seattle facility where the processes for producing our products are developed. Rather than discharging the wastewater from the vessels into the municipal wastewater system, excess water is discharged as harmless steam—Sustainability in action! See story on page 5.

THE ROLE OF SUSTAINABILITY AT PHC

We can be proud that the products PHC produces, whether based on Harpin $\alpha\beta$ or PREtec, contribute to sustainable agriculture. By enabling growers to produce more, higher quality food while using less land and relying less on traditional less-safe pesticides, our products help to protect the environment. Since PHC's core reason for existence contributes to agricultural sustainability, it's fair to ask why we need to spend time on other sustainability initiatives that may distract from PHC's core mission. It is important to recognize that PHC is part of a global community and there are always areas where we can improve the efficiency of our operations, reduce our environmental footprint, contribute to the communities we work and live in, and make PHC a company we can be proud to be associated with, all while contributing to sustainable agriculture.

NEW BOARD MEMBERS

Plant Health Care was pleased to welcome two new board members in January of this year, both of whom bring a wealth of experience to the board. PHC will benefit from the new board members' input into the overall direction and strategy of the business. Brief profiles can be found below.



James Ede-Golightly has over twenty years of experience as a professional investor and director of growth companies. His current roles include Executive Chairman of Oxehhealth and Non-Executive Director of Silence Therapeutics Plc. He co-founded Ora Capital Partners in 2006 having been an analyst at Commerzbank AG and Merrill Lynch Investment Managers. James previously served as a Non-Executive Director of Plant Health Care, between June 2013 and November 2016.



Kate Coppinger is an experienced Non-Executive Director with an extensive background in investment banking and transaction execution. Having started her career as a research analyst at CIBC World Markets, she joined Harrison Lovegrove in 2000 and continued in her role, which focused on M&A transactions, within Standard Chartered Bank until 2020 following its acquisition of Harrison Lovegrove in 2007.

SUSTAINABLE COMMERCIAL PARTNERSHIPS

When it comes to sustainability, one of our biggest assets is the environmental benefits our products can offer to growers. Indeed, many of our customers highly value Plant Health Care products which enable them to be seen as providers of sustainable solutions in their marketplace.

A great example of this in action is the work the team in Mexico have been doing with local agronomists Ocalle SA and PepsiCo. The project in Sinaloa, led by PHC Mexico's Rolando Cañedo Urias and Victor Gomez has seen PepsiCo, a globally recognized brand, testing ProAct (our Harpin $\alpha\beta$) for use on potatoes. As a major producer and consumer of potatoes, PepsiCo is working under its Pep+ sustainability initiative to reduce the environmental impact of its global potato operation. Their objective is to identify products like ProAct, which can enable farmers to maintain healthy crops whilst reducing dependence on traditional pesticides and fertilisers.

Ángel Marin and Matt Audley from the EMEAA team were able to join the Mexico team to visit the trial site in January and see first-hand the differences in the ProAct-treated samples. The harvest is now complete, and analysis of potatoes is ongoing. From here we hope a collaboration can develop.



Researchers in Mexico examining ProAct-treated potatoes as part of PepsiCo's Pep+ sustainability initiative.

SUSTAINABILITY IN PACKAGING

Over the last few years, sustainability initiatives within the global supply chain organization have become a key priority for Plant Health Care. Standardization in PHC's commercial packaging reduces the number of different sized materials that are procured and warehoused, which has allowed PHC to reduce packaging waste as products or pack sizes become obsolete. The majority of our packaging components both at the consumer level as well as the intermediate stages of our production process are recyclable. Additionally, the cartons and dividers that PHC uses are made from recycled paper and we are taking additional steps to integrate other packaging materials made from recycled materials into our portfolio.

In Brazil, the business participates in a program supporting the recycling of empty crop protection packaging through InpEV (National Institute for Processing Empty Packages). InpEV is a non-profit organization created by the crop protection industry for the purpose of promoting the correct disposal of various crop protection packaging. The impact that this program has made is substantial, around 94% of primary plastic packages (those in direct contact with the product) and 80% of the total product packages sold annually are disposed of properly. No other country in the world has such broad coverage! According to the most recent eco-efficiency study, the activities of the InpEV program have prevented the emission of 899,000 tons of CO₂ between the years of 2002 and 2021. Without this program, 6.5 million trees would have needed to be planted to offset these emissions.

PHC can be proud of the efforts that we have made to ensure that our packaging is as eco-friendly as possible, and we will continue to challenge each other to do more in this category as our portfolio continues to grow and expand geographically.



GLOBAL DAY OF SERVICE

In December 2022, the Holly Springs team spent the morning at Food Bank of Central and Eastern North Carolina helping to pack single-serving juice packs. Throughout the course of the shift, PHC contributed to the packaging of over 6,100 pounds of juice packs which are distributed amongst 34 counties in North Carolina which have over 500,000 people who are food insecure.



