

NEAL MAST GREENHOUSES



C O R P O R A T E S U S T A I N A B I L I T Y R E P O R T

2020



NEAL MAST GREENHOUSES

The concept of Sustainability at NMG goes back to 2007 and started with a request from one of our customers to attend a meeting in Dallas, Texas. We met with other growers to discuss the topic of Sustainability, along with representatives from a company called Scientific Certifications. The purpose of the meeting was to discuss the idea of Sustainability and Certification and we were invited because of our ability to think outside the box and our willingness to try new things.

Sustainability had always been important to NMG, we just didn't call it that. We always said we have to be good stewards of our resources which included our purchasing practices, reducing shrink and eliminating waste. We have always felt it wasn't right to waste things and at this meeting, we learned a new word – Sustainability.

We learned about Veriflora at this meeting and then tasked a large team of people at NMG to spend the fall of 2007 getting all the documentation together to meet this gold standard certification in sustainable growing. We were the first grower to get this certification in the United States in the beginning of 2008.

We have recertified each year since and this is done through an annual recertification audit. No one requires us to do this, and although a costly certification, we feel it is the right thing to do. We don't pursue this to be recognized by the customers. Our view was that if this is what you believe and how you want to operate, then have a 3rd party come in and verify that you are doing the right things. We also received our Organic certification in 2009.

In the fall of 2009, we said Veriflora is good but being a “sustainable business” is really more than this. We started working on other projects and wrapped them together in an initiative we called Project Greenhouse. We later formed a more formalized group called the Sustainability Team in the fall of 2010. The motivation behind it was finding ways we can we start getting our people in the company engaged and involved.





We set up our first team with a cross-section of employees because we said this isn't a management thing, but needs to be something that all employees can participate in. In 2017 we reviewed and updated the purpose of the team, rebranded and now call it The Sustainemunity Team. This stands for -

Sustainable, Engaged, Community

Over the years we have worked on many projects, created a monthly newsletter, publish an annual Corporate Sustainability Report and recently completed a report explaining the history of Sustainability at NMG to share with all employees, suppliers and customers.

Each year is an exciting opportunity to have new members, new ideas and new goals to help make something that is so important to all of us a continuing reality. We can all make a difference and NMG is committed to being a part of a sustainable business.

Jim Raterink
President / CEO



OUR CORE VALUES

“How we make decisions...how we do business.”

Integrity has always been central to the way NMG/MYP does business and the cornerstone of a set of core values that drive every decision we make in our company. Our reputation is more valuable than anything else we possess and as we continue to grow and expand – we must be even more vigilant to ensure that our reputation is maintained in every aspect of our business. By creating an environment of trust and understanding, good people can make good decisions.

Everyone at NMG/MYP has a responsibility to treat others with respect and to appreciate each person's contributions. That appreciation strengthens commitment and promotes personal accountability. Every job is important and it takes the efforts of the entire team and their commitment to the team to be successful.

Being a sustainable business is who we are, not just what we do. It is interwoven in every aspect of our company. We've been around for a long time and that doesn't happen by resting on past successes. NMG/MYP keeps winning by being proactive and looking ahead. Having short and long term business goals and adapting to changing markets and customers, keeps us flexible in moving forward. On going examination of every process for improvements or efficiencies is embedded in our culture.

“Fun” is a word not usually found in a set of company core values, but it is in ours. Having a casual and informal culture is just one of the reasons we have so many long term employees.

Honesty and Integrity: Honesty is the quality of being fair and truthful. Integrity relates to your conduct, the way in which you perform, adhering to an ethical and moral set of principals.

Respect: To show regard and consideration for the people we work with and the customers we serve.

Accountability: Being responsible for your actions to yourself and the team.

Sustainability: Continually evaluating our three P's (people, planet and profit) to ensure that we are operating in ways that are beneficial for all three.

Fun: To work in a manner that is informal and approachable with all the people that you come into contact with on a daily basis.

Adaptability: The ability and willingness to change to benefit the business and our customers.

Constant Improvement: Winning through continuous change in how we conduct our business.

**“Sustainemunity at NMG/MYP encompasses an enduring
commitment and collective strategy to
People, Planet and Profit.”**

“Sustainemunity” is the term we use at NMG/MYP to wrap all three segments of our sustainable business plan under one umbrella. Sustainability is more than being an eco-friendly business, it includes our employees, our community, the environment and being a fair, ethical and responsible employer.

At NMG/MYP, we’ve mapped out our strategy into an “organizational chart” of 9 interwoven categories of sustainability. This visual representation of our strategy allows us to easily explain what initiatives fall under this umbrella, their benefits and how many of them serve multiple categories. This chart also provides an ongoing record of our wins and successes that we can continue to build on each year.

The NMG/MYP Sustainemunity Team is comprised of employee volunteers from different departments and locations throughout the company. These volunteers serve for one year and work collaboratively on goals or projects for that season. The team’s purpose is to make recommendations to the company regarding policies, initiatives and events to promote an engaged, sustainable community.

