



# *Health at the Heart*

*Environmental, Social, Governance*



HEALTHY ANIMALS.  
HEALTHY FOOD.  
HEALTHY WORLD.®

PUBLISHED APRIL 2023



# OUR ESG JOURNEY CONTINUES

This Environmental, Social and Governance (ESG) Report describes Phibro Animal Health Corporation's ("Phibro" | Nasdaq: PAHC) ESG efforts and related performance for the year ended December 31, 2022, and reflects consolidated company operations, unless otherwise noted. Included in this Report are disclosures containing relevant, industry-specific data and information aligned with the Sustainability Accounting Standards Board (SASB) framework, along with select disclosures aligned with the Global Reporting Initiative (GRI) framework.

Content within this Report should not be considered a substitute for Phibro's filings with the U.S. Securities & Exchange Commission (SEC), including, but not limited to, the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

This ESG Report captures the many ways Phibro empowers our people, protects the environment, acts with integrity and engages with the communities in which we operate globally.





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# A LETTER FROM OUR PRESIDENT, CEO AND CHAIRMAN OF THE BOARD

As I reflect on more than fifty years with Phibro - a company that traces its roots to a business my grandfather Siegfried Bendheim started in New York City back in 1914, I celebrate the continuation of his legacy and Phibro's ability to innovate and evolve in our ever-changing world.

I am pleased to share our second annual ESG Report and the progress Phibro has made to generate positive change for people, animals and the planet.

2022 was yet another year where generation-defining challenges were faced around the world. The COVID-19 pandemic entered its third year and it has never been more urgent, or more vital, for us as a company and as a society to live the [One Health](#) principles, which recognize the interconnectivity between the health of people, animals and the planet. It's foundational to our motto: **Healthy Animals. Healthy Food. Healthy World.®**

For Phibro, Health *is* at the Heart of our longstanding relationships with customers, the agriculture community and the public.

This ethos extends to the planet through the methods and materials we use. Over the last few years, Phibro's focus on making advancements in responsible and sustainable business practices has been just as important as the product advancements brought about by our scientific contributions, as demonstrated by improvements in our natural resource use intensity scores across most categories.

In 2022, we expanded our offerings in livestock vaccines for preventive health care and in renewable energy, as well as our pet care category product pipeline, as detailed in this Report. We are particularly proud that the emphasis we have put on diversity, equity and inclusion is beginning to show improved awareness. Diversity is an integral part of our culture; it drives team creativity, cohesion, flexibility and effectiveness.

Through business development efforts, we continue to explore technologies that will result in new solutions for our customers. Our portfolio is strong but we believe there are opportunities to make it even stronger

and bring innovative solutions to the market to better satisfy customer needs. Our near-term growth priorities are mapped against planned strategic investments which include pet care, nutritional specialty products and vaccine development projects, as well as a joint venture in China to develop a vaccine to combat African Swine Fever. In addition, we continue to allocate significant funding towards capital improvement projects, including the build-out of a new vaccine facility in Ireland, upgrades to our Quincy, Ill. nutritional specialty facilities and the expansion of vaccine manufacturing capacity at multiple locations throughout the world.

Looking ahead, we will continue to champion new approaches to further balance the equilibrium between people, animals and the planet.



**JACK BENDHEIM**  
President, CEO  
and Chairman  
of the Board







## 2.0 HEALTH AT THE HEART

The idea of discovering “why” a company exists has become popular thanks, in part, to author and speaker [Simon Sinek](#). Sinek argues that people don’t buy what you do, but rather why you do it.

So, what’s our why?

At Phibro, we’ve long appreciated the vital roles animals play in our lives. Our products, together with our people, support the sustainability of raising animals, uphold animal welfare, reinforce the human-animal bond and enable society to put [One Health](#) principles into practice, which recognize the interconnectivity between the health of people, animals and the planet.

### OUR FAMILY TREE

As a company, our roots can be traced to 1914 when Siegfried Bendheim launched Philipp Brothers, Inc. upon immigrating to New York City. Siegfried and his son Charles formed Philipp Brothers Chemicals, Inc. in 1946. We changed our name to Phibro Animal Health Corporation (Phibro) in 2003

to reflect our focus on keeping animals healthy. Phibro became a public company in 2014 with our initial public offering and listing on the Nasdaq stock exchange. Siegfried’s grandson, Jack Bendheim, who serves as President, CEO and Chairman of the Board, celebrated his 54th year with the company in 2022.

### HOW WE DO BUSINESS

We strive to operate a thriving company that we can be proud of and that supports a sustainable and inclusive economy. Fulfilling these goals rests on staying true to our unique value proposition: delivering exceptional customer service, high product-quality standards, fairness and responsibility, a commitment to integrity and building great teams and winning culture. Doing all of this well is the underpinning of Phibro’s long-term success, and our ability to continue to deliver for all our stakeholders – customers, the agriculture sector, employees, neighbors and shareholders.



### BY THE NUMBERS

>1,800 employees at >50 sites

Approximately 780 product lines

Manufacture ~70% of our products

Sales in more than 80 countries  
to more than 3,700 customers

# OUR CORPORATE ESG POLICY

True to our legacy as a dynamic, family-centric company that takes care of our employees, their families and the communities in which we operate, Phibro is committed to the health of animals and support for the people who care for them. Healthier animals will help create a healthier future for people and our planet.

ESG is embedded in our operations through our strategic decision-making and business processes as we continue to work with our customers and communities to reach common goals. Phibro has a proven track record of evolving with the changing times, and it is our sincere intent to accelerate our ESG journey.

Leadership at Phibro starts with our Board of Directors, CEO and senior management, and cascades across the company.

We are committed to investing in our ESG program, including gathering input from stakeholders. While developing our first ESG Report, we surveyed key stakeholders to understand their perspective on priority areas. We were pleased to see strong alignment between their interests and ours, thus forming the basis of the content of our ESG Reports.

The animal health community plays a key role in feeding the world. Despite continuous efforts of all in food and agriculture, there is more work to do. According to the United Nations, [2.4 billion people – more than 30 percent of the world's population – were moderately or severely food-insecure in 2020](#). That's why ESG is more than a scorecard to us, it's our commitment – a commitment that's integral to our company:

**Healthy Animals. Healthy Food. Healthy World.®**



## OUR ESG STARTING LINE

In 2021, we conducted a materiality assessment to identify the ESG topics that were important to our customers, employees and stakeholders, and were most relevant to our business. With the assistance of a third party, we undertook the following rigorous process:

- Looked to peers in animal health and life sciences to understand the ESG frameworks most relevant to Phibro;
- Sourced materiality topics specific to the industry from applicable frameworks, starting with the Sustainability Accounting Standards

Board (SASB) for an initial set of metrics, and Global Reporting Initiative (GRI), MSCI and S&P Global to develop a more holistic list;

- Surveyed key stakeholders including employees, executives, investors, financial institutions, sell-side analysts, creditors and trade associations; and
- Calibrated the content of our inaugural 2021 Report to ensure it responded to our stakeholders' needs and expectations.





In 2021, we formed our global ESG Council, chaired by our Chief Financial Officer, Damian Finio, and sponsored by Carol Wrenn, an independent director on our Board. This cross-functional Phibro team works diligently to advance and institutionalize our ESG initiatives. We're serious about this process because the principles of ESG align with how we've done business since the very beginning.

We care about our employees, our customers, our impact on communities and the natural resources entrusted to our care. We understand that providing animals with quality nutrition and treating them with respect and compassion leads to healthy animals. And healthy animals drive a more abundant supply of quality protein for consumers around the world.

## OUR MISSION AND BELIEFS

### OUR PURPOSE

Optimize animal health and nutrition for better lives and a more sustainable world.

### OUR MISSION

Provide safe and effective solutions for our customers' unique challenges.

### OUR BELIEFS

At Phibro Animal Health Corporation we believe in

- **Keeping animals healthy**  
Keeping animals healthy helps keep families healthy and helps feed a growing world
- **Doing the right thing**  
Doing the right thing for our customers builds meaningful relationships
- **Focusing on our customers**  
Focusing on our customers' needs inspires our most inventive solutions
- **Continuous investment in our people**  
Continuous investment in our people, our company and our industry is essential for future growth
- **Success built by a passion for excellence**  
Success is built by a passion for excellence and the willingness of every team member to roll up their sleeves – we're in this together
- **Individuals making an impact**  
Maintaining our flexibility, urgency and an environment where individuals make an impact is essential no matter how large we grow

## 2.0 HEALTHY CUSTOMER RELATIONSHIPS

Phibro delivers a comprehensive portfolio of solutions for animal and plant health and the ethanol industry. Our research and development teams continually work on new technologies, developing and manufacturing safe, innovative and effective products and delivery systems to ensure the success of our customers globally.

### FOR LIVESTOCK AND AQUACULTURE

Phibro provides a broad range of proven products for poultry, swine, beef and dairy cattle and aquaculture. We offer high-quality products, backed by experts dedicated to serving farmers, ranchers, nutritionists and veterinarians.

**MEDICATED PRODUCTS:** Our products prevent and treat disease to maintain the health and welfare of animals. Without them, animals can suffer from enteric diseases, intestinal parasites or respiratory disease.

Phibro and other members of the animal health industry including farmers and

veterinarians, in conjunction with government regulators in many global markets, have long made it a priority to ensure the responsible use of antibiotics in animals. See pages 19-20 for a progress update.

**VACCINES:** Our vaccines provide effective prevention against disease, prevent animal suffering and enable farmers to meet the highest standards of animal care and quality production. With a portfolio of vaccines for poultry, swine, beef and dairy cattle and aquaculture, we combine the right products with technical support and continual innovation.

We market a broad portfolio of fully licensed vaccines for poultry to key markets and customers around the globe. We offer more than 25 poultry vaccines to protect against deadly diseases, including Infectious Bronchitis, [Infectious Bursal Disease](#), Newcastle Disease and infections of zoonotic pathogens including *Salmonella*, *E. coli* and *Campylobacter*.

## FROM AN INVESTOR'S PERSPECTIVE: OUR CORE STRENGTHS

**ENDURANCE.** Established in 1946 as a chemical company, transforming into a leader in the Animal Health industry driven by acquisitions and organic growth.

**ANTICIPATION.** Had the foresight to invest in nutritional specialty, mineral nutrition and vaccine products, enabling the company to grow the Animal Health business beyond Medicated Feed Additives.

**OPPORTUNISTIC.** Seizing opportunities to acquire accretive businesses: Prince Agri Products in 1980, Pfizer's MFA business in 2000, Abic Laboratories' vaccine business in 2009, Osprey Biotechnics' micro-organism business in 2019, and entering the high-growth area of companion animals in 2019 with the launch of Rejensa®.

**BREADTH.** Approximately 780 product lines sold in more than 80 countries spanning three business segments: Animal Health, Mineral Nutrition and Performance Products.

**WISDOM.** Led by a seasoned CEO with more than 50 years at the company, flanked by other corporate and regional senior leaders each with more than 30 years of relevant experience at large multinational companies such as Schering-Plough, Elanco, Cargill, Novartis, Pfizer, AstraZeneca and Merck.

**ALIGNMENT.** A closely held public company with a CEO who is also the Chairman of the Board of Directors and a controlling shareholder, clearly driven by incentives aligned directly with the remainder of our shareholders.



## HELPING FARM BUSINESSES SUCCEED

Led by trained Phibro consultants, Our Dairy Values™ is an interactive exercise to help dairy owners define their unique purpose and values and put a plan in place to bring them to life.

The companion program, Vital Insight™, helps farmers make their operations more appealing places to work. Phibro works in partnership with Purdue University's Center for Food and Agricultural Business to survey dairy employees regarding attributes such as engagement, accountability and clarity of purpose. The findings help dairy leaders identify what is working and what can be improved on their farms. Engaging employees and obtaining their feedback communicates they are valued and integral to the farm's success.

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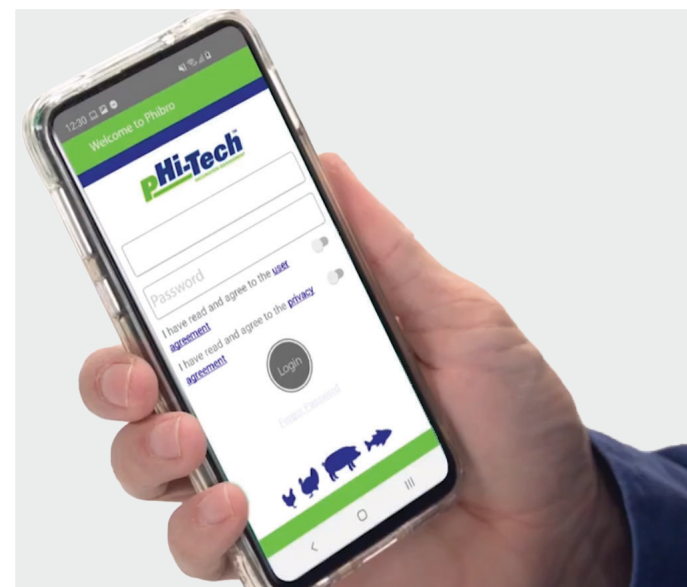


Phibro developed and launched **pHi-Tech®** for poultry, a revolutionary vaccination system that helps ensure accurate vaccine administration. Our system has been implemented by leading poultry farms in dozens of countries worldwide and has been used to perform hundreds of millions of injections to enhance flock immunity.

We are currently developing pHi-Tech for aqua, a safe and accurate portable vaccination system for fish; pHi-Tech DOV, a cost-efficient, compact solution for day-old chick vaccination; and comprehensive software solutions to facilitate monitoring and data-driven decision-making on farms.

**NUTRITIONAL SPECIALTIES:** We set ourselves apart as a leading provider of nutritional specialty products based on extensive research and proven results. Our innovative, science-based solutions help achieve optimal animal health by supporting immune function and promoting gut health.

We offer proprietary nutritional specialty products developed in cooperation with private research companies and leading university partners. We go the extra mile, conducting field trials to confirm our products effectively help achieve the animal health and sustainability goals of our livestock customers.



**MINERAL NUTRITION:** We develop and manufacture custom trace mineral pre-mix blends that help fortify and maintain an optimal balance of minerals in the diet. Our diverse mineral portfolio includes a wide array of trace and macro mineral products including elements comprised of various forms of manganese, copper, zinc, cobalt, iodine, iron, selenium, magnesium, sulfur, potassium, phosphorus, calcium, sodium and chlorine. Our offering includes the GemStone® line of organic trace minerals, selenium yeast and chromium tripicolinate.

Many Phibro products are customized for individual customers to help deliver optimal mineral nutritional balance in animal diets. Good nutrition is as important for animals as it is for people.

## TECH & TRAINING FOR BRAZIL'S EGG INDUSTRY

### FOR COMPANION ANIMALS

We continue to build our companion animal business and pipeline to improve the health and well-being of pets and, in turn, their owners. Our Rejensa® joint supplement for dogs continues to gain customer acceptance. Our companion animal development pipeline includes an early-stage atopic dermatitis compound, a novel Lyme vaccine delivery system product and two early-stage oral care compounds. We also entered into an agreement with Rejuvenate Bio, Inc. to collaborate on the development and commercialization of a gene therapy for mitral valve disease in dogs.

