

AmplifiedAg[®]

POWERING VERTICAL ROOTS

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Sustainability Impact Update



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AmplifiedAg® Who We Are

AmplifiedAg® is an innovator and leader in the CEA/indoor agriculture sector. We are technologists and farmers that bring together the power and potential of an advanced CEA technology platform; our modular, flexible, and scalable farm format; and our horticulture and growing expertise—validated by our market-leading brand Vertical Roots®.



Our Mission

To grow the indoor agriculture category through innovation, experience, and partnership. Leading by example.

Our Vision

To be the indoor agriculture leader that empowers a scalable, resilient, and sustainable food supply, providing global populations with access to clean, fresh, and healthy food.

Why It Matters

The category is facing some key supply, quality, and economic challenges. We have designed and built our business to address these and other category pain points.

Production

Food supply shortages and delays are increasingly frequent due to issues with field-grown agriculture.

Supply Chain

Supply chain challenges and food miles compromise both timely supply and product quality.

Transportation

Transportation costs have escalated dramatically and continue to be highly volatile.

Food Safety

Food safety incidents are occurring more frequently and are increasingly severe.

How We're Different



Rapid Deployment

Our farm and configurations can be implemented in 12-14 weeks, generating revenue faster than other CEA models.



Climate Flexibility

Our insulated shipping container farms provide segmented growing environments and protect from extreme hot and cold.



Food Safety & Traceability

Our software manages process and logistics from seed to sale and farms are built to USDA and FDA food safety standards.



Scalable Architecture

Our platform was engineered to scale with the growth of your business—from capacity to farm locations.

AmplifiedAg® Enabling the Future of CEA

With real enterprise farming expertise, AmplifiedAg has developed tech-enabled container farms, software, and hardware solutions for all CEA operations. We are committed to creating farms that consume less resources, produce less waste, and grow more food for the world.



10,000,000+

Heads of lettuce grown each year



3 Farms

2 in South Carolina
1 in Georgia



>50 Varieties

Of crops grown in our hydroponic farm models



200+

Container farms growing safe, clean food



~3 Days

From harvest to home



>30 Partners

Our diverse network is made up of top retailers, wholesalers, government agencies, and farmers

Proven By Our Suite of Versatile AgTech Solutions



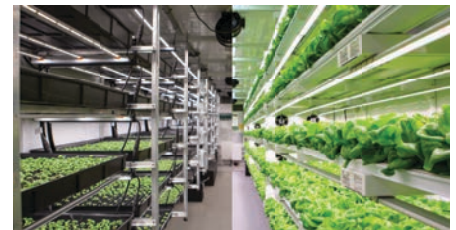
Software

Designed for the modern farmer, our cloud-based software renders real-time data to influence decisions and mitigate risk.



Hardware

Industry-leading environmental systems designed for automated control and can be integrated into any CEA operation.



Farms & Configurations

Our modular, resilient, and scalable farm platform empowers turnkey deployment and variable crop production.



AmplifiedAg Owns and Operates Vertical Roots

Founded in 2017, Vertical Roots is the largest hydroponic container farm in the world, serving thousands of stores, schools, and restaurants in 14 states across the U.S.



From Our CEO

“ Our job as innovators, engineers, and farmers is to always be improving our results and solving for the complicated food supply issues we’re facing today.



When I founded AmplifiedAg, I was inspired to create scalable and sustainable solutions for the global food supply and supply chain, both of which were showing signs of serious future vulnerability. Since then, we have seen the issues on both fronts becoming increasingly severe with extremely dire consequences—all raising the urgency for new solutions to augment and enhance the vital traditional agricultural ecosystem.

In our approach to solve these challenges, we chose to be both technologists building the next generation of CEA technology as well as farmers growing safe, world-class produce that feeds people on a daily basis. This duality of purpose and expertise allows us to quickly evolve as we solve our own problems and test and implement our solutions firsthand.

Our job as innovators, engineers, and farmers is to always be improving our results and solving for the complicated food supply issues we’re facing today. This ethos and ambition drives everything we do—and is a perfect match for the challenge of sustainability because there is no single milestone for success in this realm. Success in terms of sustainability is a progressive and never-ending endeavor.

The journey we are on with AmplifiedAg is as much about building the business as it is making a difference. While protecting and extending the global food supply is our priority, we believe in leaving the world better than we found it and are committed to make the greatest positive impact possible for local and global communities.