PEOPLE			PLANET			PROFIT		
Employees and our Community			Environmental Stewardship			Responsible Business		
1	2	3	4	5	6	7	8	9
Health, Safety and Well Being	Our Employees	Sustainable Communities	Energy	Natural Resources	Reduce, Recycle, Reuse	Governance & Ethics	Value for Stakeholders (internal and external)	Communication and Leadership

EMPLOYEES AND OUR COMMUNITY

People and communities includes three separate areas of focus:



Health, Safety and Well Being	Our Employees	Sustainable Communities
Proactive Initiatives for Better Health and Safe Work Environment	Fun and Reward	Education and Related Activities to Benefit the Greater Community
Annual Sustainability Week - Blood Drive, Flu Shot Clinic, Lunch and Learn sessions about health, home energy improvement or safety, flower bulb giveaway, Conquer the Chaos Day for company wide workspace cleanup	Birthday gifts and Years of Service rewards	Encouraging employee Sustainability with giveaways like lightbulbs and reusable grocery bags
	New tee shirt each year to promote company initiatives or goals	
	Gifts and parties.	Annual drive for charitable organization - missions, animal shelter, food pantry, boys and girls clubs, etc.
Growing Department Testing and Training	FFYI Weekly Bulletin for current happenings, birthdays, new employees, meetings, safety updates and promoting employee efforts and callouts.	
Annual All company training day for safety, WPS and recycling	Employee Free Flower Days (3) and Annual Employee Garden Day	Donate plants and plug trays to hospitals, rest homes, community gardens and organization to assist home owners with improvements.

EMPLOYEES AND OUR COMMUNITY

Health, Safety and Well Being

“Proactive initiatives for better health at work and at home and a safe workplace environment.”

Sustainability Week 2020

Encouraging healthy lifestyles for our employees and their families is beneficial for all, and we promote this in a variety of events and education. Each year we dedicate an entire week in October to these initiatives, called Sustainability Week. During Sustainability Week, we hold a Community Blood Drive for both our employees and individuals of the community to participate in, a Flu Shot Clinic, Company Wide Training, Conquer the Chaos Day for company wide workspace cleanup, Lunch and Learn Sessions about health, home energy improvement or safety, and an employee bulb giveaway.

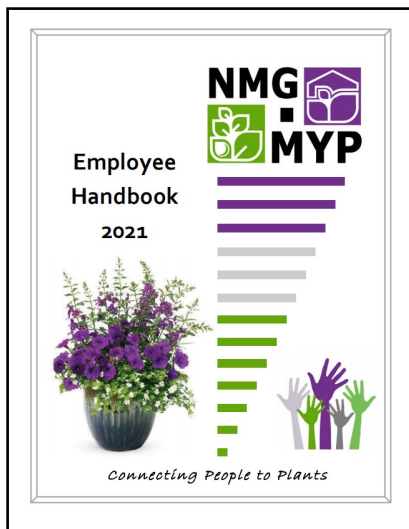
This year, Versiti Blood Center challenged us to get at least 12 eligible donors and at least 2 of those donors be first timers. Our Blood Drive was successful with 16 donors giving blood, 5 of which were new donors! Each individual donation can save up to 3 separate lives. We potentially saved up to 36 Michigan lives due to this blood drive!



A record number of vaccines were given this year. 42 employees received their flu vaccines on Flu Shot Friday—nearly 50% of our Grand Rapids employees! Because of everyone’s cooperation and organization, we did this in record time, only 3 hours at 3 locations!

EMPLOYEES AND OUR COMMUNITY

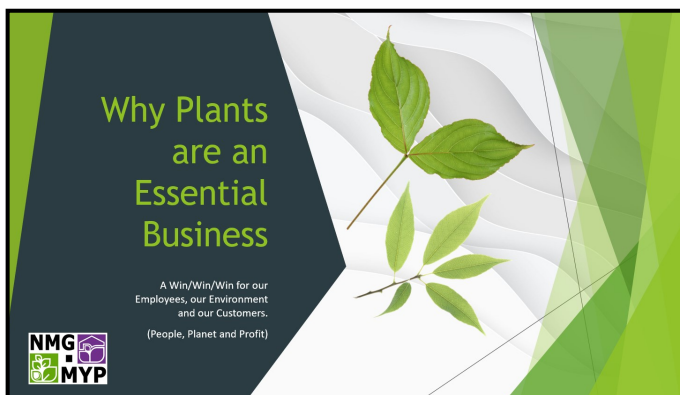
2020 Company Wide Training Day



Our 2020 Company Wide Training Day included a review of the Worker Protection Standards Training which is designed to educate individuals about pesticide application and safety. It also included the 2021 Handbook updates. These updates included our new pay period and pay days along with a section dedicated to social media use. We recognize the necessity of reviewing our handbook annually and updating it at least every two years as it is important for us remain compliant with any changes related to laws, regulations, or our business. Including our handbook updates during our Company Wide Training, we are able to clearly convey expectations of both employees and of leadership as well as ensure company policies are clearly communicated.