### FOR PLANTS

Global population growth combined with limited land and water resources makes it more important than ever to maximize crop yields. Phibro's Plant Solutions offers products used primarily in the production of grains, forages, fruits and vegetables, and include microbials and macro and trace elements. Microbials are used in seed treatment or soil application to help protect plants against harmful organisms and pests. Macro and trace element products provide a supplemental source of nutrients required for optimal plant health and production.

### FOR FUEL, DISTILLERS GRAIN AND DISTILLERS CORN OIL

[Phibro Ethanol](#) provides tools that work behind-the-scenes to help create cleaner fuel, cleaner air and a cleaner process. Phibro products and services empower our customers to achieve efficiency in their fermentation facilities. This yields more low-carbon, renewable energy from less biomass while also producing products for food and animal feed. Our solutions help biofuel producers worldwide provide a low-carbon energy solution – a solution that is positioned to play a significant role in the fight against climate change.

### FOR INDUSTRY

Through our legacy chemical business, Performance Products, we manufacture and market several specialty ingredients for industry. Performance Products includes PhibroChem (a division of Phibro Animal Health Corporation) and Ferro Metal & Chemical Corporation, which supply specialty chemicals to the U.S. and European markets for use in coatings, personal care, metal finishings and a range of industrial applications.

Phibro-Tech, Inc. is a recycler that manufactures copper- and iron-based products and recycles permitted waste primarily from the electronics industry.

Across Brazil's major egg production centers, Phibro offers free trainings on hen immunization and best practices in hen health and husbandry. Auditing and certification are available to companies so they can use the upgraded methods to differentiate themselves in the marketplace.

In 2022, 80 individuals participated in five trainings of up to three days each. We will continue to increase the scope and reach of this program in alignment with producer needs.



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## JOB ONE: VACCINATION INNOVATION

Phibro continues to expand our livestock vaccine offerings for preventive health care. Highlights include:

### JOINING FORCES

African Swine Fever (ASF) is a virulent disease that is highly lethal in swine. ASF's decimation of China's swine population in the late 2010s was not just a crisis for pigs, it was a food security crisis for people in many affected countries. Phibro, through a joint venture, is diligently working to commercialize a safe, effective, economical vaccine against ASF, through a novel epitope-based approach, rather than following the more conventional path of an attenuated live vaccine. The epitope-based vaccine formula presents zero risk of spreading the disease.

### ACCELERATED APPROVAL

Infectious bronchitis virus (IBV) is a significant respiratory pathogen affecting poultry that causes animal mortality and morbidity and costs millions of dollars in food production losses worldwide each year. While the poultry industry extensively vaccinates against IBV, the emergence of new serotypes and variants is a constant threat. Brazil – the world's largest poultry exporter – experienced a significant outbreak in 2022, and Phibro's team recognized that a vaccine in our pipeline,

TAbic® IBVAR206, could serve as a solution. Phibro Brazil worked with the local industry organization, Brazilian Association of Animal Protein, and Brazil's Ministry of Agriculture, Livestock and Food Supply on an intensive, fast-track regulatory review process. Upon deployment of the vaccine in early 2023, expected results include significant reductions in bird suffering and mortality, reduced rates of bird condemnation at the processing plant level and economic benefits to industry and the food system. Environmental benefits will include: saving the resources that would have been required to feed affected birds, preventing the food waste associated with condemnations in the processing facility and preventing the disposal of affected carcasses.

### CAPACITY, KEEPING UP

More broadly, we continue to invest in our vaccine production facility in Sligo, Ireland to equip it to manufacture poultry vaccines. Our first commercial sale of product was realized in February 2022, and we will continue to invest in expanding our production capabilities. We also built a vaccine production facility in Guarulhos, Brazil, to manufacture and market autogenous vaccines against animal diseases for swine, poultry and aquaculture.



## JOB ONE: VACCINATION INNOVATION (CONTINUED)

### FOCUS ON DELIVERY

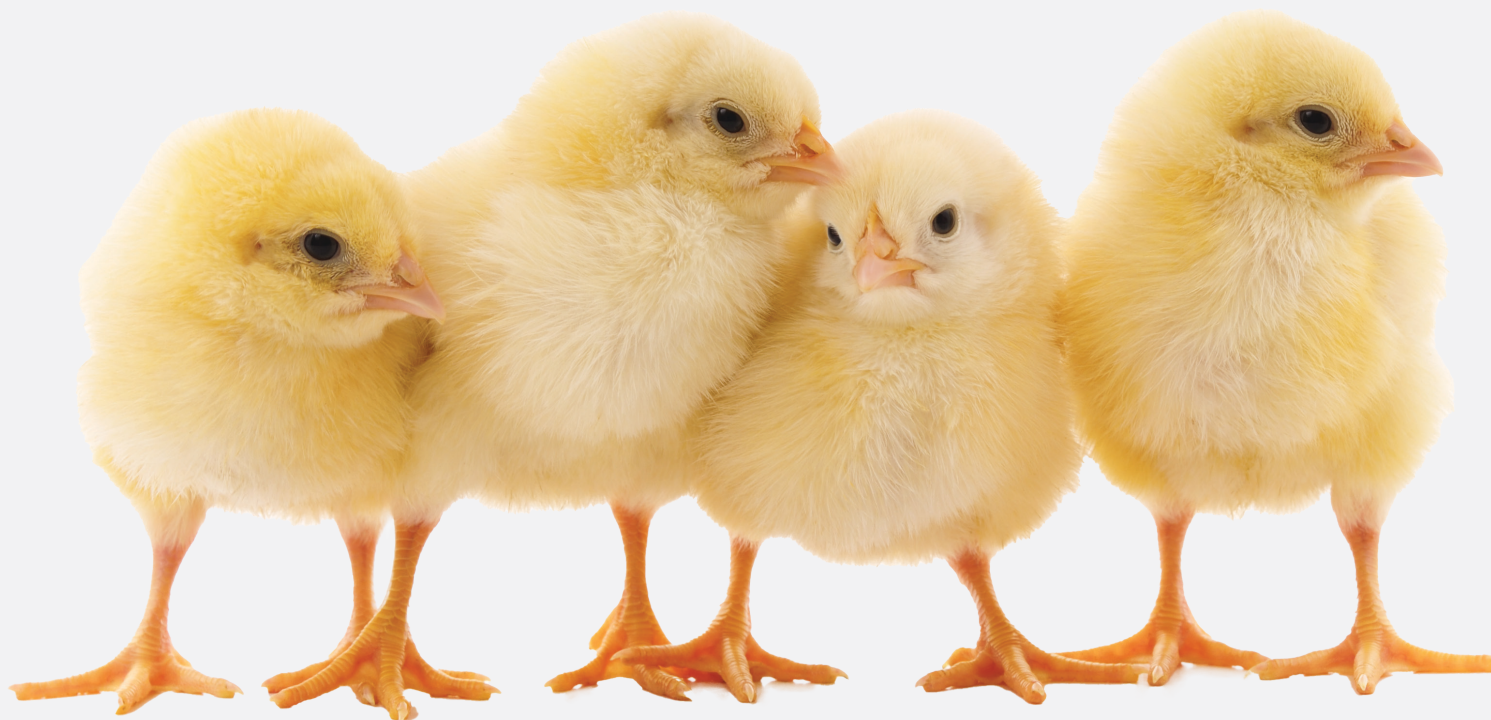
Our culture of innovation led to the development of a new, cutting-edge delivery platform for vaccines. TABic® patented tablet vaccine technology was developed for the formulation and delivery of vaccine antigens in effervescent tablets, replacing the traditional glass vials. The tablets allow for easier handling, transport and storage, enabling the safe delivery of much needed vaccines to remote locations with less cold-chain capabilities around the world, while producing less waste related to disposal of glass vials, as the foil used in our blister packs is 100% recyclable.

### ONE FARM AT A TIME

We expanded our vaccine capabilities in the U.S. when we acquired MVP Laboratories in 2016, where we develop, manufacture and distribute autogenous vaccines\* that protect against bacterial and viral diseases. These custom-made vaccines contain antigens specific to an individual farm, providing comprehensive health management solutions to help protect animal health on a farm-by-farm basis. Our bacterins incorporate EASE™ (Enhanced Antigen Surface Expression) technology for a purer, more defined autogenous vaccine product resulting in a more focused immune

response from the host animal. In addition, our autogenous vaccines all incorporate [MVP adjuvants®](#), a worldwide leader in formulations to optimize safety and immune response in the treated animal.

\*Potency and efficacy of autogenous biologics have not been established.



## 2.0 HEALTHY AGRICULTURE COMMUNITY

Global society faces a multitude of complex and overlapping challenges that threaten the environment, along with individual security and prosperity. Meaningful solutions require partnership. Phibro leaders and professionals engage in collective action at all levels of like-minded organizations, including:

### **HealthforAnimals (HFA):**

Based in Brussels, Belgium, this organization represents animal health companies and industry associations globally. Supporters and participants include manufacturers of veterinary pharmaceuticals, vaccines and other animal health products. The role of HFA is to foster a greater understanding of the interconnected nature of human health, animal health and the environment, and to engage in regulatory affairs. Phibro serves in various leadership roles, directly contributing to resources leveraged by the broader animal health sector and amplifying the organization's important messages.

See pages 19-20 for more on Phibro's leadership position in HFA's platforms on responsible antibiotic use.

### **INSTITUTE OF FEED EDUCATION & RESEARCH (IFEEDER):**

[IFEEDER](#) advances understanding and trust in a sustainable animal feed and pet food supply chain through timely research and education. Founded in 2009 by the [American Feed Industry Association](#) (AFIA), the non-profit seeks to earn public trust through transparency and collaboration. Current and future initiatives include supporting the [Clarity and Leadership for Environmental Awareness and Research \(CLEAR\) Center](#) at University of California Davis. Led by Dr. Frank Mitloehner, CLEAR uses research and communication to help animal agriculture operate more efficiently in order to meet demands of a growing population and lessen its impact on the environment and climate. Research includes the important work of quantifying and mitigating greenhouse gas (GHG) emissions from livestock.

Over the course of 2022, IFEEDER developed the [Animal Food Industry Sustainability](#)

[Road Map and Toolkit](#) with the goal of giving members a solid starting point for reducing their environmental impacts and helping consumers feel good about where their food comes from. The roadmap is designed to provide life cycle data up and down the production chain and explore the scope of sustainability guidance and resources needed by the animal food industry for continuous improvement.

IFEEDER supports the North American Meat Institute and AFIA's involvement in several organizations with shared values, such as U.S. Roundtable for Sustainable Beef and U.S. Farmers and Ranchers in Action.

Phibro is a member of AFIA and a contributor to IFEEDER, providing ongoing leadership, engagement and support. Phibro representatives have served on both organizations' boards in the past and continue to serve on IFEEDER's board of trustees today.





## WOMEN IN FOOD AND AGRICULTURE (WFA):

Recognizing more can be done to help women contribute to a fair, responsible and sustainable food and agriculture system that feeds an exponentially larger global population, Phibro joined WFA in 2022. WFA is a unique platform that enables people to meet, discuss and share experiences and ambitions. Progressive and disruptive industry leaders support its mission through various projects.

Phibro rallied our employee base around the WFA Digital Festival, an opportunity to upgrade personal skills, leadership abilities, technical knowledge and sustainability practices. This also connected our team with an engaged community across the entire agribusiness supply chain where the achievements of those who are the backbone of the world's food systems were celebrated. This was the first year of Phibro's involvement, and we were pleased to have more than 130 professionals, including all levels and disciplines from human resources to marketing. The virtual format enabled participation from the U.S., Canada, Argentina, Brazil, Columbia, Costa Rica, Mexico, Panama, Israel, China, Taiwan, Ireland, Poland, Egypt, Turkey and Australia.

## WOMEN OF LOT FEEDING (WOLF):

In Australia, Phibro partners with [WOLF](#) to mobilize gender equality in the workplace and society. WOLF aspires to help women overcome challenges in their careers in the lot feeding industry, especially while they are starting a family. WOLF also facilitates mentoring programs and creates awareness of mental health in the workplace.

### PHIBRO IS ALSO ACTIVE WITH:

- **Animal Agriculture Alliance (AAA):** [AAA](#) brings together farmers, ranchers, veterinarians, animal feed companies, animal health companies, processors, allied associations and others involved in the agri-food value chain.
- **Dairy Sustainability Alliance®:** This [multi-stakeholder group](#) includes companies and organizations across the dairy community dedicated to contributing to dairy's social responsibility journey. In 2022, Phibro, the Innovation Center for U.S. Dairy and Dairy Management Inc. hosted an in-person symposium, "[Health and Sustainability: A Focus on Dairy Animal Nutrition, Feeding and Management](#)," focused on cow health and feeding practices that contribute to U.S. dairy farm sustainability.

- **Distillers Grains Technology Council (DGTC):** [DGTC](#) is a non-profit organization that provides educational and technical services to improve the quality, value and utilization of distillers grains in the fuel ethanol, beverage alcohol and livestock industries.
- **International Poultry Council (IPC):** [IPC](#) is the voice of the global poultry meat industry, comprised of national sector associations, poultry businesses and other key industry stakeholders like Phibro.
- **U.S. Grains Council (USGC):** [USGC](#) develops export markets for U.S. barley, corn, sorghum and related products including distiller's grain and ethanol. The Council believes exports are vital to global economic development and



## 2.0 HEALTHY PUBLIC

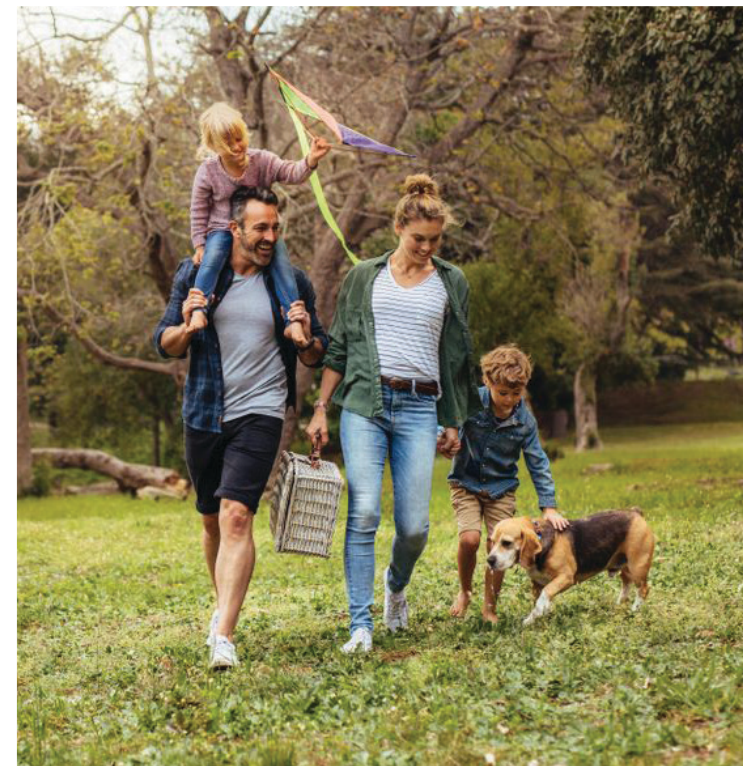
Phibro is a leader in the animal health sector, a sector that plays a significant role in advancing the United Nations [Sustainable Development Goals \(SDGs\)](#). Launched in 2015, the 17 SDGs are a call-for-action to make measurable progress to end poverty, ensure prosperity for all people and protect the planet by 2030.