In the spirit of transparency, accountability, and industry collaboration—I am happy to share this AmplifiedAg Sustainability Update that highlights our numerous initiatives and advancements. I am extremely proud of our team for all their commitment and efforts, and I am proud to be a member of the CEA business, technology, and farming community as we collectively pursue the most important and ambitious challenges of our time.

A handwritten signature in black ink, appearing to read "Don Taylor".

Don Taylor

CEO | AmplifiedAg

For A More Sustainable Future

In our mission to lead by example, we are committed to sharing our progress in evaluating our business operations and impacts to develop a sustainable business strategy.



Our Approach

As an industry, Controlled Environment Agriculture (CEA) sets out to solve some of the world's most pressing problems. We are able to grow more food using less water and less land while protecting our crops from the contaminants that destroy millions of pounds of food each year. At AmplifiedAg, we strive to innovate beyond even these ground-breaking benefits of the industry. We are committed to building and operating farms that consume less resources, produce less waste, and grow more food for the world's growing population.

Over the past few years, we have focused our attention on data collection—monitoring resource consumption, reducing waste, and evaluating the social and environmental impact our companies have on their team members and the planet. Our internal reporting is up to date in accordance with global sustainability frameworks and standards such as GRI, SASB Standards, and the UN Sustainable Development Goals (SDGs).

As the effects of climate change become more frequent and severe, we are making efforts to not only reduce our impacts, but to future-proof our business so we can honor our mission to provide global access to a safe and sustainable food supply.

Future Outlook

As a result of our detailed performance evaluation, we will publish data-driven, science-based goals and disclose quantitative sustainability information in 2023. Our mission is to influence sustainable practices not only for our organization, but for the CEA industry as a whole.

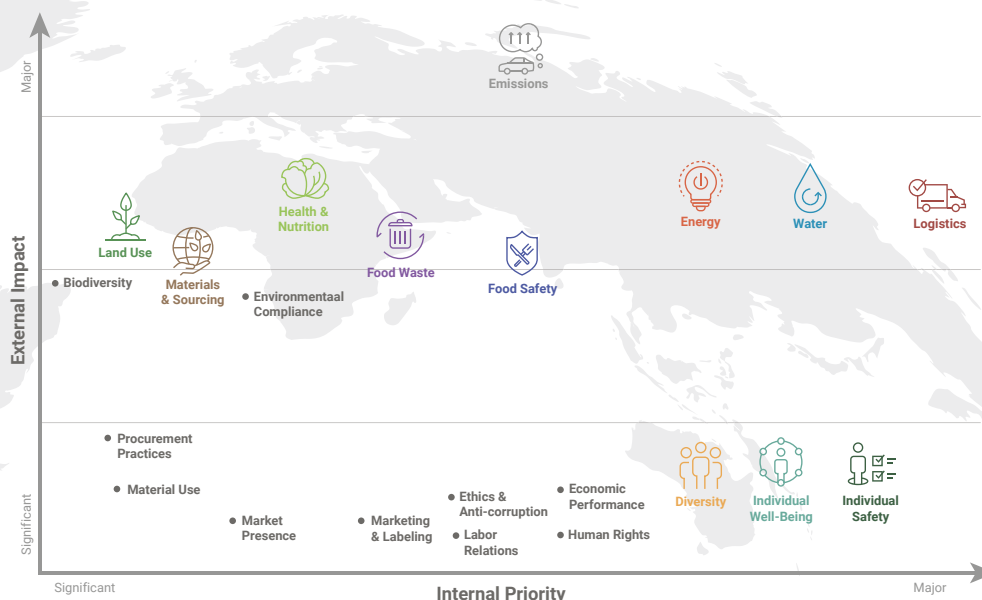


Kindall Brantley

Kindall Brantley
Sustainability Specialist
AmplifiedAg, Inc.

Materiality Matrix

Following GRI's guidance on Materiality, we identified the sustainability-related metrics that influence our internal goals and impact our external stakeholders. We then constructed a matrix to categorize each metric and determine their significance. Using the matrix as a guide, we prioritized the metrics that would be focused on for this report. As conversations with senior leadership continue, the matrix and our priorities will change and evolve as AmplifiedAg does.



AmplifiedAg® Land Use

Modular vertical growing methods and year-round harvest schedules enable AmplifiedAg container farms to use over 90% less land than conventional mono-cropping to grow the same amount of produce.