2020 brought the COVID-19 Pandemic and many business were forced to close, people lost employment and uncertainty surrounded us. We added a new presentation to our Company Wide Training day on why plants are an essential business. It was a nice reminder of how important our business is as plants do a lot for people.

What did our plants do for people during the stay at home order and beyond?



- Improved mental health.
- Improved physical health.
- Improved quality of life by improving home values and increasing the enjoyment of people in their own spaces.
- Encouraged first time gardeners to grow their own food-a great activity for children that is also educational.

EMPLOYEES AND OUR COMMUNITY

2020 Company Wide Training Day (continued)

What did this mean for our employees? We were able to provide a means to help thousands of people improve their lives and cope better during a time of stress and anxiety. This is something everyone should be proud of. We also provided income for our employees and continued benefits without interruption. Finally, being able to meet our customer obligations puts us on a solid financial footing for continued suffers in the future. The very definition of a Sustainable Business.

We were able to train more than 90% of our employees in one day and enjoyed a delicious lunch!



17th Annual Conquer the Chaos Day

Part of our Conquer the Chaos day was a challenge for everyone to clean up old emails, shared drives and personal drives to reduce our electronic storage space. Reducing our electronic storage space not only reduces the time it takes for us to run our back-ups but also the time it would take to re-instate our system in the event of a disaster. We have approximately 7 Terabytes (TB) of data stored. A 1/2 Terabyte reduction will shave approximately 8 hours of the time it takes for running our backups. We were striving to reduce the total size of all of our files by approximately 1/2 Terabyte (500 Gigabytes). We successfully reduced our Media, Shared and User drives by 276 Gigabytes (GB) shaving approximately 4 hours off the time to run our backups. In addition, we surpassed the target for reducing the Mailboxes and they were reduced by over 100 billion Gigabytes!

Media—reduced by 106 GB

Shared Drives—reduced by 139 GB

User Drives—reduced by 31 GB

Mailboxes—reduced by 103,870,059 TB



EMPLOYEES AND OUR COMMUNITY

Build a Birdhouse Workshop

It was very loud in the Bristol dock area on Thursday of Sustainability Week as 22 people swung hammers and assembled their birdhouses. We choose to build birdhouses because of the part they play in the local ecosystem and benefits they provide such as:

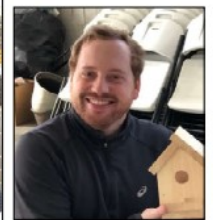
Flower Pollination—Some birds are efficient pollinators of garden flowers which can give flower beds an added color boost from extra blooms.

Pest control—Birds eat a variety of insects such as aphids, mosquitos, spiders, grubs, and slugs, causing a reduction in using harsh chemical insecticides as pest control.

Weed control—some birds consume great quantities of weed seeds preventing them from seeding and growing.

Stress Relief—Watching and listening to birds as well as being outdoors can help relieve stress and promote well being by getting an adequate supply of Vitamin D and detoxifying your body with fresh air.

Each Sustainability Week we also have a **Bagged Bulb Giveaway** where we distribute bulbs. We promote planting flowers not only for visual appeal, but because they are mood enhancing, attract pollinators, remove air pollutants and planting can be used as exercise. Employees are encouraged to take photos of their blooming flowers in the spring to share in future News to Use bulletins.



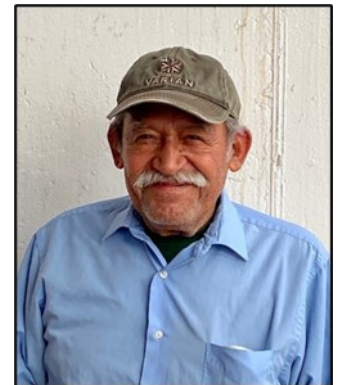
EMPLOYEES AND OUR COMMUNITY

"Creating a culture of fun activities and opportunities to show appreciation."

Fun is one of NMG/MYPs core values. Along with a relaxed, casual environment, we try to inject "fun" into our workplace through events, gifts and publications.

Workplace celebrations promote relationship building, improve morale, enhance retention and encourage employees to achieve results. Celebrating workplace milestones shows employees that, not only are they are a valued and honored member of the team, but they are also contributing meaningful work to their organization and its purpose. Birthday gifts and years of service rewards give recognition to employees on their special days.

In 2020, we celebrated 14 milestone anniversaries. Eight employees celebrated their 5 year anniversary, two celebrated 10 years, one celebrated 15 years, two celebrated 20 years and one celebrated 25 years!



