TURN A NEW LEAF™

Sustainability Report
January – June 2021

local bounti™

Hamilton, MT

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Local Bounti CEOs' Sustainability Letter

Conventional agriculture has been feeding the world for hundreds of years, yet given the negative impacts of climate change, it is now struggling to keep pace. Add to that the COVID-19 pandemic, and an already stressed food supply system is experiencing even more pressure. Looking ahead, it is estimated that the world will require 60% more food in just 30 years. Sustainability has emerged as a GLOBAL imperative, and when it comes to agriculture, it is clear we must find ways to do better.[1]

When we first began evaluating the Controlled Environment Agriculture (CEA) industry, we were convinced it was an important technological breakthrough that would impact the food supply system in a positive way, and so we set out to invest in an existing CEA business. We recognized that the benefits of growing produce with no herbicides or pesticides, 90–95% less land and water requirements, year-round production, and many other advantages, positioned CEA as a clear disruptor.

We performed extensive due diligence, searching high and low for a business that was set up to succeed over the long term in what we believe is a high growth, global, commodity-based, capital-intensive business model. The only issue was, we could not find an existing business that we felt checked all the boxes. That was our "aha moment" when we looked at each other and said, "it's time to start a business" – and soon after, Local Bounti was born. Three-and-a-half years later, we could not be prouder of Local Bounti and what our team has accomplished in this short period of time.

From inception, we have placed sustainability as a top business objective – it's built into our DNA. We invented our breakthrough Stack & Flow Technology™ with the goal of improving our unit economics AND our sustainability metrics. We knew CEA was a sustainability winner when compared to conventional agriculture, but that is not good enough for us. We want to be the leader in objective sustainability performance when compared to other CEA companies and field grown agriculture – a goal we believe our business model and proprietary technology enables us to achieve.

As part of our sustainability commitment, we are devoted to complete transparency, with no "greenwashing" or selective data reporting. Top to bottom, we focus on sustainable Environmental, Social, and Governance (ESG) guidelines in all facets of our business. We are also dedicated to integrating our ESG and SEC reporting, and aligning our ESG disclosures, with external frameworks such as the Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI). To the extent possible, we will participate in these organizations to help drive meaningful change.

Local Bounti has our sights set on being a leader in the global CEA industry. At the same time, we are a LOCAL business. We invest in local communities, build local facilities, hire local talent, and deliver fresh, delicious and sustainable products to families in the local communities we serve. We are committed to always being rooted in local.

Being the CEA sustainability leader is undoubtedly a challenge, yet one the entire Local Bounti team is excited to deliver upon.

Sincerely,

Craig Hurlbert and Travis Joyner
Co-Founders and Co-CEOs

About Local Bounti

Local Bounti is a disruptive indoor agricultural technology company that is redefining the future of farming and transforming the production and delivery of local, fresh, and sustainably grown living lettuce, herbs, and loose-leaf lettuce across the U.S.

Founded in August 2018 and headquartered in Hamilton, Montana, Local Bounti is a Controlled Environment Agriculture (CEA) company that uses a unique, proprietary Stack & Flow Technology™ – a hybrid of vertical and hydroponic greenhouse farming – to grow healthy food sustainably and affordably.

Through this process, the company can produce its products in an environmentally sustainable manner that increases harvest efficiency, limits water and land requirements by up to 90 percent, and reduces the carbon footprint of the production and distribution process.

The environmental greenhouse conditions in Local Bounti's facilities help ensure the nutritional value and taste of its products, which are non–GMO and pesticide and herbicide-free. Our first facility (Montana Facility) commenced operation in 2020 and is in Hamilton, Montana, USA. We have several facilities in development, our second facility (Washington Facility) is in Washington state and will break ground in Q4 2021.

Local Bounti is challenging the status quo of field-grown conventional and organic leafy green farming and delivering a creative agricultural solution to address several key issues, such as:

1.

Food Waste

Due to post-expiry and rotten produce that both retailers and consumers regularly throw away, food waste in the U.S. alone is **estimated at 30 to 40 percent of the food supply**[1], the equivalent of more than $160 billion annually.[2]

Local Bounti's approach is to build geographically distributed production facilities to provide its customers with locally grown, pesticide and herbicide-free leafy greens delivered at peak freshness on a year-round basis. Imagine your lettuce staying fresh in your refrigerator for as long as a carrot – that is, weeks as opposed to days. Whether on store shelves or in consumer homes, a longer shelf-life means less waste and, ultimately, greater savings for both retailers and consumers.