The Impact of Agriculture

50% of the world's habitable land is used for agriculture; more than $\frac{3}{4}$ of that is just for livestock (including land used to grow animal feed). Competition for land use damages ecosystems, putting pressure on biodiversity and threatening 24,000+ species with extinction.¹



Compact Farm = More Food

A single container equals 320-square feet with five vertically stacked NFT shelves. In 2022, we increased our farm container plant capacity to 3,600 with the addition of 200 plant sites for leafy greens, further improving land use by 6%.

Because we grow inside container farms, we have the ability to grow 365 days a year and use minimal acreage to grow substantially more food, up to 10x more than a soil farm.



AmplifiedAg® Water

Using a closed-loop irrigation system, our NFT farms use up to 95% less water than conventional agriculture. We are monitoring our water consumption and output to develop conservation strategies in order to consume less freshwater, and reduce our impact on the communities where we farm.



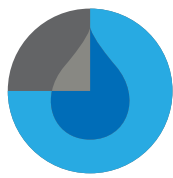
Intensity

Usage



3%

OF THE PLANET'S
WATER IS FRESH AND
1.2% IS DRINKABLE ²



70%

OF THE WORLD'S FRESH
WATER IS USED FOR
TRADITIONAL AGRICULTURE ³

AMPLIFIEDAG FARMS USES UP TO

95% LESS

THAN TRADITIONAL FARMING

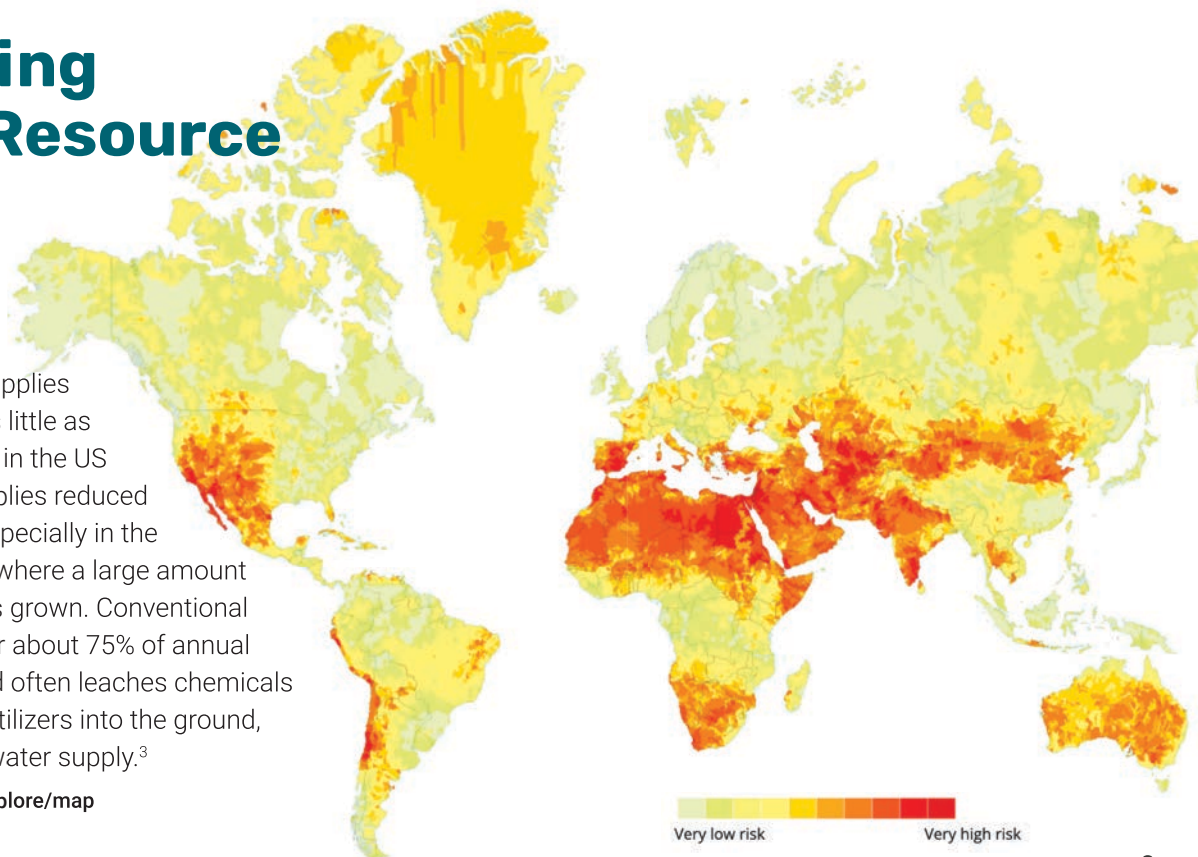


A Depleting Natural Resource

Projected Water Scarcity in 2030

Population growth and climate change are depleting freshwater supplies around the globe⁴. In as little as 50 years, many regions in the US will see their water supplies reduced by more than a third, especially in the Western United States where a large amount of our nation's lettuce is grown. Conventional agriculture accounts for about 75% of annual water consumption and often leaches chemicals from pesticides and fertilizers into the ground, contaminating groundwater supply.³

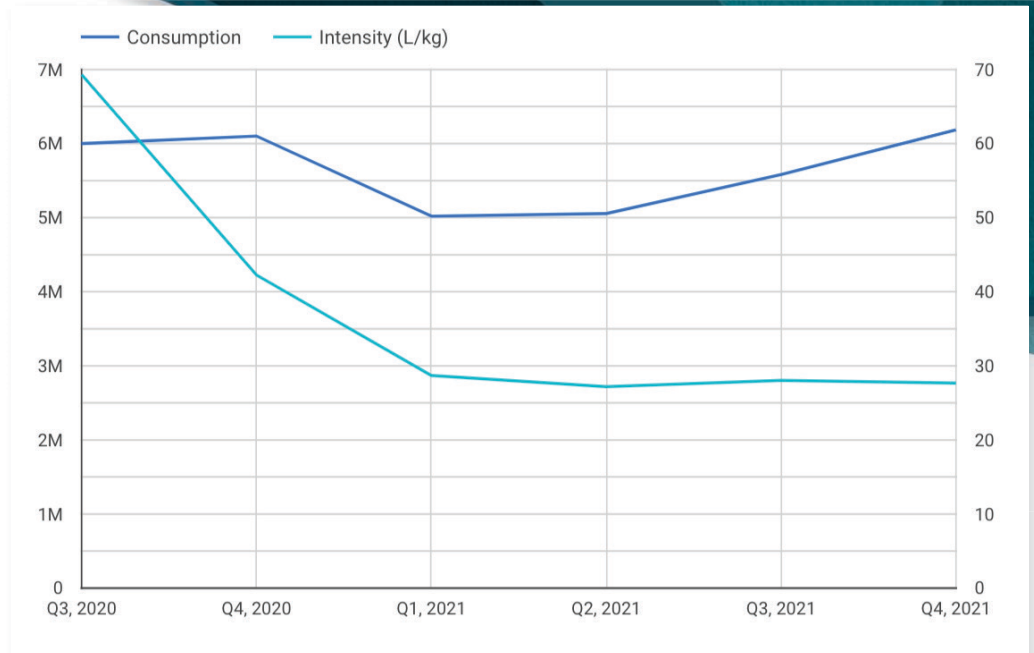
<https://waterriskfilter.org/explore/map>



Very low risk Very high risk

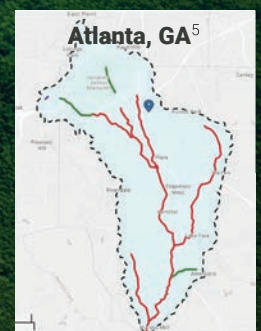
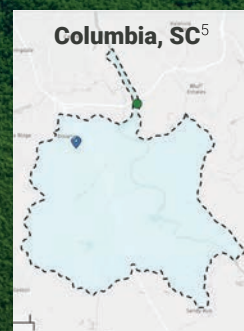
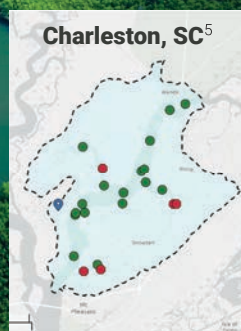
Reduced Intensity by 60% in 2021

Over the past two years, we have expanded farming operations while drastically reducing and maintaining a relatively low water intensity. We have become more efficient as we scale production and continue to consume less water per kilogram of lettuce grown.