"Connecting People to Plants"



Keeping employees connected and informed is important to us. We have a weekly **FFYI (Friday For Your Information)** E-Bulletin that hits every email box on Friday mornings. The FFYI gives employees a snapshot of the upcoming week and includes: birthdays, years of service anniversaries, new employees, important meetings, events, and days worked without injury. We also include High-Five callouts for employees and departments that have gone above and beyond and company "wins" from the previous week.

EMPLOYEES AND OUR COMMUNITY

We had beautiful weather on Friday, August 28th for our [Employee Garden Night](#). Its such a great opportunity to see the garden, take family photos, participate in the seed and plant exchange as well as plant a pot for your deck, patio or porch. A variety of plants and pots were available for employees to choose from. We also had pots for the kids to decorate. Since we had more participation this year moving it from Saturday morning to Friday night, we may continue planning for Friday nights. A special thanks goes out to all the departments that helped make this event possible—from ordering the plant material, to growing it, gathering the pots, soil, set up and clean up.



EMPLOYEES AND OUR COMMUNITY

America In Bloom

Connecting people to plants extends beyond our sales and employees. We want to promote the benefits of plants not only in the communities we serve but beyond as well. We partner with America in Bloom and through various sponsorships are able to extend that reach.



America in Bloom (AIB) is an independent, non-profit organization which promotes community beautification programs through the use of flowers, plants, and trees — by sponsoring an annual, nationwide competition between participating communities. AIB helps towns enhance environmental awareness, promote economic development, and improve quality of life.

Neal Mast has been a proud sponsor of America In Bloom since 2012. During our first few years we were a sponsor for the Children's Program Award and the Best Cityscape Award, but have since sponsored the award for the Best Community YouTube video. These 2-3 minute videos highlight a community's involvement with America in Bloom and contain the economic benefits of AIB involvement, before and after photos and video and elements that can be used for grants, promotion or marketing.



Castle Rock, Washington was the 2020 winner of the Best Community YouTube video. Their commitment to their Focus on Feeding Families started before the COVID19 Pandemic, with planting berries in their park as a place where people from the community could come and harvest the fruit. Once their state was shut down, they recognized there would be added food insecurities and they expanded on their original efforts by increasing the amount of vegetables

grown in the community. They decided they would also continue to grow the decorative flowers and hanging baskets as originally planned as a way to make people feel good. We cannot agree with them more and are proud to sponsor this award to help spread the positive impact plants make in a community. Watch the community of Castle Rock's Video and prepare to be inspired.

[Castle Rock AIB 2020 - YouTube](#)

ENVIRONMENTAL STEWARDSHIP

Planet and environment include these three areas of focus:



Energy	Natural Resources	Reduce, Recycle, Reuse
Gas and Electric (what we pay for)	Water, Trees, Reducing Carbon Footprint	Reducing our Negative Impact
Energy Efficient Light Fixture Replacements	Ebb and Flood System	Reuse Trays
High Efficiency Roof Poly	Outdoor Drip Irrigation	Returnable Crates and recyclable shippers
Energy Curtains	Composting Green Waste	Recycling Onsite - paper, cardboard, plastics, metal, styrofoam and electronic waste - recycle funds into employee events.
Boiler and Pipe Wraps and regular inspections for efficiency and safety	Full Loads on Carts and Trucks	
Equipment testing and maintenance to optimize energy efficiency	Eco Friendly Cleaning Products	Inventory Reduction
Participation in energy audits to learn and share best practices for energy conservation	Hardgoods w/post consumer content.	Record Retention Schedule for Shred and Recycle

ENVIRONMENTAL STEWARDSHIP

Energy— Natural Gas and Electricity

In January of 2020, our Maintenance Department began working with Consumers Energy who visited and audited all 4 of our locations to see where we could reduce our electrical usage. The maintenance team took those suggestions and comprised an 18 month plan for all of the locations prioritizing by energy savings and rebates. There was an opportunity for huge electrical savings as well as rebates that could help fund these projects.

This project started with replacing old or broken light fixtures with new, energy efficient LED fixtures. These fixtures are in various areas of the greenhouse and do not include grow lights. The grow lights are still to come. This lighting project saved 27,019 KWH (Kilowatt Hours) which equates to an annual cost savings of \$2,702. With the rebates and lower wattage, our payback is less than 10 months.

Another initiative of our Maintenance Department was installing a lower horsepower (HP) air compressor at our Peach Ridge facility. They recognized that the 25HP compressor didn't need to run as often, but only when we were utilizing our EllePot Machine since it needs a higher air flow. They installed a 5 hp air compressor to run floor drains, fertilizer pump heads, and other day to day functions, saving over \$1,000 in energy costs a month!

In order to continue the energy savings, maintenance is also installing Energy Curtains. Energy Curtains help to make an ideal growing environment for various crops. They reduce daytime temperature fluctuations, provide summer shading, and reduce heat loss amongst other benefits. All which aid in energy use reduction.