### IMPROVED ANIMAL HEALTH CAN HELP US:

- Meet rising global demand for safe, nutritious and affordable animal protein
- Reduce emissions
- Mitigate the threat of zoonoses and future pandemics
- Keep pace with the needs of a growing pet population
- Improve the [livelihoods of the 1.3 billion people](#) who rely on livestock herding for food and income, and as a store of wealth, collateral or safety net in times of need

As a member of HFA (see page 15), Phibro is united with those in the animal health sector throughout the world in collaborating and supporting actions that help protect the health and well-being of animals and also support the SDGs. This includes:

- *Supporting the sustainability of keeping animals.* By delivering innovation, expertise and services that keep animals healthy, raising animals requires fewer planetary resources and has a lower environmental impact.
- *Upholding animal welfare.* Minimizing the burden of disease and ill health improves the quality of life of pets and livestock, allowing them to thrive and reach their full potential.
- *Increasing access to veterinary care.* Supporting the training and professional development of veterinary professionals around the world offers multiple benefits for public health, animal agriculture, environment and pet ownership.
- *Reinforcing the human-animal bond.* Maintaining the health and well-being of pets safeguards the benefits of their companionship, while reducing the risk of disease for the animal and owner.
- *Strengthening “One Health.”* Protecting animals against disease means a stronger defense against the health threats shared by people, animals and the environment.



### RECENT REPORTS THAT PUT THE ANIMAL HEALTH SECTOR'S SOCIETAL CONTRIBUTIONS INTO PERSPECTIVE INCLUDE:

- [Global Trends in Animal Antibiotic Use](#), which analyzes global data to understand how efforts are progressing to better understand and tackle antimicrobial resistance.
- [Global Trends in the Animal Health Sector](#), which outlines how the animal health sector is positioned to be a leading force for positive change in the coming years.





Phibro's portfolio has broadened and evolved in alignment with the sector based on customer needs. As reported to our investors, the concentration of sales in MFAs and Other (a product category that includes: anticoccidial medicines and other parasiticides, antibiotics – the majority of which are not considered medically important for humans, plus antibacterial products and other processing aids used in the ethanol fermentation industry) has decreased from 46% of sales to 39% from calendar year 2014 to 2022.

From 2014 to 2022, vaccine net sales increased from \$48 to \$91 million and nutritional specialty product net sales increased from \$73 to \$167 million, an 89% and 129% increase, respectively.

In concert with ongoing advances across our product portfolio, we are working within agriculture communities in developing economies to improve access to veterinary services, diagnostic laboratory networks and veterinary training. Animal health products and veterinary expertise are equally

important to help ensure healthier animals produce the meat, milk and eggs needed to nourish the populations in these regions.

We are also making strides in countries like the U.S. where livestock care is sophisticated. Precision animal health technologies help provide livestock farmers access to the data they need to manage their animals more efficiently – helping to prevent disease and treat sick animals – and improve the quality, affordability and sustainability of meat, milk and eggs.



## 2.0 OUR COMMITMENTS AND ACTIONS ON ANTIBIOTIC USE

HFA serves as the secretariat for a commitment framework supported by organizations representing over 200 companies and 700,000 veterinarians. Its basis is, “Our vision is a world where veterinary antibiotics are used responsibly to protect and treat animals, and where they maintain their value as a therapeutic tool. An equally important challenge is maintaining and increasing food safety and security.”

To address these interconnected challenges, Phibro has committed to [the five principles](#) that have been embraced sector wide, as well as specific, practical actions to support them:

### 1: PROTECT ANIMAL HEALTH AND WELFARE IN A UNIFIED ONE HEALTH APPROACH

- Provide a broad range of animal health tools including vaccines, nutritional specialty products, direct fed microbials, medicated products and mineral nutrition
- Actively participate in veterinary and animal associations around the world
- Improve access to vital veterinary products by engaging with the Veterinary International Conference on Harmonization (VICH), a global intergovernmental body, to establish standardized criteria and processes for veterinary medicines
- Establish the Integritas™ platform to capture and analyze field data to measure the health status of poultry flocks and better understand the interaction of these layers of information to help improve performance, animal welfare and food safety
- Develop vaccines for poultry to aid in the reduction of Salmonella to help prevent food-borne illness from meat and eggs (SASB FB-FR-260a.2)
- Maintain quality assurance of products to avoid pathogen introduction

### 2: USE ANTIBIOTICS JUDICIOUSLY AND RESPONSIBLY

- Provide education and tools that increase awareness and support the judicious and responsible use of antibiotics by customers
- Provide technical expertise to university students and customers learning best practices
- Participate in responsible use coalitions and online training for farmers and veterinarians



### 3: PROMOTE DISEASE PREVENTION AND INCREASED ACCESS TO PRODUCTS AND EXPERTISE

- Train farmers, ranchers, nutritionists and veterinarians on product use and best practices to prevent disease
- Equip the dairy community with research insights, best practices and strategies to consider when feeding and managing dairy cows through the [“You Herd Right” podcast](#)
- Produce a unique and effective vaccine to protect meat chickens from the devastating effects of Infectious Bronchitis variant 2
- Tailor vaccines to specific diseases on the farm (autogenous vaccines), giving veterinarians and farmers a valuable tool to help keep animals healthy
- Utilize beneficial bacterial library for custom livestock and poultry feed applications that support the gut microbiome and overall animal health
- Improve nutritional health of livestock, poultry and companion animals through mineral products

### 4: INVEST IN DEVELOPMENT OF PRODUCTS FOR PREVENTION AND TREATMENT

- Develop new vaccines
- Provide natural products that help maintain immune and intestinal health in livestock, poultry and aquaculture
- Invest in vaccine delivery systems and software technologies to capture and help improve the quality of the vaccination process
- Research and build understanding of beneficial bacteria and nutritional products that help promote gut health and reduce the need for antibiotics

### 5: INCREASE KNOWLEDGE, TRANSPARENCY AND COMMUNICATION

- Provide access to leading experts and peers for an exchange of ideas through [Phibro Academy](#), a free digital learning and content platform
- Engage consumers on relevant animal and One Health topics through [ExploreAnimalHealth.org](#)
- Share information and tips for our customers to prevent and manage disease on social media and websites
- Present at scientific conferences and universities, and publish in industry and scientific journals

(SASB FB-FR-430a.3)





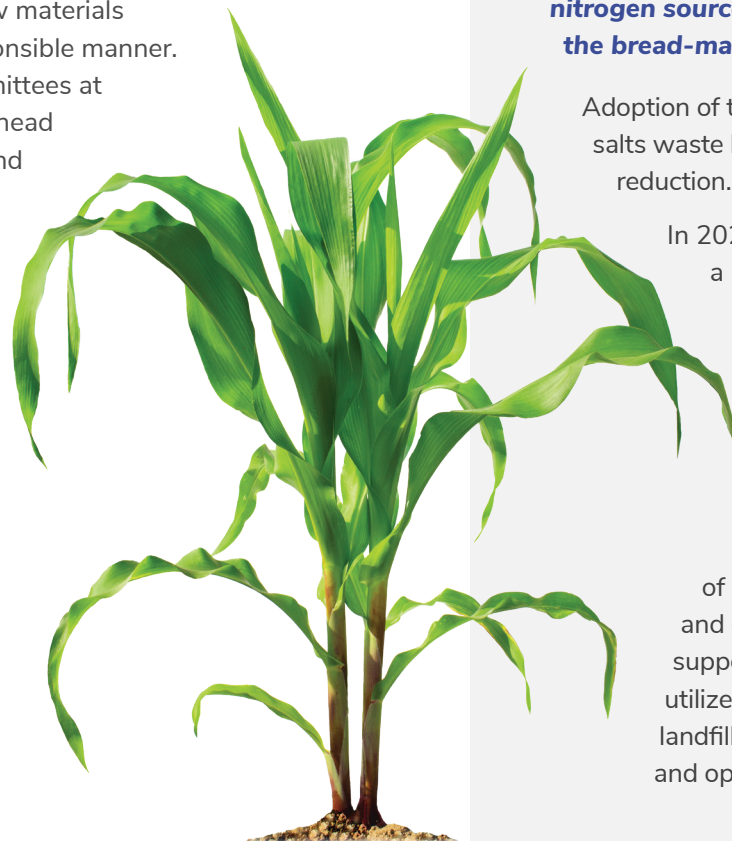


## 3.0 ENVIRONMENTAL STEWARDSHIP

Developing solutions to environmental challenges is important for people, for animals and for our planet. The animal health sector has a unique role to play, particularly in mobilizing the capital necessary to develop new technologies and in enhancing the very infrastructure that supports sustainable food systems.

Phibro's R&D and manufacturing facilities strive to uphold the highest standards and our raw materials have long been sourced in a responsible manner. Employee-led sustainability committees at our manufacturing facilities spearhead efforts to recycle, reduce waste and lower energy consumption.

As global demand for protein increases and Earth's natural resources remain constrained, the need for efficient food production and renewable energy has never been more urgent.



### MANUFACTURING BYPRODUCTS BENEFIT VEGETABLES, ENVIRONMENT

Phibro manufacturing in Israel has made significant investments into equipment and process design to reduce waste and reuse inputs.

The Neot Hovav facility currently recovers about 95% of the solvents it uses and has eliminated 65% of ammonium sulfate waste via the absorption of ammonia gas emissions from one process for use in another. In addition, the plant converts 100% of its ammonium chloride waste into fertilizer for agriculture.

**Globally, the dominant application of ammonium chloride is as a nitrogen source in fertilizer. It also has nutritive value for yeasts in the bread-making process and in animal feeds.**

Adoption of these systems has reduced the landfilling of ammonia salts waste by 250 tons per year, which is an approximate 30% reduction.

In 2022, the Neot Hovav facility's leadership team originated a breakthrough program, in conjunction with Israel's Ministries of Economy and Agriculture, to repurpose 200 tons of ammonium chloride as fertilizer for hundreds of acres of kale and other crops, at no cost to the farmers. The donation was culturally significant because it coincided with the Tu B'Shvat holiday in the Jewish religion, which honors agriculture.

This project was made possible by a combination of empowering our employees to find sustainable solutions and government efforts to encourage collaborations that support a circular economy. Critical thinking on how to utilize this government program helped to divert waste from landfills, save costs and energy and help create new jobs and opportunities. (GRI 306-2)

## RENEWABLE ENERGY IS OUR BUSINESS

Biofuels like plant-based ethanol are a low-carbon, clean fuel that can play a vital role in reducing society's dependence on fossil fuels. Growing the share of renewable biofuels in the world's fuel supply – especially in those regions where the wholesale adoption of electronic cars is not currently feasible – is expected to play a significant role in achieving global GHG emission and other environmental goals.

Phibro's core technical competencies in fermentation enable ethanol producers worldwide to yield more energy per bushel of corn, sugar or alternative feedstocks. Phibro products and services empower our customers to achieve higher efficiency in their fermentation facilities. With our help, today's ethanol producers are providing low-carbon, renewable energy while preserving the world's natural agricultural resources. By 2050, the U.S. biofuels community plans to achieve net-zero lifecycle GHG emissions, on average.



## SCIENCE PAVES THE WAY FOR GREEN CHOICES

[Phibro Biotechnics](#), a division of Phibro, is a microbiology business that helps other companies meet sustainability goals naturally by growing various species of beneficial bacteria. Each species and strain specifically provides unique solutions that deliver environmental, production and/or animal health benefits. Microbiologists and research scientists work with a team of production experts to bring novel media formulas and strains of bacteria to companies in the U.S. and globally.

For example, Abundance®, a fertilizer companion microbial solution for plant health, provides beneficial microorganisms to work with the soil to help provide improved nutrient and mineral uptake. Each product is formulated with ingredients that work synergistically to target the needs of an individual plant to produce consistent growth, enhance crop nutrition and maximize yields.

## RESPONSIBLE LIVESTOCK CHALLENGE: CROWDSOURCING NEW CONCEPTS

Phibro Brazil engaged a wide swath of the cattle production community in an award-winning campaign to promote best practices for managing beef cattle, in accordance with the animal welfare recommendations of the World Organization for Animal Health.

Phibro Brazil, the Brazilian Beef Exporters Association, Athenagro (the largest livestock consultancy in Brazil) and Notícias do Front, along with nearly 95 local companies supporting this initiative, gathered more than 70 project submissions from members of the cattle production community. Finalists were selected by a board of experts, and ultimately, a public vote determined the winner. Publicity of this initiative reached 6 million people and it won the top Rural 2021 award as “Best Market Action in Animal Welfare.”



## RESOURCEFUL EMPLOYEES FIND NEW RESOURCE SAVINGS

Phibro has long been dedicated to reduce / reuse / recycle principles across markets and facilities. In 2022, our Sligo, Ireland manufacturing facility introduced multiple new initiatives:

### REDUCTION IN PURIFIED WATER CONSUMPTION

The purified water storage system in Sligo, Ireland utilizes a 5,000-liter tank. The tank is drained each week to facilitate the thermal sanitization of the storage and distribution system. Having assessed consumption, employees determined the tank could operate at a lower water level during production, thus saving 78,000 liters of water each year.

### ELECTRICITY SAVINGS

The production of Phivax vaccines in an effervescent tablet format requires a cleanroom where air humidity is kept low using dehumidification equipment. In alignment with our sustainable manufacturing ethos, we determined the equipment could be set to a lower power level during non-production periods with no impact on product quality. This reduces CO<sub>2</sub> emissions by 22 tons per year and reduces electricity consumption.

### WASTE MANAGEMENT

The plant achieved “Zero Waste to Landfill” through the introduction of:

- Color-coded bins and labels to facilitate waste segregation
- Compactors that mix recycling waste in bulk prior to transport
- Extra waste storage capacity to reduce traffic to site
- Packing lists for compatible hazardous material to ensure drum capacity is maximized
- Strict inventory control that keeps expired material to a minimum



## PURIFYING WATER WITHOUT WASTE

As California and other states update safe drinking water regulations, Phibro is well positioned to assist in a safe, regulatory-compliant and cost-effective manner. Ion exchange is an EPA-approved, best available technology to purify drinking water, but it leaves behind hexavalent chromium, a hazardous waste. Phibro-Tech, Inc. collects this waste in a specialty tanker, converts it to non-hazardous trivalent chromium and recycles the water. The recycled water is then delivered back to the local sanitation district where it is further treated and used for groundwater replenishment or non-potable water applications, such as irrigation.

(SASB FB-MP-140a.2)

## 3.0 RISK MANAGEMENT: CLIMATE CHANGE

The employees of Phibro and our Board of Directors are committed to sound and transparent corporate governance principles that strengthen accountability, oversight and alignment with key stakeholders.

Our principles, which focus on effectively managing risk and preserving long-term, sustainable value for the benefit of our shareholders, our employees and the broader ecosystem in which we operate, are outlined in the Fair and Transparent Governance section 5.0 of this Report.

In 2022, Phibro performed our second annual global Strategic Risk Assessment. The list of risks identified in the prior year was updated, each risk was assigned to an owner, our strategy to monitor and mitigate the risk was defined and agreed upon and the results were shared with the Board of Directors with further actions taken where necessary. We also review progress and the evolution of the external landscape annually. This year's focus was on the global macroeconomy and its impact on our financial performance.

