2023 Annual Benefit Report - Addendum to Form 15-8898

Since form 15-8898 itself has limited space for text we have chosen to expand on the information included on the form in this document. The *headings in bold and italic reflect form 15-8898*. The *underlined and italic headings reflect the statute which defines specific public benefits*.

3. (i) A narrative description of the ways in which the benefit company pursued general public benefit during the year and the extent to which general public benefit was created.

During 2023, Groovy Greens, LLC created public benefit in the following ways:

- (1) providing low-income or underserved individuals or communities with beneficial products or services:
 - In 2023 Groovy Greens donated a total of \$240 and 85 lbs of excess fresh produce worth \$1212 to local Food Banks, specifically Quakertown Food Bank, the Lord's Pantry in Ottsville and the New Jerusalem Food Pantry of Hellertown.
- (2) promoting economic opportunity for individuals or communities beyond the creation of jobs in the normal course of business:
 - Groovy Greens provided farm-related skills learning opportunities for one volunteer in 2023.

(3) preserving the environment:

- Adaptive re-use of buildings & materials
 - Groovy Greens operations are carried out in buildings and greenhouses previously used as a garden center. By re-using existing infrastructure we are reducing the impact on the environment.
 - Raised beds were made from old fencing and garden soil from a landscaping customer.
 - Tables used at the previous garden center were modified for growing greens.
- Minimizing non-renewable resource use
 - At the outset of Groovy Greens, we chose to use growing media with a base of coconut fiber, rice hulls and compost, all "waste" products, in order to minimize the use of peat, which is essentially a non-renewable resource. Over the years we have encountered a number of challenges with growing in coconut fiber based media, which we tried to overcome with the addition of compost and other soil amendments, with only partial success. As a result, in 2023, we filled new outdoor table beds with compost-based raised bed media that contains a certain percentage of peat. We also successfully trialled compost-based potting mix containing

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- peat for growing lettuce seedlings. Its use led to increased production quality and quantity of our greens. We continue to seek an effective more locally sourced non-peat based potting mix.
- We compost and re-use all our growing media which has significantly reduced our off-farm inputs related to growing microgreens since the beginning of 2023.
- We provide returnable packaging to the vast majority of our customers in the form of organic cotton bags and recyclable plastic containers.

Minimizing waste

- All organic materials including greens and growing tray wastes are recycled via on-site composting.
- Groovy Greens provides a local hub to enable customers and local residents a place to recycle hard to recycle items such as well used food containers via Terracycle, a national recycling company.
- The disposal of approximately 850 single use plastic bags and 250 plastic containers was avoided through the use of returnable packaging in 2023.

Minimizing chemical use

 Groovy Greens employs organic growing methods, although not certified organic, we use natural fertilizers, soil amendments and pesticides. We have significantly reduced the quantity of these substances by improving the biology in the growing media and soil.

(4) improving human health;

- Groovy Greens provides fresh local produce to the community; which due to its freshness, variety and organic growing methods, is more healthy than typical store-bought salad greens.
- Groovy Greens' focus is on increasing the nutrient density of the food grown and we are constantly working on improving the taste and quality of our greens.

(5) promoting the arts, sciences or advancement of knowledge;

Nothing to report

(6) promoting economic development through support of initiatives that increase access to capital for emerging and growing technology enterprises, facilitate the transfer and commercial adoption of new technologies, provide technical and business support to emerging and growing technology enterprises or form support partnerships that support those objectives:

Not applicable

(7) increasing the flow of capital to entities with a public benefit purpose:

Not applicable

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(8) the accomplishment of any other particular benefit for society or the environment:

- One of our stated goals is to "foster community spirit", we feel we have benefited our customers and local community by offering in-person pick up where customers interact with Groovy Greens staff and experience chance encounters with other customers. Many community connections have been made and supported during these pick up periods.
- In conjunction with Painted Earth Greenhouses, Groovy Greens held a customer appreciation social event in 2023, which was attended and enjoyed by more than twenty-five customers.
- 3. (ii) the ways in which the benefit company pursued any specific public benefit that the certificate of organization states is the purpose of the benefit company to create and the extent to which that specific public benefit was created:

There is no specific public benefit stated on the certification of organization for Groovy Greens, LLC, however, on our website we state the following:

"In addition to growing and selling our food in an environmentally conscious manner, our stated public benefits are as follows:

- To provide healthy, delicious and nutrient dense food for local people, including those in need
- To provide educational opportunities for local people to learn about growing food, composting and improving soil health
- To foster community spirit"

We have accomplished these purposes by the activities set forth at 3(i), above.

(iii) any circumstances that have hindered the creation by the benefit company of general or specific public benefit:

None

3. (iv) the process and rationale for selecting or changing the third-party standard used to prepare the benefit report:

Groovy Greens is an urban-style farm growing salad greens on tables in a small greenhouse and in ground beds at two locations. In selecting our third-party standard in 2020, we reviewed a number of standards, including B-Corp and Rodale's Regenerative Agriculture standards. The Food Alliance standards were chosen since they were found they are the most suitable for our operation.

The Food Alliance certifies agricultural operations, food processors and distributors that ensure:

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- · Safe and fair working conditions.
- The health and humane treatment of farm animals.
- · Reduced risk from pesticides and other toxic or hazardous materials.
- Protection and enhancement of wildlife habitat and biodiversity.
- Conservation of soil, water, and energy, and reduction and recycling of waste.
- Transparent and traceable supply chains.
- Food product integrity, with no genetically engineered or artificial ingredients.
- Continual improvement of management practices.

Food Alliance is a non-profit organization, its certification body has clear, publicly available standards and is a credible and effective way for producers and food companies to demonstrate their commitment to sustainable management practices.