Other ways we are working to reduce our energy consumption are:

- Routine maintenance on our facilities and equipment-performing preventative maintenance
- Regular facility inspections looking for seals and leaks-testing for heat loss
- Wrapping pipes and boilers to retain heat as well as extensive boiler tune-ups
- Using high-energy roof poly and double-wall poly on all outside walls to prevent heat loss
- Efficient Irrigation using drip tape which reduces water use as the water drips right into the pot



ENVIRONMENTAL STEWARDSHIP

Natural Resources— Water, Trees, Reducing Carbon Footprint

We continue to strive to be good stewards of our natural resources. This movement started well before we began documenting our efforts. Being good stewards of our natural resources starts with efficient production, finding the best ways to achieve the most, while using the least amount of resources. At the end of the process, we make sure our rolling racks and carts are full and the trucks that they are shipped on are full, reducing freight to the least number of trucks and trips. This reduces our consumption of fuel and the resulting carbon emissions.

We started tracking our carbon footprint in 2010 by collecting and submitting data to a third party company who then calculated our annual CO₂ emissions. Over the 2016-2017 season, we had an internal team working on the development of a template that could be updated monthly by individuals within the company and automatically calculates our score. This data includes utilities, travel mileage, freight, etc. With this template complete, we have tested it using previous year's information. Going forward we will be able to calculate our score on our own, saving the fees, increasing profit, and continued monitoring to ensure we are not increasing our carbon emissions.



We expand our efforts by continuing to utilize efficient irrigation using drip tape. Drip irrigation saves water by only wetting a small area of the overall soil surface, delivering water and nutrients directly to the root zone of the plant ultimately reducing evaporation. Some studies show that using a drip irrigation system can save anywhere from 30%-70% water compared to other methods of watering. Drip irrigation also requires lower pumping pressure thus reducing energy use.

Starting in 2017, we began using Biological Control Agents (BCA) to reduce the number of pesticides used to control insects on our crops. Basically we are using “good” bugs to eliminate “bad” bugs. We use various mites, beetles and nematodes that feed on insects such as broad mites, shore flies and thrips that are harmful to our plans and cause damage or even transmit viruses. We started small with two ranges, and through the last three years have expanded to five ranges and have plans for continued expansion in 2021.

ENVIRONMENTAL STEWARDSHIP

Reduce, Recycle, Reuse—Reducing our Negative Impact

Through various efforts, we are striving to reduce our negative impact on the environment. We want to prevent as much waste as possible from going into the landfill. One of our continued efforts is the annual reuse of thousands of plastic trays. Re-using items in 2020 alone prevented over 44,000 cubic feet from going into the landfill. That is equivalent of over 900 pallets stacked 5 feet high.

In addition to our efforts to reuse, we also recycled 110,708 cubic feet of waste. This kept over 1,600 pallets stacked 5 feet high worth of waste out of the landfill. Combined, we are looking at the equivalent of over 2,000 pallets!



Our goal is to reuse and recycle at least 80% of our total waste. Our 2020 recycling totals were 78.2% of our total waste.

In 2011 NMG committed to an aggressive recycling goal (1,000 tons) and reduction of 50% in solid waste disposal. We reached 1,000 tons in July of 2016 and a 63% reduction in disposal. In 2019 we raised that goal to 2,500 tons. From our 2011 inception through December of 2020, we have eliminated 193,043 full bags, 59% of our goal.



RESPONSIBLE BUSINESS

Being a
profitable and
responsible
business
includes:



Governance & Ethics	Value for Stakeholders (internal and external)	Communication and Leadership
Fair and Ethical Business Practices	Increasing our Value for External to Benefit Internal	Oversite and Inspiration
Fair Labor Practices	Annual WM Sustainability Survey	Commitment to Sus Business Practices
Accurate Reporting Practices	Ongoing Ed / Dev for EEs to promote from within	Monthly Sustainability Bulletin
Employee Handbook and Code of Conduct	Veriflora Certification and Organic Certification	Promote Company Initiatives
Culture Training- Mission, Vision and Core Values	Provide 150+ FT jobs, 200+ Seasonal jobs and hundreds of temporary positions.	Provide Funds/Opport For EE Development
Annual Supervisor School for training and development		Sponsor America in Bloom Award/Program
Annual compliance audits for benefits, retirement plan and workers compensation to confirm accurate reporting	Affordable health/welfare benefits and employer matching retirement plan	Annual Corporate Sustainability Report

RESPONSIBLE BUSINESS

Governance and Governance and Ethics

“Fair and ethical business practices”

Fair labor practices and compliance with all applicable laws and regulations is central to maintaining an ethical business. In order for the company to operate effectively, consistent policies in relationship to personnel must be adopted and adhered to.

Our handbook provides the policies of NMG/MYP and are intended to provide an equitable structure for all employees. The policies in our handbook are reviewed annually and improved as we find new and better ways of meeting the needs of our employees as well as NMG/MYP and those of our customers.