In addition to the information set forth in this ESG Report, we acknowledge that the risks set forth in the "Risk Factors" section of our most recent Annual Report on Form 10-K, and in our subsequent reports filed with the SEC, could materially affect our business, including those risks related to climate change.

For details, see our 2022 Annual Report on [Form 10-K](#).

### Phibro recognizes

*climate change could have a material adverse impact on our operations and our customers' businesses. Our companywide ESG initiative, in part, addresses this risk, as well as our engagement in sector-wide sustainability platforms.*



## 3.0 KEY PRIORITIES AND PROGRESS

Based on Phibro's Materiality Assessment, we track and report our progress against the following Environmental Stewardship topics: GHG Emissions, Energy Management, Energy Sourcing, Water Management and Waste & Hazardous Substance Management. Relevant SASB and GRI metrics, along with our current and prior years' data, follow:

The figures in both tables include global, companywide manufacturing and R&D facilities and exclude administrative offices.

	2022	2021	2020
<b>Revenue in Millions</b>	<b>\$972</b>	<b>\$879</b>	<b>\$798</b>
GHG Scope 1 (MT CO <sub>2</sub> )	27,297	25,387	23,341
GHG Scope 2 (MT CO <sub>2</sub> )	15,838	14,999	14,420
Total GHG (MT CO <sub>2</sub> )	43,135	40,386	37,761
<b>Intensity Score per \$1 Million in Revenue</b>	<b>44</b>	<b>46</b>	<b>47</b>

Notes: Revenue reflects calendar year revenues, in millions of U.S. dollars.

Per EPA, Scope 1 emissions are direct GHG emissions that occur from sources that are controlled or owned by an organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles). Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat or cooling.

### GHG EMISSIONS

CODE	TOPIC	DATA			
SASB FB-MP-110a.1	GHG: Gross global Scope 1 emissions	2022	2021	2020	
		27,297	25,387	23,341	Metric Tons CO <sub>2</sub>

### WHAT IS AN INTENSITY SCORE\*?

We are providing company-wide Scope 1, Scope 2 and Total GHG emissions as a factor of Phibro's total revenue, for a year-on-year comparison that accounts for the company's growth trajectory (the "Intensity Score"). As a company that manufactures the majority of the products we sell, Phibro management believes the Intensity Score is the best measure of our relative metrics and is a preferred metric among some in our peer group in the context of our GHG, energy management, water management and waste management. While the absolute measurements in these categories may go up or down year to year, we believe that when divided by our annual revenue, these scores will help make annual comparisons more meaningful, and better reflect the results of our efforts in these areas.

\*Phibro uses an "intensity score" based on the "intensity ratio" concept defined by GRI Guidelines. The intensity scores shown here are intended to normalize environmental impact data by defining the metric in the context of Phibro's annual revenue. The intensity score is calculated by dividing the absolute environmental metric (the numerator) by annual revenue (the denominator). In combination with Phibro's absolute environmental impact data, the intensity scores help to contextualize the organization's efficiency and track progress by improving year to year comparability.





Note: Many of Phibro's manufacturing facilities are located in areas with strong access to renewable-sourced electricity. As a result, more than 50% of Phibro's third-party sourced electricity needs for manufacturing are from green or renewable sources.

## ENERGY MANAGEMENT

CODE	TOPIC	DATA		
SASB FB-MP-130a.1	<b>Energy Management:</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
	1) Total energy consumed	904,301	885,179	857,611
	2) Percentage grid electricity (may include renewable inputs into the grid per Energy Sourcing table below)	<b>2022</b>	<b>2021</b>	<b>2020</b>
		50.0%	49.4%	50.1%
	3) Percentage on-site renewable	<b>2022</b>	<b>2021</b>	<b>2020</b>
		1.8%	0.50%	N/A

## ENERGY SOURCING

Sources of Purchased Electricity for Manufacturing Facilities*	2022	2021	2020
Renewable - Solar	0.9%	0.9%	1.1%
Renewable - Wind	6.9%	7.0%	7.1%
Renewable - Hydroelectric	55.3%	42.0%	43.0%
Nuclear	3.2%	3.0%	4.1%
Geothermal	0.1%	0.1%	0.1%
Biomass	5.3%	5.4%	6.0%
Non-Renewable	28.3%	41.6%	38.6%

\* The percentages have been estimated based on locations where the source data is readily available.

ENERGY CONSUMED			
	2022	2021	2020
Revenue in Millions	\$972	\$879	\$798
Energy in Gigajoules (GJ)	904,301	885,179	875,611
Intensity Score per \$1 Million in Revenue	930	1,007	1,097

For context, we are providing companywide Total Energy Consumed as a factor of Phibro's total revenue, the Intensity Score. The above figures include global, companywide manufacturing and R&D facilities and exclude administrative offices.

WATER MANAGEMENT			
	2022	2021	2020
Revenue in Millions	\$972	\$879	\$798
Total Water Withdrawn (M <sup>3</sup> )	1,265,797	1,074,459	862,995
Intensity Score per \$1 Million in Revenue	1,302	1,222	1,081
Total Water Discharged (M <sup>3</sup> )	456,835	435,283	531,019
Intensity Score per \$1 Million in Revenue	470	495	665

For context, we are providing companywide Total Water Withdrawn in cubic meters (M<sup>3</sup>) and Total Water Discharged in cubic meters as a factor of Phibro's total revenue, the Intensity Score. The above figures include global, companywide manufacturing and R&D facilities and exclude administrative offices.

(SASB FB-MP-140a.1)



## WASTE & HAZARDOUS SUBSTANCE MANAGEMENT

CODE	TOPIC	DATA
GRI 306-2	<p><b>Waste:</b></p> <p>a) Actions, including circularity measures, taken to prevent waste generation in the organization's own activities and upstream and downstream in its value chain, and to manage significant impacts from waste generated.</p> <p>b) If the waste generated by the organization in its own activities is managed by a third party, a description of the processes used to determine whether the third party manages the waste in line with contractual or legislative obligations. c) The processes used to collect and monitor waste-related data.</p>	<p>In accordance with Phibro's Waste Management Policy, minimizing waste is an ongoing practice at all our facilities driven by cost and/or sustainability. Most of our facilities have recycling best practices in place for pallets, plastics, cardboard, etc. Certain facilities reuse yield from dust collectors into new batches. Certain facilities that have hazardous waste practice substitution of hazardous chemicals, as well as waste minimization. Certain facilities work on larger-scale projects. For example, Phibro Brazil's Bragança Paulista location eliminated 90% of its methanol and ammonium sulfate waste. Other small projects are ongoing. This past year, for example, Phibro Argentina completed construction of a new state of the art hazardous waste storage area, and in State College PA the lab has replaced all hazardous florescent mercury-containing bulbs to LEDs and thus no longer needs universal waste disposal.</p>

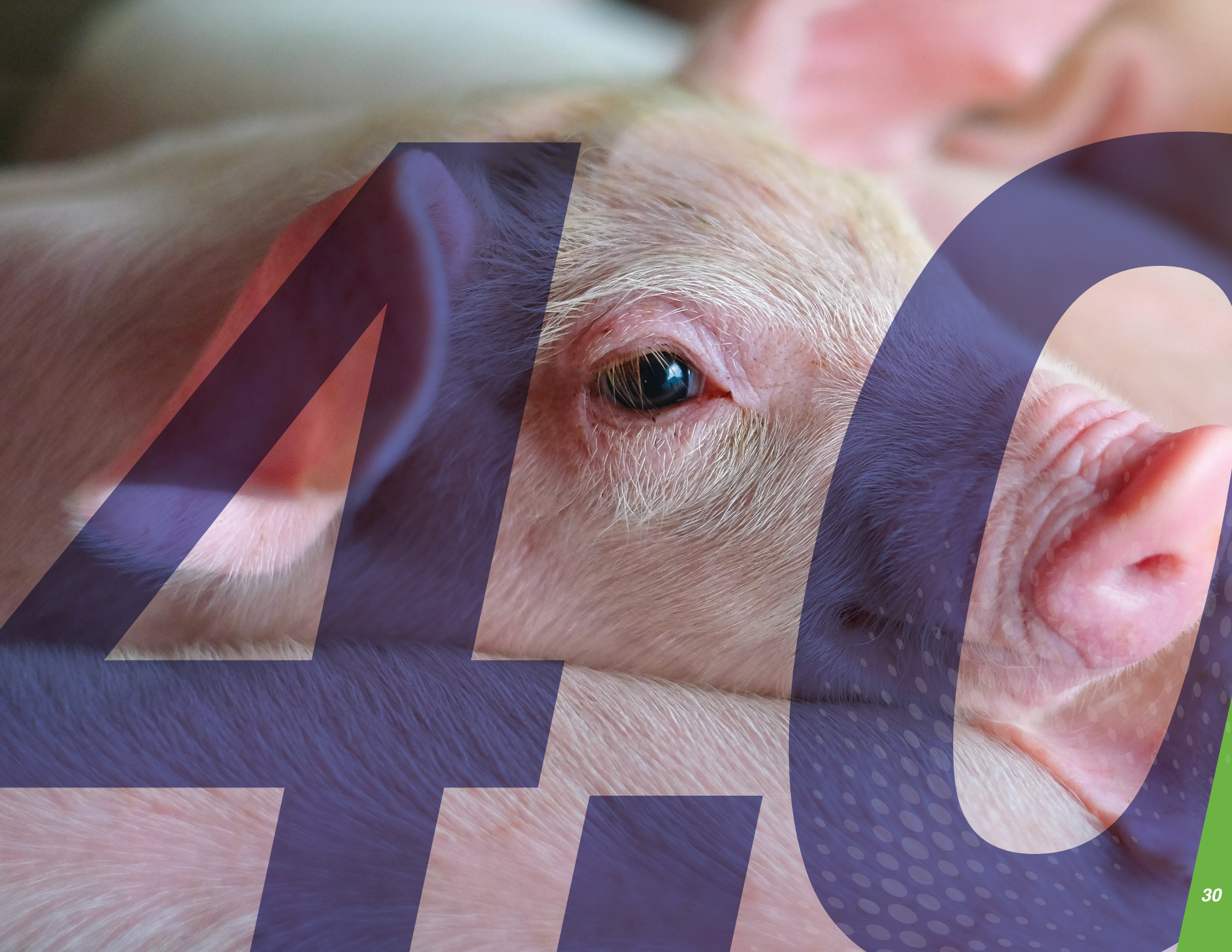
For context, we are providing companywide total amounts of Hazardous Waste, Non-Hazardous Waste and Recycling Quantities in metric tons (MT) as a factor of Phibro's total revenue, the Intensity Score. The below figures include global, companywide manufacturing and R&D facilities and exclude administrative offices.

	2022	2021	2020
Revenue in Millions	\$972	\$879	\$798
Hazardous Waste (MT)	9,793	9,852	12,333
Intensity Score per \$1 Million in Revenue	10.1	11.2	15.5
Non-Hazardous Waste (MT)	14,382	13,459	15,575
Intensity Score per \$1 Million in Revenue	14.8	15.3	19.5
Recycling Quantities (MT)	23,805	22,924	20,562
Intensity Score per \$1 Million in Revenue	24.5	26.1	25.8

(GRI 306-2)









## 4.0 SOCIAL RESPONSIBILITY AND WELL-BEING

Phibro aspires to demonstrate excellence in all facets of our business. In the social realm, this means being supportive, transparent and accountable to our employees, partners and customers and, importantly, to the broader communities we touch. We deliver safe, effective and affordable products in more than 80 countries around the world, and we invest in the communities we work with daily. Our commitment to excellence is evident through our achievements in product safety, employee health and wellness, affordability and access, animal welfare and community relations.

### EARNING EMPLOYER-OF-CHOICE STATUS BASED ON ENGAGEMENT SURVEY

Internally, Phibro strives to nurture a strong culture that empowers team members and provides opportunities for growth and development. The Denison Organization Culture survey was administered to all employees globally in 2017 and 2021, with at least a 75% response rate each time. Phibro employee engagement and

commitment scores remained consistent in 2017 and 2021 with 82% responding favorably for engagement and 76% for commitment. A pulse survey related to specific indices was conducted in 2022. We are intently focused on maintaining or improving these results across the organization.

Achievement of business objectives and the fulfillment of individual career aspirations are reinforced by our:

- Competitive compensation and benefit programs
- Comprehensive training and development programs
- Health and safety programs that promote and safeguard employees' well-being
- Work environments that are conducive to the successful application of skills and knowledge

In addition to traditional professional development, we offer a robust, cloud-based online training curriculum from Percipio™, one of the leading providers of development material for learning-focused organizations.

## DIVERSITY DRIVES VIBRANT CULTURE AND INNOVATION AT PHIBRO

In recent years, Phibro's South American Region (SAR) has faced significant challenges in its human resources department. Not only were HR leaders responsible for implementing a global, cloud-based Human Resources Information System that collects and stores all employee data, but they were integrating an acquired company, internalizing the payroll and implementing several new controls. And, much of this was happening against the backdrop of a global pandemic.

Of SAR's 51 new hires in the three years prior, 12 nationalities were represented and nearly half were female. Each of the projects required different competencies and abilities to develop solutions that worked to the company's and to stakeholders' benefit. According to local leadership, the various backgrounds, strengths and preferences of the employee base were key to surmounting these seemingly insurmountable professional challenges.

## PHIBRO SPREADS AWARENESS AND SHARPENS KNOWLEDGE

Phibro invests in multiple outreach programs targeting distinct audiences to help bridge the gap between scientists, producers and the consuming public:

[Phibro Academy](#), a digital learning and content platform, allows customers and partners to continue to learn and exchange ideas with leading experts and peers via live webinars and recorded e-learning modules. The content spans a range of practical animal health, nutrition and management topics across species.

The “[You Herd Right](#)” podcast updates the dairy community on research and best practices and strategies to consider when feeding and managing dairy cows. The audio format is invaluable to farmers who can tune in right from the tractor or the barn.

Dr. Leah Dorman is a respected veterinarian, farmer and mother of three children. She takes seriously her oath to protect animal health and promote human health, which she does every day as Phibro’s Director of Communication and Consumer Engagement. Dr. Dorman posts responses to questions from the public and original commentary at [ExploreAnimalHealth.org](#). Recent topics include food waste, highly pathogenic avian influenza and responsible use of antibiotics.

(SASB FB-FR-430a.3)



We encourage employees to take advantage of the many development opportunities that Phibro offers. In 2022, our employees accumulated 20,790 of training hours via this platform, which correlates to approximately 11 hours per employee on average.

In the Asia Pacific region, we rolled out a series of Meet, Share and Learn sessions for people managers to develop core capabilities for personal and organizational development.

By offering above-and-beyond health benefits that meet or exceed market-driven expectations, we cultivate a culture of wellness and disease prevention among our employees. For example, in Brazil we carry out annual Pink October and Blue November campaigns to generate employee awareness of the importance of prevention and early detection of breast and prostate cancer. The campaigns involve a series of engaging activities including lectures, walk-a-thons, informative materials and thematic gifts.

## STRENGTH THROUGH DIVERSITY, EQUITY AND INCLUSION (DEI)

We create a positive and supportive work environment for our employees. Our approach enables opportunity for inclusion and encourages diverse perspectives and thinking to maximize the achievement of innovative and successful outcomes. We aim to protect employees from being discriminated against on the basis of gender, sexual orientation, age, marital status, race, religion, political beliefs, ethnic background, country of origin, language or non-job-related disabilities, and we follow these same principles when recruiting new talent to our organization.