Watershed Management

In addition to consumption, we monitor our water output to avoid any negative impact on our watershed. We incorporate new technologies and collaborate with local wastewater organizations to keep waterways clean and maintain our local ecosystem's biodiversity.



AmplifiedAg® Energy & Emissions

Since 2020, **we have reduced our carbon intensity by 37%**. While we have expanded our farm production and total carbon emissions, we have become more efficient in our operations and technology innovation.



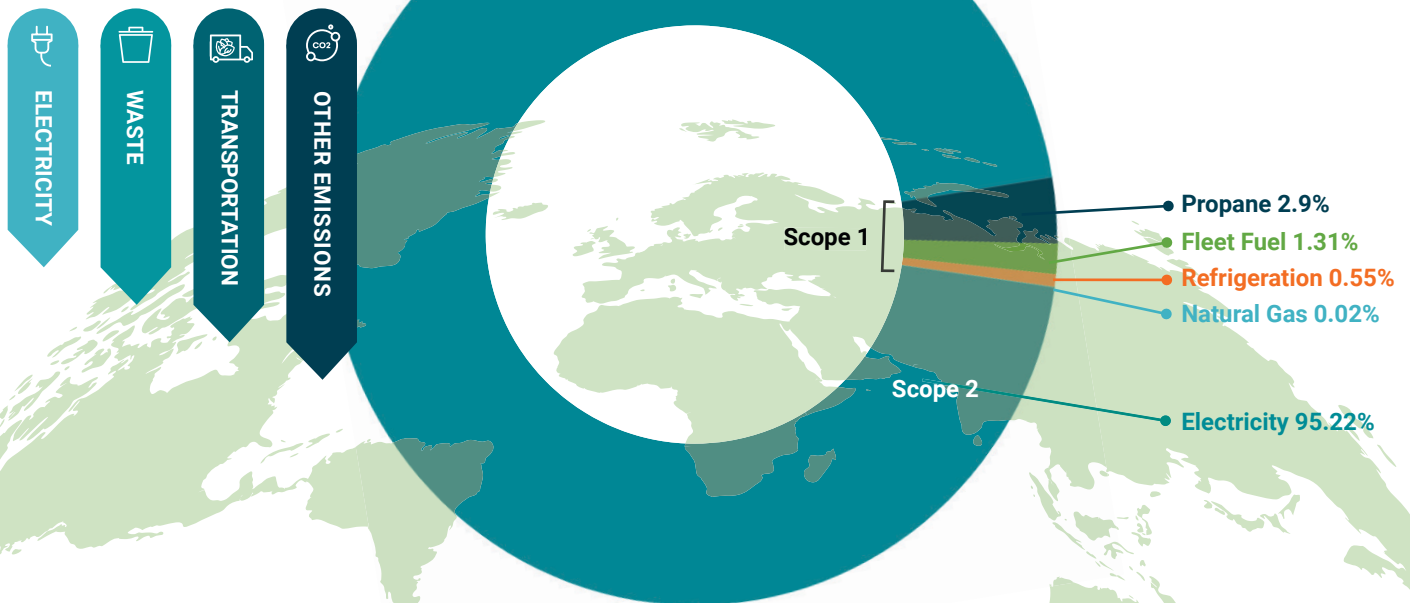
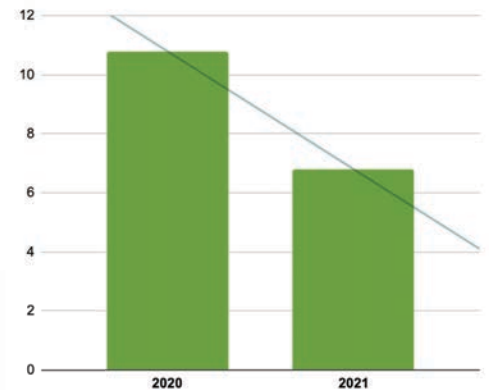
Scope 1 & 2

Currently, we track Scope 1 and Scope 2 emissions. Our analysis shows that electricity consumption contributes the most to our overall emissions profile, so we have identified energy efficiency and renewables as a focus of our R&D and new farm implementations.

In 2023, we will measure Scope 3 emissions which are largely influenced by supply chain⁶, and will work with suppliers to develop reduction goals.

We continue to advance our tracking methods to create goals and identify improvements to reduce emissions from electricity, waste, transportation, and other sources of emissions. We closely monitor legislation and emerging technologies for alternative energy to leverage for our farm energy consumption.