In December 2022, Ángel Marín and María del Mar López visited the Franciscan White Fathers in La Casa de Nazareth in Almería, Spain. The House has more than 40 residents without material means. During their visit, Ángel and Maria helped the residents with daily tasks and enjoyed visiting with them.



In December 2022, the PHC team in Brazil organized a donation drive to collect food and personal hygiene items for the elderly residents of the nursing home "Cantinho da Vovó Sônia". The house is in Piracicaba and receives support from Coplacana, an important distribution partner of PHC. The products donated reduced expenses on food and hygiene items for 5 weeks.



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GLOBAL DAY OF SERVICE

In February 2023, the Seattle team volunteered at the Ballard Food Bank. While on site, the team prepared paper grocery bags, put together cold weather kits consisting of hand & toe warmers, Vitamin C supplements and cough drops, bagged groceries for shoppers at the food bank market and worked in the warehouse to assemble meal kits. Over the course of their shift, the PHC team prepared 450 meal kits for underprivileged children.



The PHC Day of Service was received with great enthusiasm and excitement across the globe and the team is looking forward to it becoming an annual tradition. The Holly Springs team will be volunteering at the Holly Springs Food Cupboard in mid-June and the regional offices are now planning their 2023 volunteer activities.

IMPACT OF SUSTAINABILITY COMMUNICATIONS

One of the fundamental aims of the Sustainability Leadership Team is not only to enable and facilitate sustainability initiatives but also to share the great work of our colleagues across the company. We selected LinkedIn to begin sharing some of these stories as many PHC colleagues use it, it allows us to reach a wider audience across the industry and we can gain some information about the impact each post has.

The results of the first posts have been pleasantly surprising: *(see table at top right)*

We can also see from more detailed metadata that these posts are reaching our customers and industry influencers.

So if you've got a sustainability story you want to share please get in touch.

Post	Impressions*	Engagements
Plant Health Care products underpins biological programme	876	16 Reactions 1 Comment 5 Reposts
Holly Springs office day of service	1009	21 Reactions 1 Comment
PHC Mexico working with PepsiCo on sustainable potato production	1307	37 Reactions 1 Comment 8 Reposts
EMEA team day of service	1513	31 Reactions 2 Comments 1 Repost
EMEA local football league team sponsorship	511	11 Reactions 1 Repost
Global supply chain and operations initiatives	750	17 Reactions 5 Reposts

*An Impression corresponds to a unique view of a post by a LinkedIn member.

NEW PHC POLICIES

Sustainability includes issues of corporate governance because it assesses whether a company is operating ethically, pursuing policies in the best interests of its stakeholders, and not having a harmful impact on the environment. PHC's board has recognized the need to adopt two new policies to strengthen PHC's governance to ensure continued ethical operations: a Whistleblower Policy and an Anti-Slavery and Child Labor Policy.

A Whistleblower policy is intended to encourage the reporting by employees and others of suspected misconduct, illegal acts or failures to act of a company or its employees and representatives. The policy prohibits retaliation or threats against anyone who reports concerns in accordance with the Whistleblower Policy.

The Anti-Slavery and Child Labor Policy formally establishes that modern slavery has no place in PHC's operations or supply chain. As such, it strictly prohibits all employees and other providers of goods and services who do business on behalf of PHC from (i) engaging in any form of forced or compulsory labor, and (ii) requires adherence to the minimum employment age limit defined by local laws and international labor standards.

The board is expected to review and approve the new policies at its next regular meeting.

EMPLOYEE SATISFACTION & ENGAGEMENT

As part of his new role as Global Head of Marketing, Rodrigo de Miranda will be looking into ways to promote internal communication related to best practices of Plant Health Care employees and recognition of superior individual or team performance. One element of career satisfaction is the recognition from coworkers for a job well done. While an employee recognition program would be the responsibility of HR, Rodrigo will be assessing whether there is a place at PHC and in our social media for such a recognition program.

Recognition from one's peers is only one element contributing to long-term career satisfaction. At least as important is having the opportunity to grow in your current role or transition to a new role, assuming greater responsibility and decision-making authority over time. In a small company such as PHC there are not the traditional ladders of career advancement that may exist in larger companies. Professional development is critical to employee satisfaction and retention, which is critical to PHC's long-term success.

An initial step to address this topic was taken in late 2022 when the company began requiring managers to work with their direct reports to develop individualized professional growth plans for each employee. To ensure these growth plans are given the attention they deserve, managers are being reviewed on an annual basis to confirm they are addressing this critical point with their employees.

To allow us to recognize best practices and superior individual or team performance, please share with Rodrigo and the Sustainability Leadership Team your feedback on whether PHC should adopt an employee recognition program as well as your experience with PHC's professional development initiative. Has the discussion with your manager regarding your professional development taken place? Let us know at: Sustainability@planthealthcare.com

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