We implemented a new, mandatory DEI training program in 2022 to foster awareness and acceptance across our administration, R&D and manufacturing facilities. In many of our locations, we have invested even further by bringing in highly regarded guest experts to deliver interactive educational sessions on DEI topics and engage in dialogue with employees.



Phibro employees are our greatest strength and most valuable asset. When we equip team members to apply their skills, talent and passions to contribute and make a positive impact, everyone succeeds. When we thrive as individuals and teams, the company thrives. We look to promote from within when possible, safeguard the confidentiality of employee records and keep employees informed of issues affecting them.

### INVESTING IN WORKPLACE SAFETY MAKES SENSE

We are committed to manufacturing safe products and achieving a safe workplace. Our Environmental Health and Safety (EHS) Global Director along with regional and site-based EHS professionals manage comprehensive EHS policies, programs and processes at each manufacturing site. External EHS audits are performed as needed.

The safety of Phibro employees who drive a company vehicle – primarily sales representatives – has long been a priority. Courses on safe driving are provided by the company, on company time and at company expense, at a minimum of every three years. There were 127 drivers in the U.S. who participated in our Fleet Safety Program in our fiscal year ended June 30, 2022, and we

continue to expand the program globally. The upshot: Phibro achieved our annual goal to reduce fleet safety incident claims and costs.

Each region implements customized, culturally relevant fleet safety campaigns as well; for example, the 2022 Safety Week campaign in Brazil engaged approximately 500 employees and members of their families in a range of hands-on trainings and activities. Children had the opportunity to join in through a drawing competition and a competition where they built safety-themed “mascot” sculptures with recyclable materials.

In 2017, we launched the Road to Zero initiative across our manufacturing sites. The program utilizes teaming concepts to elevate employee involvement in project-based improvement activities. Since the program’s adoption, we have outperformed peer companies when it comes to annual recordable incident rates. (SASB FB-MP-320a.1)

Also in 2022, Phibro Bragança Paulista - Brazil achieved 5 years without work related accidents. This demonstrates the deep-seated appreciation of employees for the importance of preventive actions and the commitment to their own safety as well as that of their colleagues. (SASB FB-MP-320a.1)

Talent development is a strategic priority at Phibro. To ensure we have the right colleagues with the right skills in the right places to drive organizational results and ESG priorities, we nurture talent through multiple programs including:

#### LEADERSHIP DEVELOPMENT

New in 2022, Phibro selected 33 employees from North America for an intensive workshop-based training series that prepares them for increased levels of responsibility, supports the development of our culture and leadership behaviors and helps them chart their career paths.

#### MENTORING

An opportunity for professionals to be purposefully matched with an experienced senior level mentor, this global program brings people together across disciplines and geographies, fosters collaboration and promotes an inclusive working environment in which everyone’s contribution is recognized, valued and rewarded. The program was piloted in 2021 and expanded to 36 participants in 2022, representing 18 matched pairs.





## Beliefs Connect Organizations with their Employees



**Lisa Escudero**

Senior Vice President, Human Resources  
Phibro Animal Health Corporation



July 12, 2022

When interviewing candidates for a position, I always ask, "Why are you interested in this role?"

More often than not, candidates will answer that they have researched the company and found that the company's values are in line with their own. These individuals recognize an important principle: values and core beliefs drive everything about an organization.

Five years ago, I was considering a job change and interviewed at Phibro Animal Health Corporation. I knew the moment I walked in the door and sat down with the leadership team that this was where I wanted to be. I had previously worked in human

pharmaceuticals, starting as a research scientist and then moving into human resources after earning my graduate degree. After a few years in other industries, I was ready to return to the science and health space. More importantly, I wanted to work where I could best use my skills and experience.

### WHY BELIEFS MATTER

Phibro's strength is in its beliefs. The company has six values that are central to our identity and operation. When a company understands its beliefs, it helps to attract, retain and motivate people, and ensures the right people are in the right job.

The impact starts during the hiring process. Candidates today are looking for mission-driven organizations. It's becoming even more important than salary or advancement as considerations in career decisions. They want to be part of something bigger than themselves and they want to know that the organization they are with has a clear vision. [Phibro's purpose](#) of "optimizing animal health and nutrition for better lives and a more sustainable world," whether that be domestically or in emerging markets, is a powerful mission. As we communicate that, it resonates with people.

Hiring is just the beginning. One of our beliefs is continuous investment in our people. From a human resources perspective, we want to ensure that we're giving all our employees the resources they need to be successful. While it may sound cliché, I firmly believe that employees are our most important asset.

That belief is reflected in our leadership model that states a leader: 1) sees what needs to get done, 2) gets it done, and 3) gets it done the right way. We've operationalized this model to ensure everyone understands that whether they're an individual contributor or an executive, they have a role when it comes to leadership behaviors.

### BELIEFS AND HR

More than 30 years of experience

in human resources have shown me that HR is the essential link to operationalizing values. Human resources functions best not when it is segregated into its own department but integrated into the company. Under Phibro's HR operating model, HR professionals serve as business partners across the globe. HR professionals are aligned with functional leaders to partner with them every step of the way, understanding what their challenges are, and how to solve them together. Because HR has been able to provide a level of support throughout the organization, functional leaders often come to us and ask for our guidance on business decisions, and we are able to provide input that affirms Phibro's core beliefs.

It was clear from the moment I joined Phibro that people and HR are a priority. One of our six beliefs is that people make an impact. I've had the opportunity since I have been here to put in place HR information systems, as well as performance management and talent development processes. These processes enable us to help our people succeed and ultimately fulfill our mission to keep animals healthy.

Values are the heart of an organization. Human resources is an essential component to enable team members to understand and carry out beliefs and values. When these are aligned, the organization excels.

## **PHIBRO CARES**

We recognize that doing our part to contribute to the UN SDGs and local societal goals starts in the communities around the globe in which we operate. Following are just a few of the ways Phibro employees show up in their local communities, day in and day out.

(GRI 203-2)

### **A BRIDGE TO YOUTH EMPLOYABILITY**

Fundación EMPUJAR (PUSH Foundation) is a non-profit organization that trains 18-24 year-olds in Argentina for entry into the labor market. Phibro provides scholarships and volunteers for the program, and two trainees joined the company in 2022 as full-time employees.

### **A GOOD NEIGHBOR**

The employee-led Making a Difference Program provides assistance to local nursing homes, children's homes, recovery houses, nonprofits and schools in Brazil. The annual activity calendar includes the Warm Campaign – which in 2022 resulted in donations of blankets and clothes benefiting nearly 250 people, donations of food and toys to families in need, as well as Entrepreneurship Workshops focused on crafts and cooking to promote sources of income for these families. The Program advances digital inclusion through the donation of Phibro computers and includes the sponsorship of a Literary Picnic, a community garden and sustainability lectures by Phibro employees.

### **LENDING A HELPING HAND**

Charitable activities across Phibro's Israeli operations in 2022 included the donation of dozens of gently used school backpacks before the start of the school year and an employee-led meet up to collect litter in a forest near the office.



### **NEW LIFE FOR LAB MATERIALS**

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To integrate social and environmental concerns into our operations throughout Ireland, Phibro maintains a range of charitable initiatives. A highlight in 2022 was the donation of expired lab materials to Atlantic Technological University for students to use as part of their lab training. This donation served multiple purposes: reducing waste, keeping university costs down, and promoting the company's linkages with the college.

### **A DIGITAL DONATION**

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In April 2022, company laptops that otherwise would have gone to the landfill were donated to a local nonprofit that helps young Malaysians access computers and engage in online learning. While this is a small gesture for Phibro, it is a big deal for each child who benefited from the program.

### **POR UN INVIERNO SIN FRÍO 1+1**

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To spread joy during Christmas season, Phibro Mexico partnered with "Mama AC" in Guadalajara, Jalisco – a nonprofit dedicated to supporting abandoned children – to distribute new clothes and toys to children in need. The program involves each donor persuading one more person to support the cause, thus "1+1." In 2022, Phibro met our goal of sponsoring at least 50 children.

### **UNITED WAY ENGAGEMENT**

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Employees of Phibro's Quincy, Ill. manufacturing facility joined more than 100 community volunteers, coordinated by United Way, to conduct hands-on service projects at the Quincy Public Schools junior high school. In addition, we raised money for the 2022 United Way Campaign inclusive of the company match, employee pledge contributions and employee-led fundraisers.

## CELEBRATING HOLIDAYS WITH OUR TEAMS AROUND THE GLOBE

With more than 1,800 people in 54 locations spanning 33 countries, Phibro is diverse by nature and takes extra steps to ensure unique traditions of the cultures that make up its vibrant global workforce are recognized. For example, it has been a tradition at Phibro China that the entire team and their family members gather before the Chinese New Year for activities and a group dinner to celebrate the achievements in the past year and welcome in the new one.

In June, Phibro locations in Brazil commemorate Festa Junina, an annual Catholic tradition in the country recognizing the harvest and the saints: Saint John, Saint Peter and Saint Anthony. Israeli locations gather to recognize Passover and Rosh Hashanah, the Jewish New Year.

These are just a few ways Phibro fosters an environment that celebrates each location's individuality and makes sure that holidays important to its employees are important to the company too.



## 4.0 KEY PRIORITIES AND PROGRESS

Based on Phibro's Materiality Assessment, we track and report our progress against the following Social Responsibility & Well-Being topics: Employee Recruitment, Development & Retention, Diversity, Equity & Inclusion, Employee Health & Safety, Labor Practices, Cybersecurity & Privacy and Customer Engagement & Welfare. Relevant SASB and GRI metrics, along with our current and prior years' data, follow:

EMPLOYEE RECRUITMENT, DEVELOPMENT & RETENTION		
CODE	TOPIC	DATA
Phibro metric	<b>Employee Training:</b> Number of training hours completed per employee	2022 Avg Hours: 40 2021 Avg Hours: 40
Phibro metric	<b>Employee Training:</b> Percipio Utilization	2022 Hours: 20,790, averaging 11 hours/employee 2021 Hours: 14,000, averging 8 hours/employee
Phibro metric	<b>Diversity, Equity &amp; Inclusion:</b> Training Course 1 (Diversity, Inclusion, Sensitivity) Training Course 2 (Unconscious Bias)	2022 Course 1 – 1,780 employees completed the course, representing a 94% participation rate Course 2 – currently in progress
Phibro metric	<b>Employee Development:</b> Educational Assistance Program	2022: 23 employees participating 2021: 21 employees participating
Phibro metric	<b>Employee Development:</b> Mentorship Program	2022: 18 matched pairs 2021: 11 matched pairs
Phibro metric	<b>Employee Development:</b> Leadership Program	2022 and 2021: 33 participants in North America
SASB HC-BP-330a.1	<b>Employee Recruitment, Development &amp; Retention:</b> Discussion of talent recruitment and retention efforts for scientists and research and development personnel	Phibro recruiting efforts for specialized roles in R&D utilizes search firms that focus on relevant scientific areas. In addition, we rely on professional and university networks of existing scientific personnel to identify candidates. When qualified candidates are identified, we provide relocation assistance, immigration assistance if necessary and/or other support.



## EMPLOYEE RECRUITMENT, DEVELOPMENT & RETENTION

CODE	TOPIC	DATA																																													
SASB HC-BP-330a.2	<b><u>Employee Recruitment, Development &amp; Retention:</u></b> 1) Voluntary and 2) involuntary turnover rate for: a) executives/ senior managers, b) mid-level managers, c) professionals, and d) all others	<table><tr><th colspan="5">2022 TURNOVER</th></tr><tr><th></th><th>Voluntary</th><th>Rate</th><th>Involuntary</th><th>Rate</th></tr><tr><td>Executive</td><td>1</td><td>1.9%</td><td>1</td><td>1.9%</td></tr><tr><td>Sr. Dir/Dir</td><td>9</td><td>7.5%</td><td>3</td><td>2.5%</td></tr><tr><td>Mid-Level Mgr</td><td>14</td><td>6.3%</td><td>7</td><td>3.1%</td></tr><tr><td>Supervisor/Prof</td><td>56</td><td>10.3%</td><td>26</td><td>4.8%</td></tr><tr><td>Entry/intermediate</td><td>136</td><td>14.3%</td><td>64</td><td>6.7%</td></tr><tr><td>Total</td><td>216</td><td>11.4%</td><td>101</td><td>5.3%</td></tr><tr><td>Total # of employees</td><td></td><td></td><td></td><td>1,889</td></tr></table>	2022 TURNOVER						Voluntary	Rate	Involuntary	Rate	Executive	1	1.9%	1	1.9%	Sr. Dir/Dir	9	7.5%	3	2.5%	Mid-Level Mgr	14	6.3%	7	3.1%	Supervisor/Prof	56	10.3%	26	4.8%	Entry/intermediate	136	14.3%	64	6.7%	Total	216	11.4%	101	5.3%	Total # of employees				1,889
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## EMPLOYEE RECRUITMENT, DEVELOPMENT & RETENTION

CODE	TOPIC	DATA
GRI 201-3	<p><b><u>Economic Performance:</u></b></p> <p>a) If the plan's liabilities are met by the organization's general resources, the estimated value of those liabilities.</p> <p>b) If a separate fund exists to pay the plan's pension liabilities: i. the extent to which the scheme's liabilities are estimated to be covered by the assets that have been set aside to meet them; ii. The basis on which that estimate has been arrived at; iii) when that estimate was made.</p> <p>c) If a fund set up to pay the plan's pension liabilities is not fully covered, explain the strategy, if any, adopted by the employer to work towards full coverage, and the timescale, if any, by which the employer hopes to achieve full coverage.</p> <p>d) Percentage of salary contributed by employee or employer.</p> <p>e) Level of participation in retirement plans, such as participation in mandatory or voluntary schemes, regional, or country-based schemes, or those with financial impact.</p>	<p>a) As of June 30, 2022 and 2021 the pension plan for U.S. employees (which is no longer open to new participants) was 97% and 103% funded, respectively.</p> <p>b) We have assets managed by a third-party advisor that invests in multiple funds, but it is generally one overall portfolio. The assets are measured at Fair Value. The liability is measured by our actuary with the difference being recorded on the balance sheet. There are several factors that go in the estimate of the liability (mortality rate, return on assets, discount rate). In order to pay plan participants, our advisor sells investments to generate the cash on an as-needed basis.</p> <p>c) N/A</p> <p>d) Employer contribution percentage is under the Company's 401(k) plan, not the pension plan, and it is 100% of up to the first 6% of each employee's contributions. Each year, at the Company's discretion, they may elect to make an enhanced contribution to employee 401(k) accounts using a score calculated using a combination of age plus years of service.</p> <p>e) For the Pension Plan, the Company makes the required contributions based on an actuarial analysis.</p> <p>The pension plan is currently frozen. No new employees have been eligible for the pension plan since January 1, 2014, and existing participants no longer receive credit for future service and compensation increases (as disclosed in our Annual Report). As of July 1, 2022, there are 606 participants. Under the 401(k) plan offered to U.S. employees, we have a 98% active participation rate as of December 31, 2022. Outside the U.S., Phibro offers retirement benefits at the local level, based on legal requirements and market practices.</p> <p>90% of 401(k) participants are achieving a 10% saving rate, which includes both employee and employer contributions, versus a same-size peer company average of 48% participation.</p> <p>401(k) participants are achieving an annual average employee dollar contribution amount of \$9,095 versus a same-size peer company average of \$7,012.</p>

