



GRAINPRO 2020 SUSTAINABILITY REPORT



Introduction

Humanity entered the 21st century facing an existential crisis: our fossil fuel derived economic growth had raised material prosperity far beyond anything imagined by earlier humans, but was unsustainable on a global scale as humans were both causing and suffering from extreme environmental changes that threatened human, and much nonhuman, life and wellbeing on a global scale.

In response the United Nations in 2015 created 17 sustainable development goals (SDG's) to help humanity transition to a more sustainable way of living on the earth. These include 1) no poverty, 2) zero hunger, 3) good health and well-being, 4) quality education, 5) gender equality, 6) clean water and sanitation, 7) affordable and clean energy, 8) decent work and economic growth, 9) industry, innovation and infrastructure, 10) reduced inequalities, 11) sustainable cities and communities, 12) responsible consumption and production, 13) climate action, 14) life below water, 15) life on land, 16) peace, justice, and strong institutions, and 17) partnerships for the goals. In 2015 GrainPro was a 20-year-old socially responsible company that then decided to reorient itself towards a more sustainable future.



GrainPro develops, produces, and provides hermetic post-harvest storage systems that can play an important part in helping to achieve many of these UN SDG's over the next ten years and beyond. Our most significant contributions, as will be detailed in the remainder of this report, are in seven of the SDG's impacted by our products, including 1) no poverty, 2) zero hunger, 3) good health and well-being, 5) gender equality, 8) decent work and economic growth, 12) responsible consumption and production, and 13) climate action. We help our customers make their own transition to a low carbon sustainable future, in a way that reduces hunger and poverty among the poorest of the poor. GrainPro improves human wellbeing through responsible consumption and climate action, and creates good jobs and economic growth in a gender equality work environment, while still making a market rate of return for our private equity investors.

GrainPro's Global Senior Managers



Jordan Dey
President and CEO,
GrainPro Inc.



Patrick Plijter
CEO GrainPro Global
Support and Production



Hazel Valera
COO GrainPro Global
Support and Production



Jim Sherblom
Chief Financial Officer,
GrainPro Inc.



Nikia Pounds
Chief People Officer,
GrainPro Inc.



Carlos Dragonetti
Global Controller,
GrainPro Inc.

Table of Contents

SDG #1: No Poverty	1
SDG #2: No Hunger	2
SDG #3: Good Health and Well - Being	3
SDG #5: Gender Equality	4
SDG #8: Good job and Economic Growth	5
SDG #12: Responsible Consumption	6
SDG #13: Climate Action	7
Summary	10





No Poverty

The UN estimates that 700 million people live in extreme poverty, defined as living on less than \$2 per person per day, and most of these families are rural subsistence farmers in developing countries. For subsistence level farmers use of GrainPro's low cost hermetic post-harvest storage systems can increase household income from under \$3000 annually to over \$3660 annually (22%) by reducing post-harvest loss, resulting in a significant reduction in rural poverty.



For agricultural grain cooperatives, and governmental strategic reserves, the impact of employing our hermetic cocoons, our larger scale post-harvest grain storage systems, can be even greater given their economies of scale. Babban Gona, a large Nigerian grain aggregator, estimates it earns nearly \$3 million more income annually for its farmers through use of our hermetic grain storage systems. Working together our combined impact on rural poverty is compounded as we empower better post-harvest sales and distribution systems.



No Hunger

Hunger and malnutrition impact the health and wellbeing of over two billion people worldwide, most prominently in India and parts of sub-Saharan Africa. Africa has 60% of the world's uncultivated arable land, more than enough to feed all its people, yet 27% of the population in Africa is classified by the UN as severely food insecure, the highest rate of anywhere in the world. In many African countries post-harvest loss of food grains is estimated between 20% and 30% of harvests (due to insects, pests, molds, and damage in storage and transport).

Widespread use of GrainPro's Hermetic Post-harvest storage Systems

could radically reduce losses and contribute significantly to eradicating hunger and malnutrition in India, Africa, and the world. This would include incorporation of hermetic storage technology as an integral part of the proper functioning of food commodity markets and facilitating timely access to market information on the quality and quantity of food reserves thereby limiting scarcity based extreme food price volatility.