2.

Lack of availability of fresh produce

Whether in rural or urban locations, there are numerous areas known as food deserts where it is difficult to find fresh, healthy produce. Due to remote suppliers and inefficient supply chains, produce delivery can take weeks, resulting in wilted, tasteless, undesirable products. Local Bounti is a local company. Our mission is to build local facilities operated by local teams that deliver the freshest and highest quality leafy greens to local communities. Because the company's **leafy greens are delivered to retail partners within 24 to 48 hours after harvesting** with minimal travel distance – (less than 400 miles, keeping carbon footprints minimal in the process) – consumers can get fresh and delicious leafy greens in the markets it serves.

3.

Imminent Global Food Crisis

Studies show the world will need **60 percent more food to feed the growing population by 2050**, yet there is not enough arable land and water to sustain conventional agriculture to meet these needs. In the U.S. alone, research shows 30 percent of arable land has been lost in the last 40 years, and 60 percent of all available cropland today has been severely depleted from irrigation use.[2] The 2021 summer's droughts have also shone the spotlight on the volatility of the country's water supply and crops, and researchers are predicting this could be the new normal.[3]

4.

Age-old conundrum of how to keep leafy greens fresher and longer

Homemakers and professional chefs alike have always struggled to prolong the shelf life of their lettuce, resorting to efforts such as drying lettuce leaves after purchase and wrapping them in a paper towel, to adjusting the temperature of the refrigerator and checking the lettuce every day or two to remove leaves that are beginning to go bad.

Local Bounti solves this with lettuce that stays fresh for weeks in the refrigerator without any effort on the consumer's part. The company has performed product shelf-life tests which demonstrated that its **loose-leaf lettuce lasts three to five times longer in the consumer's refrigerator** (assuming purchased on the day of delivery to the purchase point) than its organic loose-leaf lettuce competitors.

FACTS WE LIVE BY

LOCAL IS BEST.

Your leafy greens are rarely grown local, but we are changing that. We strive to make the distance between our farm and your kitchen as short as possible. Growing local delivers sustainable markets, products, and partnerships to the benefit of our communities and our world. We believe local is the best kind of business.

HAPPY PLANTS = HAPPY TASTE BUDS.

We love happy plants. Our plants are kept in the perfect environment from seed to packaging and our living products keep our leafy greens fresh and delicious for weeks. The result? Happy taste buds. You will taste and smell the difference. Regardless of season and location, we bring the farmers' market to your neighborhood.

IT'S TIME TO REIMAGINE FRESHNESS.

Most leafy greens spend weeks in transport on the way to your kitchen. We believe there is a better way. Local Bounti reimagines "fresh" through our local, sustainable farming with a 365–day growing season, and a wide variety of living products. When our leafy greens hit your plate, you will experience a new standard of fresh.

PIONEERING THE EXTRAORDINARY.

At Local Bounti we are pioneering a new path and breaking new ground, literally. We embrace challenges to the status quo and don't take no for an answer. We face challenges with grit, determination, and obsession, but radiate humility. Together, we are capable of extraordinary things.