## EMPLOYEE RECRUITMENT, DEVELOPMENT & RETENTION

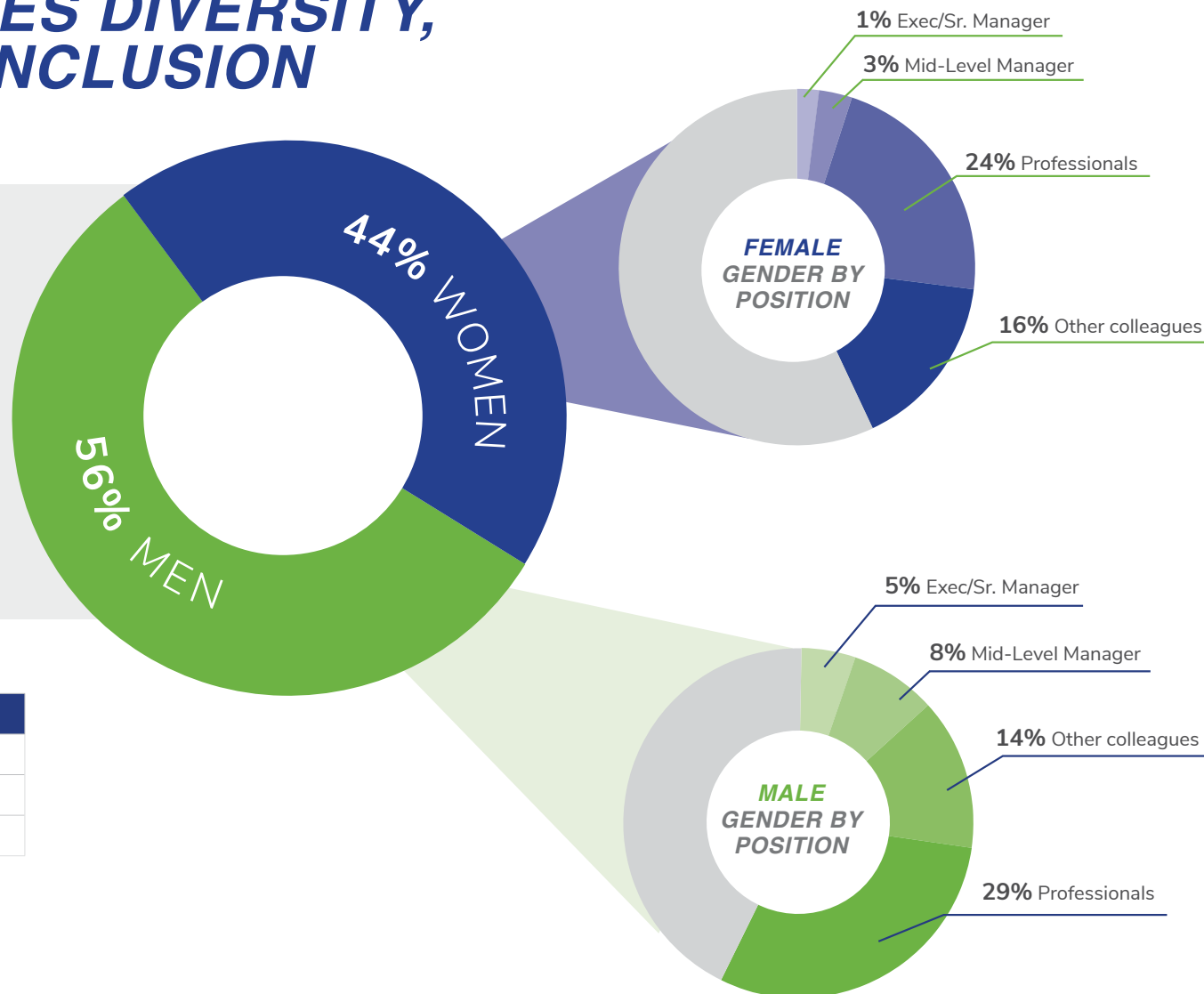
CODE	TOPIC	DATA
GRI 202-2	<p><b><u>Market Presence:</u></b> Proportion of senior management hired from the local community.</p> <p>a) Percentage of senior management at significant locations of operation that are hired from the local community.</p> <p>b) The definition used for 'senior management'.</p> <p>c) The organization's geographical definition of 'local'.</p> <p>d) The definition used for 'significant locations of operation'.</p>	<p>All (100%) from local community. Recruiting for all positions utilizes a mix of platforms to include posting vacancies on corporate careers webpage, recruiting platforms such as Indeed and LinkedIn as well as professional networking career sites. For executive level positions we utilize retained search firms to assist with candidate identification. Our recruitment geography for roles is focused on the local communities near our site locations. It is not our practice to relocate employees globally.</p>
GRI 401-2	<p><b><u>Employment:</u></b></p> <p>a) Benefits which are standard for full-time employees of the organization but are not provided to temporary or part-time employees, by significant locations of operation. These include, as a minimum: i. life insurance; ii. health care; iii. disability and invalidity coverage; iv. parental leave; v. retirement provision; vi. stock ownership; vii. others.</p> <p>b) The definition used for 'significant locations of operation'.</p>	<p>Significant area of operation: U.S.</p> <p>Benefits are provided to employees who work at least 30 hours each week. These benefits include life insurance, health care (including dental and vision), short- and long-term disability insurance, accidental death and dismemberment insurance, travel assistance, retirement savings and pension plans (outside the U.S., where offered) and paid time off.</p>



# PHIBRO VALUES DIVERSITY, EQUITY AND INCLUSION

## 2022 NONPRODUCTION GENDER GROUP BY LEVEL

n = 1,130



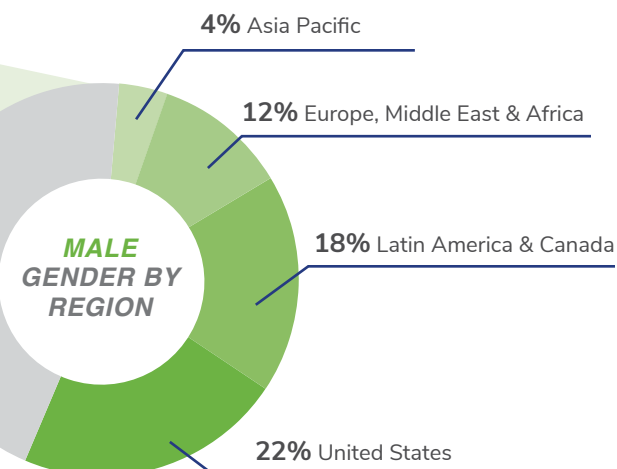
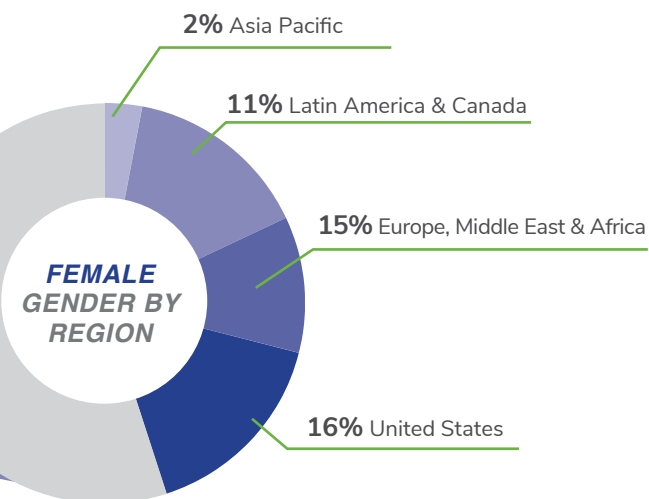
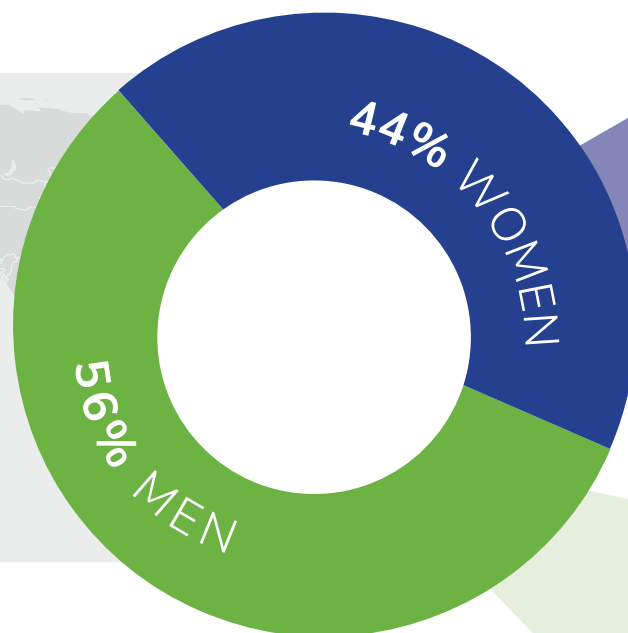
	Female	Male
Production	9%	91%
Nonproduction	44%	56%
Grand Total	30%	70%

\*Note: Production line item shown here includes manufacturing, warehousing, and maintenance.

# PHIBRO VALUES DIVERSITY, EQUITY AND INCLUSION

## 2022 NONPRODUCTION GENDER GROUP BY REGION

n = 1,130

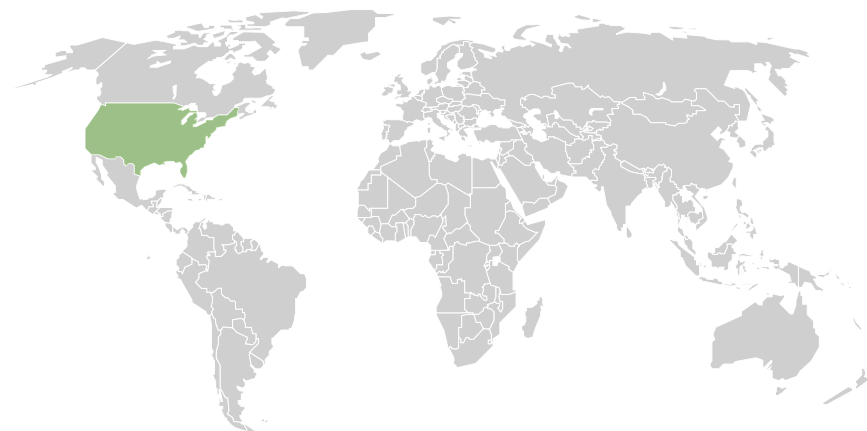


	Female	Male
Production	9%	91%
Nonproduction	44%	56%
Grand Total	30%	70%

\*Note: Production line item shown here includes manufacturing, warehousing, and maintenance.

# PHIBRO VALUES DIVERSITY, EQUITY AND INCLUSION

## 2022 ETHNIC GROUP USA REPRESENTATION



U.S. All Levels by Ethnicity		
	Count	% of Total
White	524	75%
Hispanic or Latino	95	13%
Black or African American	33	5%
Asian	28	4%
Two or More Races	14	2%
American Indian or Alaska Native	4	1%
Native Hawaiian or Other Pacific	2	0%
Total	700	100%

U.S. Management Level by Ethnicity		
	Count	% of Total
White	150	80%
Hispanic or Latino	16	9%
Black or African American	3	2%
Asian	14	7%
Two or More Races	3	2%
American Indian or Alaska Native	0	0%
Native Hawaiian or Other Pacific	1	0%
Total	187	100%



## EMPLOYEE HEALTH & SAFETY

CODE	TOPIC	DATA		
SASB FB-MP-320a.1	<b><u>Workforce Health &amp; Safety:</u></b> 1) Total recordable incident rate (TRIR) and 2) fatality rate	2022	2021	2020
		1.51	1.14	0.57
		0	0	0
SASB FB-MP-320a.2	<b><u>Workforce Health &amp; Safety:</u></b> Description of efforts to assess, monitor and mitigate acute and chronic respiratory health conditions.	Phibro takes the respiratory health condition of its employees and air quality of all its facilities very seriously. To ensure the respiratory safety of our employees, we have developed and implemented two main policies (Industrial Hygiene and Respiratory Protection). These policies help drive a program that supports periodic evaluations, training, engineering controls, PPE and administrative support all in an effort to mitigate acute and chronic respiratory health conditions.		
GRI 403-1	<b><u>Occupational Health &amp; Safety:</u></b> a) A statement of whether an occupational health and safety management system has been implemented, including whether: i. the system has been implemented because of legal requirements and, if so, a list of the requirements; ii. The system has been implemented based on recognized risk management and/or management system standards/guidelines and, if so, a list of the standards/guidelines. b) A description of the scope of workers, activities and workplaces covered by the occupational health and safety management system, and an explanation of whether and, if so, why any workers, activities, or workplaces are not covered	<p>There are no specific legal EH&amp;S System requirements for Phibro or requirements by any specific industry other than requirements by OSHA, EPA, DOT and other federal and local laws. However, Phibro has a management system in place that includes over 30 EH&amp;S policies that integrate all our facilities despite their location internationally. Phibro Corporate policies serve as an umbrella for all our sites, but each site has site-specific adjustments based on their local laws. A list of EH&amp;S Programs and Policies are maintained and updated periodically (they are also available on our intranet site). These documents drive our EH&amp;S Management system and cover all our employees: factory, offices, sales, fleet, labs as well as employees working remotely.</p> <div> <div> <b>Phibro Corporate Programs</b> <ul style="list-style-type: none"> <li>• EH&amp;S Management System</li> <li>• Management of Safety Data Sheets &amp; Formulations</li> <li>• Internal and External Audits</li> <li>• Employee Participation</li> <li>• Hazardous Communication</li> <li>• Waste Management</li> <li>• Job Hazard Analysis</li> <li>• Fleet Safety</li> <li>• Sustainability</li> <li>• Industrial Hygiene</li> <li>• Hazardous Materials</li> </ul> </div> <div> <b>Transportation</b> <ul style="list-style-type: none"> <li>• Ergonomics</li> <li>• Biosafety Program</li> <li>• Armed Intruder Policy</li> </ul> </div> <div> <b>Phibro Corporate Policies</b> <ul style="list-style-type: none"> <li>• Incident Communication</li> <li>• Forklift</li> <li>• Ladder Safety</li> <li>• Hot Work</li> <li>• Lock Out and Tag Out</li> <li>• Bloodborne Pathogens</li> <li>• Emergency Response</li> <li>• Laboratory Safety</li> <li>• Contractor Safety</li> <li>• Fire Extinguisher</li> <li>• Fall Protection</li> <li>• Machine Guarding</li> <li>• Confined Space</li> <li>• Compressed Gas Cylinders</li> <li>• Automated External Defibrillators</li> <li>• General Safe Work Practices</li> <li>• Respiratory Protection</li> </ul> </div> <div> <ul style="list-style-type: none"> <li>• Personal Protective Equipment</li> <li>• Incident Reporting</li> <li>• Hearing Conservation</li> <li>• Electrical Safety Procedures</li> <li>• Slips, Trips and Falls</li> <li>• First Aid</li> <li>• Safety Showers &amp; Eye Wash</li> <li>• Workers Compensation</li> <li>• Cold Stress Prevention Program</li> <li>• Heat Stress Prevention Program</li> <li>• Pathogen Positive Test Result Response Plan</li> </ul> </div> <div> <b>Phibro Corporate Forms</b> <ul style="list-style-type: none"> <li>• Phibro Incident Communication Policy Checklist</li> </ul> </div> </div>		