NMG/MYP complies with all governmental reporting requirements, filings and standard accounting practices. Our internal processes are also audited annually during our Veriflora Certification process, 401K Plan audits and testing, Accounting audits, Compliance and discrimination testing and ACA reporting.

Being transparent and regularly sharing metrics and budgets with our employees enables our team to better understand the financial decisions made by the company, and how what they do every day contributes to the overall success.



RESPONSIBLE BUSINESS

Affordable Health/Welfare Benefits

Providing good jobs and family friendly benefits is a win-win for Neal Mast and our community and the number of employees at NMG/MYP has more than doubled over the last decade. Longevity is high among NMG/MYP employees with 46% of our employees over 5 years of service, 34% over 10 years of service and a management team that averages 12+ years of service.

Offering medical, dental and life insurance benefits means that our employees can be sure that they and their families are well taken care of. Providing paid time off with a healthy vacation and personal time policy is important for health and well being - giving employees the opportunity to rest and recharge. We also provide a 401K retirement plan that encourages employees to prepare financially for their future.

Employee Training and Development

We are committed to our annual employee review process. During these reviews we discuss wins, opportunities and individual development plans for moving up in the company or increasing responsibilities. NMG provides an assortment of ongoing educational and development opportunities for employees to enhance their knowledge, experience, develop new skills and grow their “personal brand”. This training may be in a large group setting, as part of a small team or as an IDP (Individual Development Plan).



RESPONSIBLE BUSINESS

Value for Stakeholders (internal and external)

“Increasing our value for external to benefit internal”

Veriflora and Organic Certified

Each year **NMG/MYP** goes through an extensive audit with **SCS** (Scientific Certification Systems) to be a **Veriflora Certified** Grower. This certification shows that our plants have been produced in an environmentally and socially responsible manner with high quality standards using:

- Quality supporting handling practices from seed to store that allows you to enjoy flowers and plants that look beautiful and last longer.
- Environment practices that reduce energy consumption, landfill space used, conserve water and support healthy ecosystems.
- A healthy, equitable workplace that supports employees, their families and the community.

Our company was the first potted plant grower in the US to become Veriflora certified, we were not required to obtain this certification, we felt that it measured our already implemented efforts of environmental stewardship, social responsibility and quality. Since SCS Global Services was a trusted leader in third party verification of environmental and sustainability our sustainability efforts are backed by scientific rigor and integrity. In December 2011, we took it a step further and received our first Organic Certification. We have continued our organic certification annually as well.

To learn more about Veriflora, visit:

scsglobalservices.com/veriflora



RESPONSIBLE BUSINESS

Internships

One aspect of being a sustainable business is encouraging the next generation, whether it's in growing, research, or commercial production management. Neal Mast provides internship opportunities each year for students pursuing careers in the horticulture industry.



We've made a considerable investment in furnished housing on our property that allows us to host 3+ interns per year. Interns have come from all over the country with a common passion for horticulture and we provide the opportunity for hands on, real world experience in a commercial growing establishment.

2020 brought a new opportunity for 6-month long internships versus the 12 week internships offered in previous years. With most college and university courses being limited to online, our interns happily accepted the extended internship.

We move these individuals between locations during the course of their internship to allow for the most well rounded experience. This can be in our young plant facility, finished growing or in the display garden. We also move them within facilities to shadow and work with different Section Growers on a variety of crops as well as different departments.



Funding Generations of Progress
Through Research and Scholarships

Maintaining strong relationships with colleges and universities that have well known horticulture programs is key to the success of our internship program as well as organizations like the American Floral Endowment. The American Floral Endowment (AFE) is an independent nonprofit organization that funds research and scholarships in floriculture and environmental horticulture for the benefit of growers, wholesalers, retailers, allied industry organizations and the general public.

RESPONSIBLE BUSINESS

Charitable Drives

Throughout the year, we collect money for our Employee Flower Fund by offering our employees to purchase a variety of our plants at wholesale price. That money is pooled into our Employee Flower Fund account, matched by NMG, resulting in the cash donation doubling. The 2020 charitable organizations that received a cash donation were Seed Your Future and Ronald McDonald House (RMH).

Seed Your Future is the movement to promote horticulture and inspire people to pursue careers working with plants. They envision a world where everyone understands and values the importance of plants and the people who work in the art, science, technology and business of horticulture.



Ronald McDonald House was the other recipient of this donation through their Buy a Brick Fundraiser. NMG purchased a 16X16 brick in the name of our employees and it will be a permanent reminder in the backyard of the Ronald McDonald House of our commitment to their mission. The Ronald McDonald House allows parents who are far from home to stay close to their hospitalized child and benefit from the comforts of home without incurring hotel and food costs.