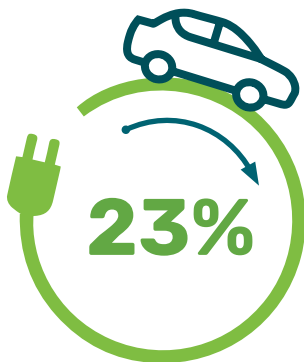
Carbon Intensity
kgCO₂e per kg of product





Engineered for Optimization

The AmplifiedAg engineering team is continuously innovating the energy efficiency of hardware systems inside our farms, to optimize growing conditions and yield. In 2022, the team implemented new HVAC systems and developed proprietary adaptive LED lighting to aid in this pursuit.



In 2021, we converted 1/3 of our vehicle fleet to hybrid vehicles, reducing fuel consumption per mile driven by 23%

Reducing Food Miles With Proximity

AmplifiedAg operates Vertical Roots farms in proximity to food distribution hubs.

With current retail and wholesale partners in the Southeastern United States, Vertical Roots produce travels less than 500 miles, in contrast to the 98% of U.S. leafy greens grown and distributed from the West Coast.⁷

Vertical Roots produce is harvested at peak freshness and shipped to the distributor within ~3 days, resulting in an increased shelf life of 14-21 days. By increasing the shelf life, this results in less food waste for the end consumer.⁸



Waste & Materials

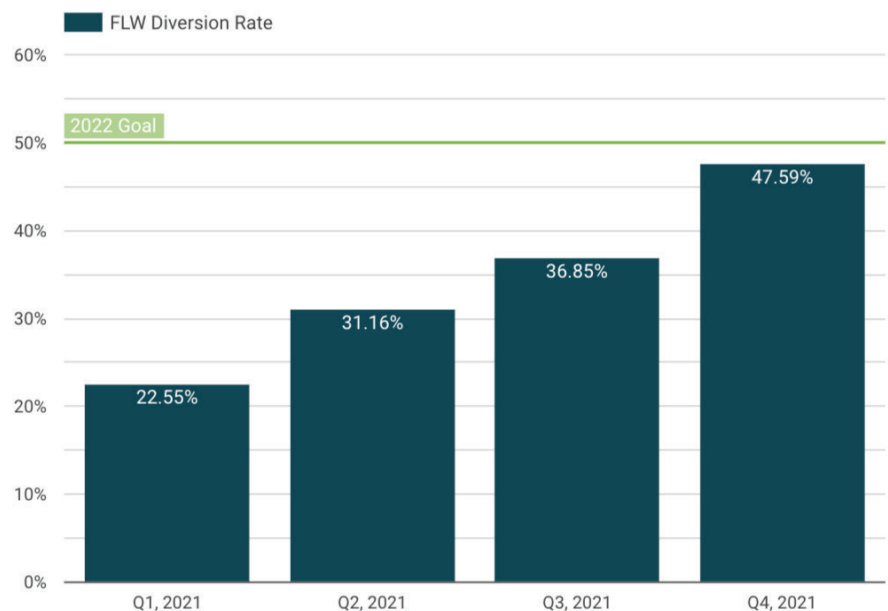
AmplifiedAg is the only CEA and produce company nationwide to pledge as a USDA Food Loss and Waste 2030 champion. In April 2021 we pledged to reduce all organic waste in our Vertical Roots operations 50% by 2025, with the ultimate goal to eliminate it entirely. At the end of 2021, we were over halfway to our goal.



Our Dedication to Food Recovery

Nearly one-third of food grown in the United States is lost or wasted. When food sits in landfills, it emits methane, a greenhouse gas 30 times more potent than carbon dioxide, directly impacting climate change.⁹

Through harvest optimization, donations, and composting, we strive to responsibly dispose of food waste and avoid landfills, reducing our waste-related emissions.



U.S. Food Surplus Across the Supply Chain¹⁰



Source Reduction

AmplifiedAg proprietary software tracks the harvest yield and product sales of every farm container, which allows us to optimize harvest schedules and grow to order, reducing source waste from the farm.



Our Priorities Align With the EPA¹¹

1. Source Reduction & Reuse

2. Feed People

3. Feed Animals

4. Industrial Use

5. Compost

6. Landfill

Donations

At each of our farm sites, we have established partnerships within the community to donate excess produce. While we largely donate to food banks, we make a concerted effort to support non-traditional food security outlets to reach more people that otherwise would not have access to fresh, clean produce.