EMPLOYEE HEALTH & SAFETY		
CODE	TOPIC	DATA
GRI 403-3	<p><b><u>Occupational Health &amp; Safety:</u></b></p> <p>A description of the occupational health services' functions that contribute to the identification and elimination of hazards and minimization of risks, and an explanation of how the organization ensures the quality of these services and facilitates workers' access to them</p>	<p>We have a number of policies to ensure that employees have the health service function needed to support them in their daily work. We have policies that provide EH&amp;S Training. Programs that provide participation and incentives. We have agreements with local occupational doctors and therapy centers to prevent small injuries from becoming bigger issues. Our site EH&amp;S Managers along with the Global Director of EH&amp;S meet monthly to discuss and evaluate the over EH&amp;S program. We look at relevant data such as OSHA Incident Rate, workers' compensation claims, fleet safety claims and types of injuries. Depending on our evaluation we adjust our program or target initiatives to improve the program. We have a clear EH&amp;S Goal to maintain every year, and we work to meet that goal.</p>
GRI 403-4	<p><b><u>Workforce Health &amp; Safety:</u></b></p> <p>a) A description of the processes for worker participation and consultation in the development, implementation and evaluation of the occupational health and safety management system, and for providing access to and communicating relevant information on occupational health and safety to workers. b) Where formal joint management-worker health and safety committees exist, a description of their responsibilities, meeting frequency, decision-making authority and whether and, if so, why any workers are not represented by these committees</p>	<p>Employee engagement, involvement and participation in occupational health and safety is a priority for Phibro. We understand that without employee buy-in for a good safety culture it would be impossible to run a successful EH&amp;S program. Therefore, we have a specific policy that was implemented over a decade ago, where all facilities are asked to include employees in their EH&amp;S programs by participation in EH&amp;S Committees, First Aid Teams, regular safety programs and other community-type safety outreach programs like training with the local fire departments. There are incentives programs as well and suggestion boxes for safety program improvements.</p>

LABOR PRACTICES		
CODE	TOPIC	DATA
SASB FB-FR-310a.1	<b><u>Labor Practices:</u></b> 1) Average hourly wage and 2) percentage of in-store and distribution center employees earning minimum wage, by region	<b><u>Hourly wage of production employees:</u></b> <b>U.S.:</b> 2022 - \$21.78; 2021 - \$21.47 <b>Israel:</b> 2022 – 71.85 ILS; 2021 – 62.43 ILS <b>Brazil:</b> not meaningful; only apprentices paid hourly Note: Part 2 does not apply to Phibro employees.
SASB FB-FR-310a.2	<b><u>Labor Practices:</u></b> Percentage of active workforce covered under collective bargaining agreements	<b>Argentina:</b> 2022 – 28%; 2021 – 28% <b>Brazil:</b> 2022 – 100%; 2021 – 100% <b>EU:</b> 2022 – 11%; 2021 – 11% <b>Israel:</b> 2022 – 63%; 2021 – 63% <b>U.S.:</b> 2022 – 0%; 2021 – 0%
SASB FB-FR-310a.3	<b><u>Labor Practices:</u></b> 1) Number of work stoppages and 2) total days idle	1) 2022 and 2021 – 0 2) 2022 and 2021 – 0
SASB FB-FR-310a.4	<b><u>Labor Practices:</u></b> Total amount of monetary losses as a result of legal proceedings associated with: 1) labor law violations and 2) employment discrimination	1) 2022 and 2021 – None reported 2) 2022 and 2021 – None reported



## CYBER SECURITY & PRIVACY

CODE	TOPIC	DATA
SASB FB-FR-230a.2	<b>Data Security:</b> Description of approach to identifying and addressing data security risks	<p>Phibro has documented policies as it relates to IT and Cybersecurity, developed in collaboration with HR and Legal. Data security and privacy are significant priorities, and tools are in place to ensure the safety and well-being of client, employee and company information. Encryption and zero-trust network protection technology inspect electronic transactions for corruption and/or cyberattacks.</p> <p>Phibro employees are regularly trained and tested for cybersecurity awareness. Multi-factor authentication and active threat protection software further protect company devices and email from cyberattacks such as malware, phishing and ransomware. Quality compliance software allows Phibro to electronically sign, protect and store key documents, manage corporate policy and regulatory documents, standardize change control processes, track deviations and Corrective and Preventive Actions (CAPA) and ensure appropriate approval before changes are activated.</p> <p>Phibro actively uses established processes for backup and recovery of all on-premises and cloud-based systems and data. In 2022, a global disaster and recovery program focused on our plants was tested and completed. Phibro strives to demonstrate an effective, risk-based approach to assure cybersecurity and protect confidential information</p>

## CUSTOMER ENGAGEMENT & WELFARE

CODE	TOPIC	DATA			
SASB FB-FR-260a.1	<b><u>Product Health &amp; Nutrition:</u></b> Revenue from products labeled and/or marketed to promote health and nutrition attributes	2022	2021	2020	
		\$894	\$809	\$738	Revenue in Millions
		92%	92%	92%	% of Total Revenue
SASB FB-FR-260a.2	<b><u>Product Health &amp; Nutrition:</u></b> Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	Our food animal products must be safe not only for the animals themselves but must also be safe for people who consume meat, milk, seafood and eggs that come from those animals.			



## 5.0 FAIR AND TRANSPARENT GOVERNANCE

Phibro's framework for corporate governance is intended to decrease business risk, maximize value and utilize the company's resources in an efficient, sustainable manner, to the benefit of shareholders, employees and society at large.

Phibro is a "controlled company" under the Nasdaq stock market ("Nasdaq") corporate governance standards. For details on this designation and other aspects of our governance, see our [2022 Proxy Statement](#), filed with the SEC.

Among its primary responsibilities, the Board of Directors (Board) oversees our strategic and business planning processes, monitors corporate performance and assesses the integrity and effectiveness of our internal controls, legal procedures, ethics and compliance programs. Beyond these core responsibilities, the Board is responsible for establishing and maintaining an effective leadership structure for the Company, as well as overseeing the executive management team.

### **BEST OF BOTH WORLDS: FAMILY-BASED VALUES AND DIVERSE PERSPECTIVES**

We believe fresh perspectives and new ideas are critical to a forward-looking and strategic Board. Meanwhile, given the complex nature of our business, it is equally important to have the valuable experience and institutional knowledge that longer-serving directors bring to the boardroom. In light of multi-generational leadership from the Bendheim family, Phibro takes pride in the continuity of our management and our track record in maintaining longstanding commitments.

Our directors bring diverse skills and experiences to the Board, including expertise in executive management, leadership, finance, financial reporting, manufacturing, technology, product commercialization, animal health and risk management.

## TAKING THE 3Rs TO HEART

At Phibro, we deliver innovation that we believe improves the health of animals, the livelihood of people who care for animals and the planet we inhabit together. Our animal welfare policy describes the responsibilities, guiding principles and philosophy associated with research conducted by Phibro. The guiding philosophy is our commitment to the 3Rs – refining, reducing and replacing animals in research where possible. Our goal is to maintain the highest moral and ethical standards for the care and treatment of animals to minimize discomfort and pain.

Case in point: at one of our U.S. research centers, we conduct nutritional studies with chickens. At the conclusion of these studies, they are offered to local individuals who wish to keep them as backyard chickens.

(SASB FB-FR-430a.3)



We recognize the benefits of racial, gender, ethnic and experience-based diversity, and value the healthy debate that stems from different viewpoints. We aim to reflect our diverse customer and employee base; accordingly, our Board includes differing geographic, business and cultural backgrounds.

While the Board of Directors does not have a formal diversity policy related to the evaluation of nominees to the Board, diversity is a factor considered when identifying prospective nominees. A new, independent director, Alejandro Bernal, was appointed in February of 2023, bringing the total of independent directors to six out of nine and further emphasizing Phibro's commitment to broaden our reach to companion animals.

### **OUR SOLEMN OATH: ETHICS-RELATED POLICIES**

As part of a global value chain, Phibro is directly and indirectly exposed to ethical risks through our business operations. This includes good corporate governance, local and industry-specific business ethics norms, ethical R&D activities, as well as anti-corruption and adherence to Phibro's beliefs and respect for human rights.

Phibro typically includes statements in contracts with business partners and suppliers that parties are obliged to follow all applicable laws, rules and regulations. There have not been any cases of terminations or contracts not being renewed due to suspected business ethics breaches or corruption in the reporting period, nor has Phibro been involved in any legal proceedings regarding business ethics or corruption. Employees can report suspected cases of business ethics breaches or corruption through an anonymous whistleblowing channel. All employees have been introduced to the channel, both in meetings and in writing.

As outlined in our Anti-Bribery and Corruption Policy, Phibro has a zero-tolerance approach to all forms of bribery and corruption (in line with the UN Global Compact Principle 10). Phibro and our employees will not offer or receive any bribe or facilitation payment or enter into corrupt practices of any kind. The policy covers bribes, gifts and hospitality, facilitation payments, political contributions and charitable contributions. Our [Supplier and Vendor Code of Conduct](#) establishes clear expectations for our suppliers and vendors with respect to ethics, business conduct,



anti-bribery and corruption and other important compliance areas.

The management systems and process for assessing and mitigating bribery and corruption risks internally and in our supply chain are supported by specific actions including:

- Regular assessment of business activities and risks;
- Due diligence on suppliers and third-party distributors; and
- Reports to the Audit Committee on material issues with details of relevant follow-up actions.

## LEADERSHIP OVERSIGHT OF PHIBRO'S ESG JOURNEY

Our Chief Financial Officer, Damian Finio, is responsible for the advancement of our ESG program, including our assessment of key ESG risks and opportunities.

Relevant ESG topics, risks, issues and considerations – largely informed by related stakeholder feedback and the use of SASB and GRI frameworks – are overseen by our board liaison, Carol Wrenn, who has been a director since July 2010 and who also serves as a member of the Audit Committee and the Compensation Committee.

## ADDRESSING RISK FACTORS THAT AFFECT OUR BUSINESS

Our corporate governance efforts are highly focused on effectively managing risk and preserving long-term, sustainable value for the benefit of our shareholders, our employees and the broader ecosystem in which we operate.

Phibro's Annual Report for the year ending June 30, 2022, presents certain risks we face in the operation of our business. For a summary of such details, see our [2022 Annual Report on Form 10-K](#). The Board, either directly or through its committees, routinely reviews Phibro's business

strategy and management's assessment of related risks and discusses with management the appropriate level of risk depending on the market environment and other relevant factors.



## 5.0 KEY PRIORITIES AND PROGRESS

Based on Phibro's Materiality Assessment, we track and report our progress against the following Fair & Transparent Governance topics: Business Ethics, Selling Practices & Product Labeling and Product Design & Lifecycle Management. Relevant SASB and GRI metrics, along with our current data, and prior years' follow:

BUSINESS ETHICS		
CODE	TOPIC	DATA
SASB HC-BP-510a.1	<b>Business Ethics:</b> Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	2022: None reported 2021: None reported
SASB HC-BP-270a.2	<b>Business Ethics:</b> Description of code of ethics governing promotion of off-label use of products	While Phibro does not have an internal code of ethics on off-label use, we do not promote or encourage any off-label use of our products. Some markets permit off-label use of some products through veterinary prescription. Phibro maintains a formal marketing materials review process involving both the regulatory department and in the United States, the Legal Department to ensure, amongst other regulatory and legal requirements, that promoted product uses are consistent with the approved uses of our products.
Phibro metric	<b>Business Ethics:</b> Description of Business Ethics Policies	Code of Ethics: Our Code of Business Conduct and Ethics ("Code of Conduct") applies to all our employees, including our executive officers. We also have a Code of Ethics for the Chief Executive Officer and Senior Financial Officers ("Code of Ethics"), which applies only to our executive officers and certain members of our management. Our Code of Conduct and Code of Ethics are designed to ensure that the highest ethical standards are properly communicated and adhered to in all realms of our business. Each year we administer companywide training on our Code of Conduct, which contains practical guidelines and examples of situations employees might encounter to help guide their decision-making processes. Our Code of Conduct encourages all our employees to speak up when they see conduct that is inconsistent with our high ethical standards and provides resources for up-the-chain reporting. There are several ways in which employees can raise concerns about suspected violations, misconduct or unsafe conditions, including our independent third-party operated EthicsPoint hotline, available 24/7, through which reports can be made confidentially and anonymously. In addition to the EthicsPoint hotline, employees are encouraged to address questions and concerns to, or to seek help and guidance from, their supervisor, or to report concerns directly to the Human Resources Department, the Legal Department and/or the Company's Audit Committee.



BUSINESS ETHICS		
CODE	TOPIC	DATA
Phibro metric	<u><b>Business Ethics:</b></u> Description of Board of Directors 1) Committee and 2) Independence	<p>Board Committees: Our Board of Directors has two standing committees, an Audit Committee and a Compensation Committee. Each of the committees reports to the Board. In the future, our Board may establish other committees, as it deems appropriate, to assist it with its responsibilities. Our Audit Committee's responsibilities include overseeing our relationship with our independent registered public accounting firm (our "external auditor") (e.g., their independence from management; the scope and results of their audit; review and monitoring of our accounting principles, accounting policies, financial and accounting controls and compliance with legal and regulatory requirements); establishing procedures for the confidential anonymous submission of concerns regarding questionable accounting, internal controls or auditing matters; reviewing and approving related party transactions; and oversight of our risk management process.</p> <p>Our Compensation Committee's responsibilities include reviewing key employee compensation goals, policies, plans and programs; overseeing the compensation of our directors, chief executive officer and other executive officers; reviewing and approving employment agreements and other similar arrangements between us and our executive officers; and administering our stock plans and other incentive compensation plans, if any. Our Compensation Committee regularly reviews our executive compensation program to ensure that compensation is closely tied to aspects of our performance that our executive officers can impact and that are likely to have an impact on stockholder value. On an annual basis, our Compensation Committee evaluates the performance of our Chief Executive Officer and approves his compensation. Our Chief Executive Officer annually reviews the performance of our executive officers, including the named executive officers (other than himself/herself), with our Compensation Committee and makes recommendations to our Compensation Committee with regard to each executive officer's compensation (other than himself/herself). Our Compensation Committee considers such recommendations when approving each executive officer's compensation (other than the Chief Executive Officer). Our Compensation Committee annually evaluates the compensation of our directors in light of their duties and makes recommendations with regard to their compensation to our Board for approval.</p> <p>Independence: Jack C. Bendheim, our Chairman, President and Chief Executive Officer, has sole authority to vote shares of our stock owned by BFI Co., LLC, an investment vehicle of the Bendheim family. Because BFI controls a majority of the combined voting power of our outstanding common stock, we are a controlled company under the Nasdaq corporate governance standards. As a controlled company, we are exempt from the requirement that a majority of our Board consist of "independent directors," as defined under such rules. Nevertheless, our Board has reviewed the independence of its current members in accordance with the independence requirements of the applicable Nasdaq rules and has determined that the majority of our directors are "independent directors" under the relevant Nasdaq rules.</p>

## SELLING PRACTICES & PRODUCT LABELING

CODE	TOPIC	DATA
SASB FB-FR-270a.1	<b><u>Product Labeling &amp; Marketing:</u></b> Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	2022: None reported 2021: None reported  All promotional materials and communications must be accurate, not misleading and compliant with all applicable legal and regulatory standards, including any applicable standards addressing off-label promotion, substantiation, scientific rigor and fair balance. Colleagues in sales, marketing, technical services and regulatory functions must comply with local or regional policies with respect to labeling, promotional programs, product samples and other related topics. Technical and regulatory review operates on a regional basis to review and approve marketing and promotional materials prior to their use.
SASB FB-FR-270a.2	<b><u>Product Labeling &amp; Marketing:</u></b> Total amount of monetary losses as a result of legal proceedings associated with marketing and/or labeling practices	2022: None reported 2021: None reported

## PRODUCT DESIGN & LIFECYCLE MANAGEMENT

CODE	TOPIC	DATA
SASB HC-MS-410a.1	<b><u>Product Design &amp; Lifecycle Management:</u></b> Discussion of process to assess and manage environmental and human health considerations associated with chemicals in products, and meet demand for sustainable products	Our products meet FDA standards in the U.S. and other regulatory standards in each country for tissue residue and environmental impact.