NMG also donated veggie, herb, and flowering annuals to the Ronald McDonald House of West Michigan to fill a series of raised beds built by the Herman Miller volunteer team. The RMH was hoping to provide beautiful flowers, fresh veggies, and herbs for the families that stayed in the house this summer while their child was hospitalized. Unfortunately they were not able to secure enough soil for their raised beds so a local Boy Scout Troop painted and donated smaller garden beds to be used for all of the veggies and herbs. The other flowers were sprinkled throughout our current landscaping.



RESPONSIBLE BUSINESS

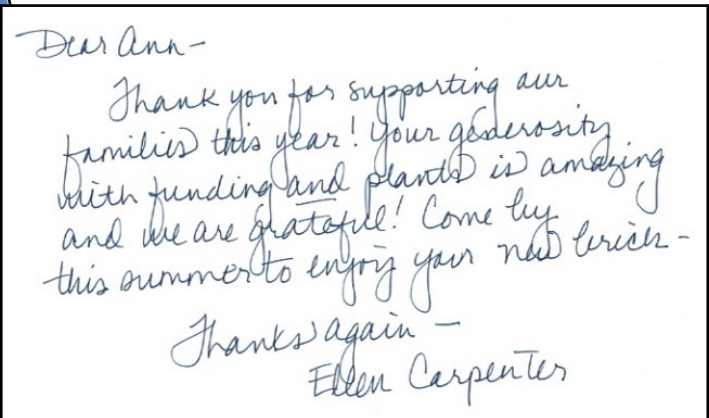
Charitable Drives-Continued

During Sustainability Week we also collected Christmas cards to pair with poinsettias to distribute to organizations such as assisted living facilities, hospitals, etc. In total, we received 147 cards.

This year, we were presented with some challenges as many organizations changed their donation acceptance policies during the pandemic. Thankfully, we found two organizations that were very happy to receive the cards and the Poinsettias, the Ronald McDonald House and Spectrum Health Services.

At the Ronald McDonald House, Kortney Hapner, Volunteer Services Manager, picked up the plants just before Thanksgiving. She said the plants brighten the space and the cards will be a warm welcome to those staying in the house while their loved ones are being treated in the hospital. Ellen Carpenter, Executive Director reported that our donation helps make the Ronald McDonald House a true home away from home!

The second recipient of plants and cards was Spectrum Health Services. We delivered 135 poinsettias and cards to their Marketing Directors home. Social workers then picked up the plants to deliver to a number of assisted living facilities. They were so very grateful, noting that many of these residents hadn't had visitors in months and that these beautiful plants and cards would brighten their days.



RESPONSIBLE BUSINESS

Communication and Leadership

"Oversite and Inspiration"

Commitment to being a sustainable business has to come from the leadership of any organization. Our owner, Jim Raterink and the NMG/MYP Business Management Team are continually developing new initiatives and opportunities for furthering sustainable actions and employee involvement. Part of this process is also committing the funding needed to carry this forward along with improvements each year.

Our **News to Use Sustainability Bulletin** is a monthly publication that keeps our employees up to date on the projects of the Sustainemunity Team, minutes from the last meeting, recycling dashboards and interesting articles tied to sustainability. This bulletin also highlights NMG/MYP's community efforts and contributions to charitable organizations. This publication is designed to motivate our employees to embrace sustainability through education and inspire them to bring sustainability efforts home.



Part of being a sustainable company is partnering with like minded suppliers. We highlighted various suppliers' sustainability efforts in our 2020 News to Use Sustainability Bulletins. One of the sustainable suppliers that we partner with is Cintas Corporation. The Cintas Corporation has deep roots in sustainability efforts. Their founders saw an opportunity to collect old, used rags that factories had thrown away keeping them out of the landfills.

They were then laundered and sold back to businesses. Cintas has expanded their product base now offering rugs and uniforms amongst other products as well as expanded their sustainability efforts. One way is by recycling up to 50% of their wash water which provides 20% in water savings, 12% in energy savings and 75% in soap savings compared to home laundry!



RESPONSIBLE BUSINESS

Communication and Leadership—Continued

Our main tag supplier, MasterTag, is also a business who is committed to sustainability. MasterTag is committed to the sustainable manufacturing of their products and the contribution to environmental stewardship. One of their efforts is that they print all tags on 100% recyclable Polystyrene and Polypropylene. Another is over 98% of the internal plastic scrap generated is recycled into new plant tag material, grower trays, or pots. Their New Materials Evaluation Team is constantly searching for alternative, more sustainable material.



We also include various articles tied to sustainability. This information is designed to inform and educate individuals about sustainable efforts as well as sustainable improvements. One article provided was about mattresses in the landfills. To summarize, many online providers offer a guarantee to try the mattress for 100 days and if you don't like it, you can return it and get your money back. What happens to all of those returned mattresses? The US throws away 18.2 Million mattresses a year and there are only 56 facilities to recycle them!