We also work with local farmers and animal organizations to donate lettuce byproducts and other excess produce.



Composting

Each of our farm sites has established a composting program with local organic waste haulers to divert all other non-consumable food waste from the landfill.



Materials from Manufacturing



We upcycle decommissioned shipping containers to build our farm models



We sell or donate used or excess construction materials



Social Well-Being

AmplifiedAg thrives on collaboration and innovation. We operate with an open-door policy, and are tuned in and responsive to the needs of our people. Our team members are highly engaged in the success of the company. Based on direct feedback and company-wide survey analysis, we are continuously evolving our benefit structure to accurately and effectively serve their well-being, personally and professionally.

Leadership

At AmplifiedAg and Vertical Roots, our management team is proud to lead with gender, generational, and ethnic diversity.

According to the Census of Agriculture, 36% of U.S. farmers are women and 56% of all farms have at least one female decision-maker.¹² In 2021, almost 50% of our total team members and 50% of our management team identified as female. We have retained similar statistics in 2022, and continue to diversify across all demographics.

Inclusive Culture

As AmplifiedAg continues to grow, our leadership team is focused on the needs of our evolving culture. In 2022, all levels of management participated in Diversity & Inclusion training.



Amplifying Careers and Equalizing Opportunity

AmplifiedAg, Inc. is committed to creating and supporting a diverse and inclusive culture and work environment across all roles, levels, and locations. As a growing company that thrives on innovation and collaboration, we believe that our strength comes from the diversity of expertise, perspectives, and experiences, and we are wholly committed to the principles and practices of equity and inclusion for all team members.

Regardless of race, color, religion, gender, gender identity or expression, family status, marital status, sexual orientation, national origin, genetics, neurodiversity, disability, age, or veteran status, any and all qualified persons will be equally considered in joining the AmplifiedAg team.

Founded by Veterans

AmplifiedAg was initially founded as an established Veteran company. While we have expanded our team members beyond Veteran status, we are still committed to providing Veterans with career opportunities throughout our company—9.3% of our workforce and 20% of our management team.



Career Pathing

Don Taylor, CEO, influences a company culture where all ideas are heard, actively encourages promotion from within the company, and provides every team member with equal opportunities to crossover departments. Much of our Vertical Roots farm team have worked their way up to management positions, while others have transitioned into roles in software development, manufacturing, engineering, sustainability, and more.

Total Rewards

Total rewards is the combination of benefits, compensation, and rewards that employees receive from their organization. At AmplifiedAg, we pride ourselves on providing a competitive and comprehensive benefits package for our team members. In the recent company-wide survey, 88% of respondents believe the company provides an extensive and competitive benefits package; 93% are appreciative of the voluntary benefits offered by the company; and 70% feel that AmplifiedAg offers a fair amount of Paid Time Off.

Some additional benefits include an employer-paid Employee Assistance Program (EAP), employer paid Short Term Disability, the flexibility to work remotely if the position allows, and parental leave.



In 2022, we established a company-wide **Recognition Program** that honors the achievements and tenure of team members every year of their employment.



Team Member Safety

Above all, the safety of our team members remains the number one priority in our organization. We closely record near misses and recordable injuries for farmers. In monitoring, we are able to create better farming practices and enhance the ergonomics of our farm design.

AmplifiedAg® Food Safety

AmplifiedAg is dedicated to growing and distributing the safest, highest quality produce for consumers. We monitor and report on the quality and safety of our Vertical Roots products, as well as our operational farming procedures.

99%

primus GFS™

100%

USDA Harmonized
GAP Plus+



Zero Pesticides

In 2021, USDA's Pesticide Data Program found residues of potentially harmful chemical pesticides on nearly 70% of the non-organic fresh produce sold in the U.S. 94 pesticide types were sampled from leafy greens.¹³

Because of our controlled growing methods and food safety protocol, no pesticides, chemicals, or harmful sprays of any kind are used on our produce.

Process & Protocol

Vertical Roots Food Safety Team operates stringent food safety and sanitation measures for all farm locations, team members, and third party personnel.

- Daily ATP testing at our farm sites
- Daily water monitoring that includes but is not limited to listeria testing
- Certified laboratory services water testing by EMSL and Access Analytics to ensure our water quality is free from high levels of coliform, E.coli, and salmonella. In 2021 and 2022, we received 100% satisfaction ratings.