The Food Alliance has several different sustainability standards, one of which, the Whole Farm Evaluation Tool, is for crop producers which covers all fruit, vegetable, nut, cereal, pulse and other crops. This is the main standard against which Groovy Greens operations are assessed. The Operational Efficiencies section from the Food Alliance's Nursery Greenhouse's Evaluation Tool was also utilized in order to capture some important environmental measures such as energy and resource use not included in the Whole Farm Evaluation Tool.

It is important to note that whilst Groovy Greens operations were assessed against these Food Alliance standards, it was a self-evaluation and has not been audited or certified by a third-party standards provider. (This is allowable by law as set out in Chapter 15 section § 8898). The Benefits Director making the Annual Compliance Statement is independent of operations at Groovy Greens.

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4. An assessment of the overall social and environmental performance of the benefit company against a third-party standard applied consistently with any application of that standard in prior benefit reports or accompanied by an explanation of the reasons for any inconsistent application.

Overall Evaluation Score: 87% (including fixed criteria)

The Table below shows a summary of scores (self-evaluated by the Benefits Officer and checked by the Benefits Director).

	Food Alliance Evaluation Tool	
	Whole Farm Evaluation Tool	Nursery Greenhouse Production Evaluation Tool
Section Heading		
Integrated Pest, Disease and Weed Management, and Pesticide Risk Reduction	95%	
Soil and Water Conservation	86%	
Wildlife Habitat and Biodiversity Conservation	68%	
Safe and Fair Working Conditions (for Employees)	N/A	
Operational Efficiencies		88%
Fixed Criteria (no GMOs and no Prohibited Pesticides)	100%	
	OVERALL EVALUATION SCORE 87%	

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Key areas for Improvement identified using the Food Alliance Evaluation and other Tools are shown in the table below with associated 2023 implementation notes and actions for 2024.

Food Alliance KPIs	Status (2023 Notes)	2024 Actions
Reduce no. of pests and use of pesticides	Our goal is to grow the most healthy plants that are virtually immune to insects and diseases by balancing minerals and improving soil biology. • Fungus gnats infested the GH beds in the very early Spring. There was no visible damage to the plants • Aphids on pea shoots were controlled by physical removal of the plants in the heat of the summer • There were no flea beetle problems this year. • Mice were a problem in the microgreens growing space during the winter months	Continue to work on improving soil and plant health which increases plants defenses against pests and diseases. Further protect crops from mammalian pests.
Reducing towns water use	In progress - unable to measure directly	Install gutter and rain barrels to collect rainwater for use in hand watering and foliar applications
Reducing energy use	In progress - unable to measure directly	Explore grants available for on-site renewable energy production Look into energy use of fans, fridge and lights - produce energy profile
Increasing biodiversity & wildlife	In progress ■ A basic Biodiversity and Wildlife Plan is in place	Monitor beneficial insect and bird life Maintain native plantings Remove invasive autumn olive trees at WLA
Increasing biological activity in soils and growing media	In progress Soils and media were tested in Dec 23 We did not receive the SARE grant to investigate soil biology, chemistry and nutrient density Used compost based mix in the new outdoor table beds	Continue to monitor biological activity in all media and soil

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Non-Food Alliance KPIs	Status (2023 Notes)	2024 Actions
Reduction in use of off-farm sources of growing media, nutrients and amendments	In progress • Use of compost made on-farm for growing microgreens was very successful and reduced the use of coconut coir significantly • Used compost based media for new outdoor table beds from Vermont Compost Company (VCC) as this is the industry gold standard • Used compost based potting mix for growing lettuce seedlings from VCC Company as this is the industry standard	Continue to monitor nutrient availability in soils
Increasing use of local suppliers and materials	In progress • 70% of supplies (including for resale) were purchased from either regional or local vendors (by value) • Spending at local vendors decreased from 49% to 40% • Locally sourced media for table beds performed well (leaf and other compost)	Evaluate source of raw materials on local, regional or further scale
Increasing Community Farm Stand use and Food Bank donations	In progress • \$240 was donated to local Food Banks in 2023 • New location at Post Office attracted significant donations • Farm Stand at Groovy Greens was closed down due to lack of donations and insufficient time available to promote its use	Contact churches and other community groups regarding Farm Stand at Post Office.
Increasing public education benefit	In progress • No separate classes were offered in 2023 due to time constraints and space limitations	Repeat Open House and offer mini workshops when time allows
Increase nutrient	In progress	Continue to improve media
education benefit	In progress No separate classes were offered in 2023 due to time constraints and space limitations	mini workshops when time allows

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density in leafy greens grown	 Did not receive SARE grant to investigate soil biology, chemistry and nutrient density of crops grown in coconut fiber based media 	and growing techniques which should increase quality and nutrient density of greens
NEW FOR 2023 Reduce use of peat based potting mix and raised bed media	In progress • VCC potting mix and raised bed media contains peat, a non-renewable resource. The potting mix resulted in healthier lettuce seedlings and better lettuce production than previous coir based mix made on farm.	 Continue to test other coconut fiber based potting mixes for growing lettuce seedlings Refresh table beds with non-peat containing composts and other amendments

Benefit Director Statement

Although not required of Benefit Companies, Groovy Greens, LLC has opted to elect a Benefit Director, whose annual statement appears below:

Groovy Greens, LLC continues to make a positive impact on both society and the environment by maintaining organic growing practices, managing soil responsibly, using low-impact packaging, repurposing materials, minimizing waste, providing healthy and nutrient-rich food to local food banks and families, and fostering a strong sense of community.

ymmi

Lynn Prior

Groovy Greens, LLC Benefit Director

January 2025