Good Health and Well - Being

Good health depends upon adequate food resources, exercise, and medical care in a lower stress living environment. Widespread availability of sufficient nutritious daily calories at a cost even the poorest can afford would dramatically improve health outcomes, eliminate stunted growth in children, decrease overall mortality, reduce the impact of disease, increase adult productivity and good health, and contribute to longevity of life.

GrainPro's hermetic post-harvest storage systems can be a part of fostering such an environment of good health, adding many high-quality years to the average life span in subsistence communities.



GrainPro's hermetic post-harvest storage systems can be a part of helping to foster an environment of good health adding many high-quality years to the average life span in agricultural communities.



Gender Equality

Increasingly research suggests that companies with more diversity of perspectives (in terms of gender, age, ethnicity, cultural background, race, or life experiences) yield greater productivity, improved employment equity, a more positive work environment, and are more financially sustainable than less diverse companies.

GrainPro has recently increased its gender equity in its governing board, senior management team, and employees worldwide. Over the next several years GrainPro is equally committed to increasing diversity along many other dimensions worldwide in order to foster greater workplace equity. Greater diversity will be reflected in greater employee satisfaction and eventually in higher financial returns to shareholders.

GrainPro's Division Managers



Chema Gomez
*Division Manager,
GP Latin America*



Rose Ndungu
*Division Manager,
GP Africa*



Thess Ambrocio
*Division Manager,
GP Asia Pacific*



Diego Lara
*Division Manager,
GP USA and Europe*

Good jobs and Economic Growth

GrainPro provides equitable employment in marketing, sales, production, and administrative positions in Asia, Africa, Latin America, North America, and Europe (with the overwhelming majority of its jobs in developing countries).



GrainPro is committed to providing good jobs, at or above local labor market rates, for its most talented and conscientious employees in the markets we serve worldwide. GrainPro's growth in employment helps to foster good jobs and economic growth in many developing countries around the world. Through equal opportunity and transparent personnel systems GrainPro seeks to be a fair and equitable employer for our people worldwide.



Responsible Consumption and Production

GrainPro's hermetic post-harvest storage systems can significantly enhance food quality, while maintaining critical aromatics, micronutrients, and freshness of the commodities. This is especially true for high value crops such as premium coffee beans, cocoa, and spices.



In order to make them effective and affordable for subsistence level farmers our best performing products are often fabricated from single use plastics. GrainPro is actively working with our suppliers and customers to reformulate, reuse, and recycle the plastics in our products as we work together toward a carbon neutral future. Over the next ten years, through research, reformulation, possible replacement of plastics, recycling, reuse, and reforestation we intend to be carbon neutral on a systemic basis. UN SDG 12.3 targets a 50% reduction in per capita global food waste by 2030, with reduction in post-harvest food losses contributing a substantial portion of these savings. This is in effect GrainPro's mission.



Climate Action

Agricultural production is one of the world's largest sources of excess carbon generation contributing to climate change. Use of our hermetic post-harvest storage systems reduces the use of chemical-based pesticides, carbon intensive concrete storage, and high-energy refrigeration during food production, storage, and distribution.



For each kilogram of carbon utilized in the manufacture and transport of our hermetic post-harvest storage systems, the net carbon savings in these agricultural applications exceed four times that amount, making a strong positive net carbon impact. Reducing the net carbon impact of farming is a key aspect of climate action towards achieving worldwide carbon neutrality.



Summary

GrainPro is a company of multiple bottom lines: profitability, reducing hunger and poverty by improving incomes for small holder farmers, contributing to environmental sustainability, and providing a healthy, equitable workplace for its employees. For the future we envision, governments, non-governmental organizations, and for-profit enterprises must work together towards a carbon neutral future, and achieving the other SDG's GrainPro advances. For such efforts to be sustainable over the longer-term global companies like GrainPro must be able to offer our investors market rate, or above market rate, returns for investing in our world's sustainable development. This transition to a sustainable world will not be easy, and the implementation risks of creating such an extraordinary change are clear, so our customers, employees, and investors should be fairly compensated for undertaking these risks toward a far more sustainable future.

GrainPro Inc.'s Board of Directors



Jordan Dey



Chris Goldthwait



Linda Habgood



Arlene Mitchell



Jim Sherblom



Phil Villers



Renee Vassilos

GrainPro, along with all of our significant stakeholders, is committed to doing its part to live into the promise of a more just, equitable, and eco-sustainable future.





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