**SANITATION
PROCESS**



**ANTI-FOOD
FRAUD**



**PRODUCT
TRACEABILITY**



48 million people

become sick with a
foodborne illness each year
due to water contamination.
Of these, E. coli is found
most commonly on fresh,
leafy greens.¹⁴

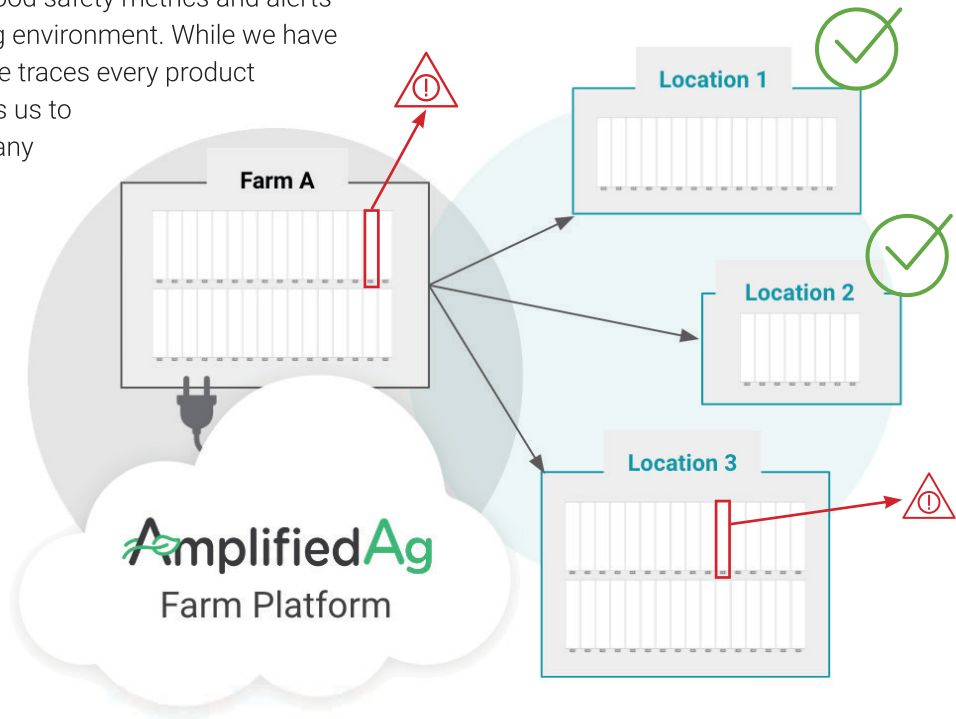


Engineered to Mitigate Risk

The resilient nature of the containers protects produce from harmful contaminants, pests, and harsh climate and weather.

AmplifiedAg software tracks food safety metrics and alerts farmers of risks to the growing environment. While we have never had a recall, our software traces every product from seed to sale which allows us to pinpoint the exact location of any potential issue.

As a result of our modular farm segmentation, we can track and isolate any pathogens or contaminants to a single container and precisely recall only the contaminated product, while minimizing full farm loss.



AmplifiedAg® Food Supply

AmplifiedAg technology is influencing a more sustainable food supply for the planet. Our farms and technology are enabling the production and R&D innovation of CEA operators across the country. AmplifiedAg has been selected by USDA-ARS as its vertical farming contractor to execute the first Coordinated Agricultural Project (CAP) for CEA to expand scientific research for the entire industry.



AmplifiedAg Farms Localizing the Food Supply

CEA farmers across the country use AmplifiedAg farms and technologies to grow produce for their local communities.



9.3 Billion People¹⁵ Need to Eat More Than Lettuce

Nutrient Dense Crops

Leafy greens have served as the vertical farming proofpoint, but we need to do more as a collective industry to feed our growing world.

The AmplifiedAg team collaborates between horticulture, science, farming, and engineering to evolve and diversify our growing methods and crops. Our R&D innovation team is growing a variety of fruits and vegetables with the mission to grow crops to their full nutritional potential in order to serve different areas of the world with food that matters most.



Berries



Tomatoes



Brassica



Melons



Eggplant



Onions



Legumes



Bok Choy



Squash



Potatoes



Peppers



Herbs

Resources

LAND

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