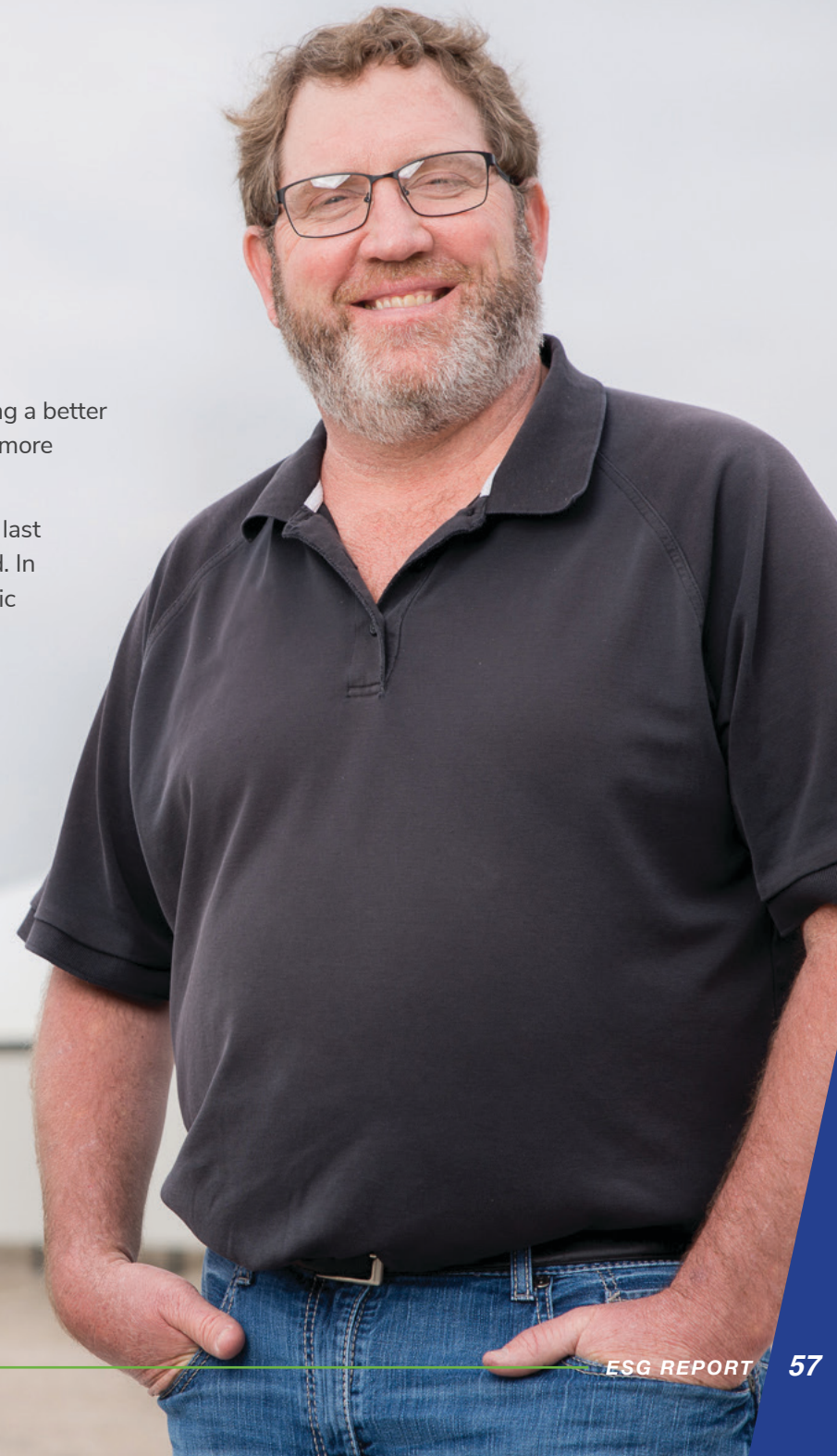




## 6.0 NEXT STEPS ON OUR ESG JOURNEY

Ingenuity and the application of science are humankind's most powerful tools for realizing a better future. Phibro's people are finding new solutions every day to keep animals healthy and more broadly contribute to societal goals.

We are proud of the step-changes we have made to elevate our ESG approach over the last two years and we will continue to evolve and strengthen our initiatives in the year ahead. In doing so, we will deliver greater value for our stakeholders, realize our long-term strategic goals and address societal challenges across the pillars of animal health, human health and planetary health.









## 7.0 APPENDIX

GRI INDEX*		
GRI 201: ECONOMIC PERFORMANCE 2016		
Code	Disclosure(s)	Response
201-3	Defined benefit plan obligations and other retirement plans	P. 40
GRI 202: MARKET PRESENCE 2016		
Code	Disclosure(s)	Response
202-2	Proportion of senior management hired from the local community	P. 41
GRI 203: INDIRECT ECONOMIC IMPACTS 2016		
Code	Disclosure(s)	Response
203-2	Significant indirect economic impacts	PP. 35-36
GRI 306: WASTE 2020		
Code	Disclosure(s)	Response
306-2	Management of significant waste-related impacts	PP. 22, 29
GRI 401: EMPLOYMENT 2016		
Code	Disclosure(s)	Response
401-2	Benefits provided to full time employees that are not provided to temporary or part-time employees	P. 41
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018		
403-1	Occupations health and safety management system	P. 45
403-3	Occupational health services	P. 46
403-4	Worker participation, consultation, and communication on occupational health and safety	P. 46

\*This material references the title and publication year of the standard in the sub headers



## SASB INDEX

TOPIC	ACCOUNTING METRIC	CODE	RESPONSE
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	HC-BP-510a.1	P. 53
	Description of code of ethics governing interactions with health care professionals	HC-BP-510a.2	Not applicable
Data Security	Description of approach to identifying and addressing data security risks	FB-FR-230a.2	P. 48
Drug Safety	List of products listed in the Food and Drug Administration's (FDA) MedWatch Safety Alerts for Human Medical Products database	HC-BP-250a.1	Not applicable
	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	HC-BP-250a.2	
	Number of recalls issued, total units recalled	HC-BP-250a.3	
	Total amount of product accepted for take-back, reuse, or disposal	HC-BP-250a.4	
	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	HC-BP-250a.5	
Employee Recruitment, Development & Retention	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	HC-BP-330a.1	P. 38
	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) mid-level managers, (c) professionals, and (d) all others	HC-BP-330a.2	P. 39
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	FB-MP-130a.1	P. 27
Ethical Marketing	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	HC-BP-270a.1	Not applicable
	Description of code of ethics governing promotion of off-label use of products	HC-BP-270a.2	P. 53

## SASB INDEX

TOPIC	ACCOUNTING METRIC	CODE	RESPONSE
Food Safety	Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	FB-MP-250a.1	Not applicable
	Percentage of supplier facilities certified to a Global Food Safety Initiative (GFSI) food safety certification program	FB-MP-250a.2	
	(1) number of recalls issued and (2) total weight of products recalled	FB-MP-250a.3	
	Discussion of markets that ban imports of the entity's products	FB-MP-250a.4	
Greenhouse Gas Emissions	Gross global Scope 1 emissions	FB-MP-110a.1	P. 26
Labor Practices	(1) Average hourly wage and (2) percentage of in-store and distribution center employees earning minimum wage, by region	FB-FR-310a.1	P. 47
	Percentage of active workforce covered under collective bargaining agreements	FB-FR-310a.2	P. 47
	(1) Number of work stoppages and (2) total days idle	FB-FR-310a.3	P. 47
	Total amount of monetary losses as a result of legal proceedings associated with: (1) labor law violations and (2) employment discrimination	FB-FR-310a.4	P. 47
Management of Environmental & Social Impacts in the Supply Chain	Revenue from products third-party certified to environmental or social sustainability sourcing standards	FB-FR-430a.1	Not applicable
	Percentage of revenue from (1) eggs that originated from a cage-free environment and (2) pork produced without the use of gestation crates	FB-FR-430a.2	Not applicable
	Discussion of strategy to management environmental and social risks within the supply chain, including animal welfare	FB-FR-430a.3	PP. 11, 12, 20, 32, 50
Product Health & Nutrition	Revenue from products labeled and/or marketed to promote health and nutrition attributes	FB-FR-260a.1	P. 48
	Discussion of the process to identify and manage products and ingredients related to nutritional health concerns among consumers	FB-FR-260a.2	PP. 19, 48

SASB INDEX			
TOPIC	ACCOUNTING METRIC	CODE	RESPONSE
Product Labeling & Marketing	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	FB-FR-270a.1	P. 55
	Total amount of monetary losses as a result of legal proceedings associated with marketing and/or labeling practices	FB-FR-270a.2	P. 55
Product Design & Lifecycle Management	Discussion of process to assess and manage environmental and human health considerations associated with chemicals in products, and meet demand for sustainable products	HC-MS-410a.1	P. 55
Product Safety	Number of recalls issued, total units recalled	HC-MS-250a.1	Not applicable
	List of products listed in the FDA's MedWatch Safety Alerts for Human Medical Products database	HC-MS-250a.2	
	Number of fatalities related to products as reported in the FDA Manufacturer and Use Facility Device Experience database	HC-MS-250a.3	
	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	HC-MS-250a.4	
Supply Chain Management	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in third-party audit programs for manufacturing and product quality	HC-MS-430a.1	Not applicable
	Description of efforts to maintain traceability within the distribution chain	HC-MS-430a.2	
	Description of the management of risks associated with the use of critical materials	HC-MS-430a.3	
Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	FB-MP-140a.1	P. 28
	Description of water management risks and discussion of strategies and practices to mitigate those risks	FB-MP-140a.2	P. 24
Workforce Health & Safety	(1) Total recordable incident rate (TRIR) and (2) Fatality rate	FB-MP-320a.1	PP. 33, 45
	Description of efforts to assess, monitor and mitigate acute and chronic respiratory health conditions	FB-MP-320a.2	P. 45



## FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements that are subject to risks and uncertainties. All statements other than statements of historical or current fact included in this Report are forward-looking statements. Forward-looking statements discuss our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as “aim,” “anticipate,” “believe,” “estimate,” “expect,” “forecast,” “outlook,” “potential,” “project,” “projection,” “plan,” “intend,” “seek,” “may,” “could,” “would,” “will,” “should,” “can,” “can have,” “likely,” the negatives thereof and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events. For example, all statements we make relating to our estimated and projected earnings, revenues, costs, expenditures, cash flows, growth rates and financial results, our plans and objectives for future operations, growth or initiatives, strategies, or the expected outcome or impact of pending or threatened litigation are forward-looking statements. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we expected. Examples of such risks and uncertainties include:

- The negative effects of a pandemic, epidemic, or outbreak of an infectious disease in humans, such as COVID 19, on our business, financial results, manufacturing facilities and supply chain, as well as our customers, protein processors and markets;
- Perceived adverse effects on human health linked to the consumption of food derived from animals that utilize our products could cause a decline in the sales of those products;
- Restrictions on the use of antibacterials in food-producing animals may become more prevalent;
- The potential FDA withdrawal of approval of our Mecadox (carbadox) product;
- A material portion of our sales and gross profits are generated by antibacterials and other related products;
- Competition in each of our markets from a number of large and small companies, some of which have greater financial, research and development (“R&D”), production and other resources than we have;

- Outbreaks of animal diseases could significantly reduce demand for our products;
- Our business may be negatively affected by weather conditions and the availability of natural resources;
- Climate change could have a material adverse impact on our operations and our customers’ businesses;
- Actions of regulatory bodies, including obtaining approvals related to the testing, manufacturing and marketing of certain of our products;
- The continuing trend toward consolidation of certain customer groups as well as the emergence of large buying groups;
- Our ability to control costs and expenses;
- Any unforeseen material loss or casualty;
- Misuse or extra-label use of our products;
- Exposure relating to rising costs and reduced customer income;
- Heightened competition, including those from generics and those deriving from advances in veterinary medical practices and animal health technologies;
- Unanticipated safety or efficacy concerns;
- Our dependence on suppliers having current regulatory approvals;
- Our raw materials are subject to price fluctuations and their availability can be limited;
- Natural and man-made disasters, including but not limited to fire, snow and ice storms, flood, hail, hurricanes and earthquakes;
- Business interruption from political and social instability, including crime, civil disturbance, terrorist activities, outbreaks of disease and pandemics and armed conflicts, such as the current armed conflict between Russia and Ukraine;
- Terrorist attacks, particularly attacks on or within markets in which we operate;
- Risks related to changes in tax rates and exposure;
- Our ability to successfully implement our strategic initiatives;
- Our reliance on the continued operation of our manufacturing facilities and application of our intellectual property;
- Adverse U.S. and international economic market conditions, including currency fluctuations;
- Failure of our product approval, R&D, acquisition and licensing efforts to generate new products;
- The risks of product liability claims, legal proceedings and general litigation expenses;

- The impact of current and future laws and regulatory changes, including risks related to the protection of our customers’ privacy and risks related to environmental, health and safety laws and regulations;
- Modification of foreign trade policy may harm our food animal product customers;
- Our dependence on our Israeli and Brazilian operations;
- Impact of increased or decreased inventory levels at our direct customers or channel distributors;
- Our substantial level of indebtedness and related debt-service obligations;
- Restrictions imposed by covenants in our debt agreements;
- The risk of work stoppages; and
- Other factors as described in “Risk Factors” in Item 1A of our most recent Annual Report on Form 10-K.

While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from our expectations, or cautionary statements, are disclosed under “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of our most recent Annual Report on Form 10-K and subsequent reports filed with the SEC. All forward-looking statements are expressly qualified in their entirety by these cautionary statements. You should evaluate all forward-looking statements made in this Report in the context of these risks and uncertainties.

We caution you that the important factors referenced above may not contain all of the factors that are important to you. In addition, we cannot assure you that we will realize the results or developments we expect or anticipate or, even if substantially realized, that they will result in the consequences we anticipate or affect us or our operations in the way we expect. The forward-looking statements included in this Report are made only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law. If we do update one or more forward-looking statements, no inference should be made that we will make additional updates with respect to those or other forward-looking statements.

*For updates on how we are advancing care for animals for the benefit of people and the planet, visit [www.pahc.com/responsibility](http://www.pahc.com/responsibility).*



HEALTHY ANIMALS.  
HEALTHY FOOD.  
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