Another topic covered relates to how fresh produce is packaged for retail shelves. Some packaging suppliers cite sustainability as the most significant driver in fresh produce packaging today. Focusing on the total impact of the packaging not just if it can be recycled at the end of its life. Growing awareness of big-picture sustainability, along with convenience and improved technology, sets a high bar for how produce appears on retail shelves. There is an importance in understanding the interwoven trends

behind packaging advances in order to meet consumer expectations as well as keeping the product inviting on the shelf. Another article presented a company, BioTek's, natural alternative to plastic produce packaging by using sugarcane pulp to produce the trays. These trays are manufactured in China where sugarcane pulp is readily available and a by-product of the sugar industry. All of the products manufactured by BioTek are carbon-neutral meaning the emissions related to the lifecycle of their products and organization have been offset.

RESPONSIBLE BUSINESS

We also shared an article about the pros and cons of electric vehicles. Electric vehicles (EV) reduce our dependence on fossil fuels and lower direct emissions. Still there are two main issues to consider. One is a concept called “well-to-wheel” emissions and the other is the end-life of EV batteries. Even though electric vehicles don’t run on gasoline, the energy they run has to come from somewhere. Well-to-wheel emissions for electronic vehicles include electric power plants whose emissions should be taken into account too. Finally, what should be done with lithium ion batteries when they wear out. Although these batteries are rechargeable, they don’t last forever. Not only do these batteries carry a risk of giving off toxic gases if damaged, but core ingredients (such as lithium and cobalt) are finite and extraction can lead to water pollution and depletion.



Sharing articles is designed to educate our team and inspire them to think about sustainability at home. Not all sustainable efforts end up being successful and should be viewed through a critical lens. Just because one goal is reached, like electronic vehicles reducing carbon emissions, doesn’t necessarily mean success. The whole picture needs to be examined keeping in mind how the product is made as well as if the new end result is more sustainable, and we can only do that if we are all educated on sustainability.

We track and summarize our sustainability efforts in an annually published **Corporate Sustainability Report** (available on our website). It also provides a snap shot to job seekers to see NMG/MYP as a company committed to sustainability, not just in words, but in actions. This document is shared with our customers and vendors, giving them insight into how our efforts benefit them and align with their own initiatives and is also available to all employees on our company public drive.



OUR COMPANY

In 1948, Neal Mast immigrated to the United States with his young family, arriving on Ellis Island with \$20 in his pocket and a chest holding all their earthly possessions. They then traveled to Grand Rapids, Michigan where his sponsor offered to help him get established. In his first years in the United States, Neal had little interest in the greenhouse business, having worked in his father's greenhouse growing vegetables with his five brothers from the age of six. He thought in America he would do something more exciting and spent his first years in Grand Rapids working odd jobs in foundries and trying to learn English. Eventually, Neal took a job working for two brothers that were produce growers. He worked summers in the Upper Peninsula of Michigan growing lettuce, and also helping bring the product to market.

In the early 1950's, Neal had an opportunity to rent a greenhouse from a gentleman who wanted to keep it running while his son was serving in the National Guard. Neal would work nights in the foundry and days at the greenhouse. In the winter, he would run home during breaks at the foundry to shovel coal into the boilers at the greenhouse. Some of the first flowering plants that Neal grew were cutting geraniums that he would sell to the local cemeteries for Memorial Day. He would collect the urns in the fall, tag them with the customer's name, and in the spring return them to the cemetery filled with beautiful geraniums.

In time, Neal quit working in the foundry, and was able to make a living working full-time at the greenhouse. During that time, he and Jacoba had three more children, rounding it out to seven. His oldest son came into the business and eventually purchased the original greenhouse. In 1972, Neal started a new greenhouse, with new customers, at our current location on Four Mile Road.

The business has grown over the last 45 years from a sole proprietor to a small corporation. When Jim Mast purchased the business from his father in 1987 there were 10 employees and 120,000 ft of production space growing Poinsettias, Easter Lilies and Seed Geraniums. Product shipped 10 weeks out of the year and mainly serviced a 5 state area. Jim Raterink, our current owner joined the company in 1991 as CFO and now serves as President/CEO.

We now have two divisions: Mast Young Plants produces millions of vegetative liners and seed plugs annually and the Neal Mast finished division produces product year around for big box retailers and grocery stores. We ship to 48 states and have over 150 full time employees, 250 seasonal NMG employees and during peaks will exceed over 400 temporary employees! We operate over 1M square feet of indoor production with an additional 23 acres in outdoor production for the summer products.

We don't have a crystal ball to predict our future, what we do have is an assembled team of people committed to our future. A motivated team of visionaries, analysts, strategists, growers and executers, working together and moving in the same direction.

Our continuing success lays in our heritage as world-class growers and our passion

for **"Connecting People to Plants."**



2020

CORPORATE SUSTAINABILITY REPORT



NEAL MAST
GREENHOUSES



MAST
YOUNG PLANTS

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