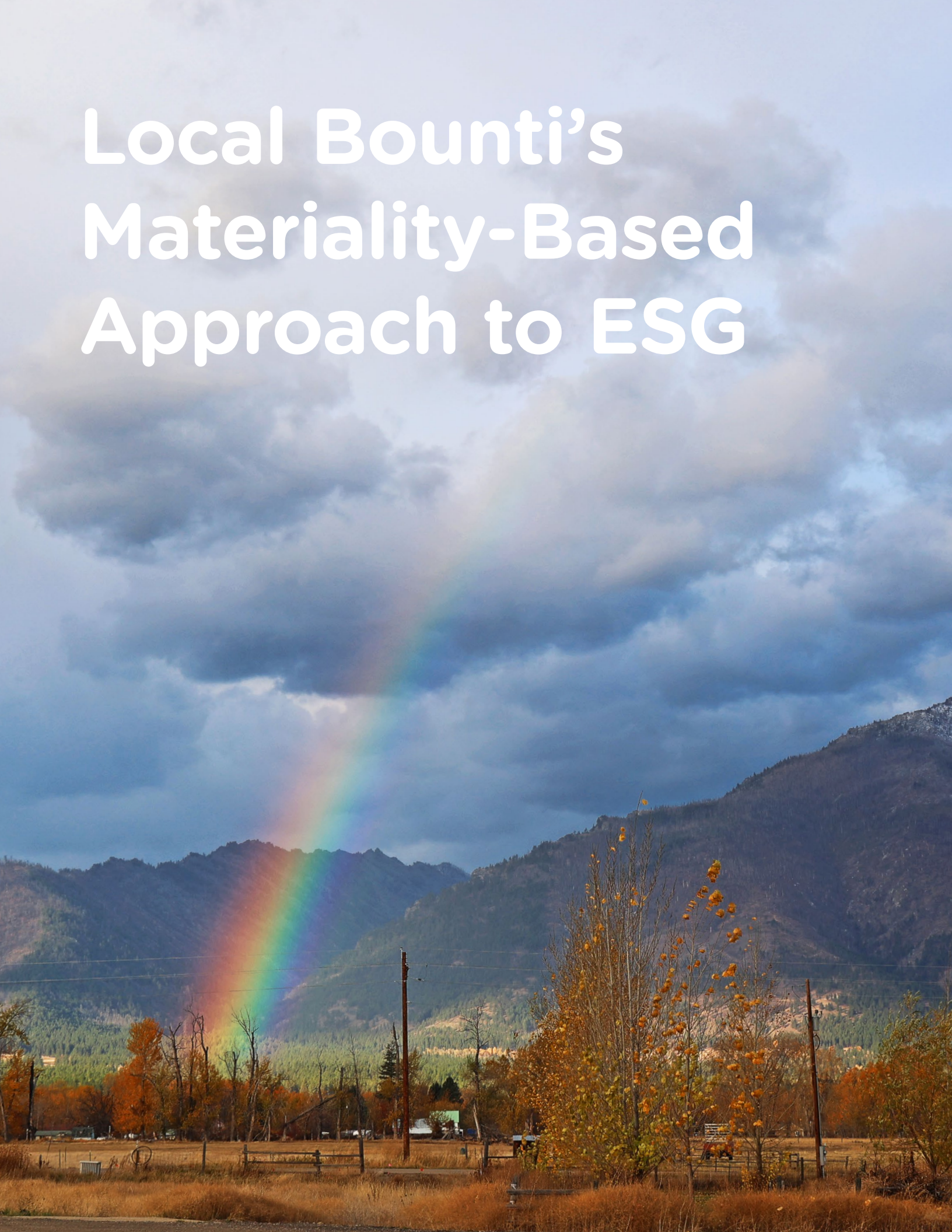
EMPOWERED TEAMS ARE STRONGER.

Local Bounti is defined by strong local teams. We empower our teams with an interactive, educational and safe work environment, and we are dedicated to helping team members grow within the company. We take the time to celebrate both group and individual successes. Most importantly, great ideas are welcomed and implemented at every level of our organization.

CONNECTED TO OUR COMMUNITY.

Fresh, local produce and local teams bind us to the neighborhoods we grow and live in. At Local Bounti, we are committed to making meaningful connections in our communities, giving back and delivering products that support health, wellness, and family.

Local Bounti's Materiality-Based Approach to ESG



Boundaries of Sustainability Reporting

Local Bounti's commitment is to be completely transparent about our activities and their impacts on our communities, employees, retail partners, and customers. We have taken a broad view, concerning ourselves not only with our direct impacts, but the downstream impacts of our product including waste and the ultimate disposal or reuse of our packaging. Our report has been developed based on the Global Reporting Initiative (GRI) Reporting Principles, Content Principles (Stakeholder Inclusiveness, Sustainability Context, Materiality, and Completeness), and Quality Principles (Accuracy, Balance, Clarity, Comparability, Reliability, and Timeliness).

As the name Local Bounti implies, we are focused on producing local leafy greens that enjoy an extended life in our consumers' homes and are delivered with minimum food miles. In 2020, as our first Farm of the Future™, in Hamilton, Montana started producing commercial products, we conducted a detailed review of our entire process from seed to our end consumers' table. This review was the basis of the boundaries for our sustainability reporting. Figure 1 shows how we include all the activities and inputs from seeds and commodities to transportation to our retail partners and food service customers' distribution centers. We are unable to include the ongoing transportation by our Retail Partners from these distribution centers now, but expect to work with them to close this gap in the future. In addition, as our company and our reporting processes mature, we hope to include the impacts of food waste, both as shrinkage

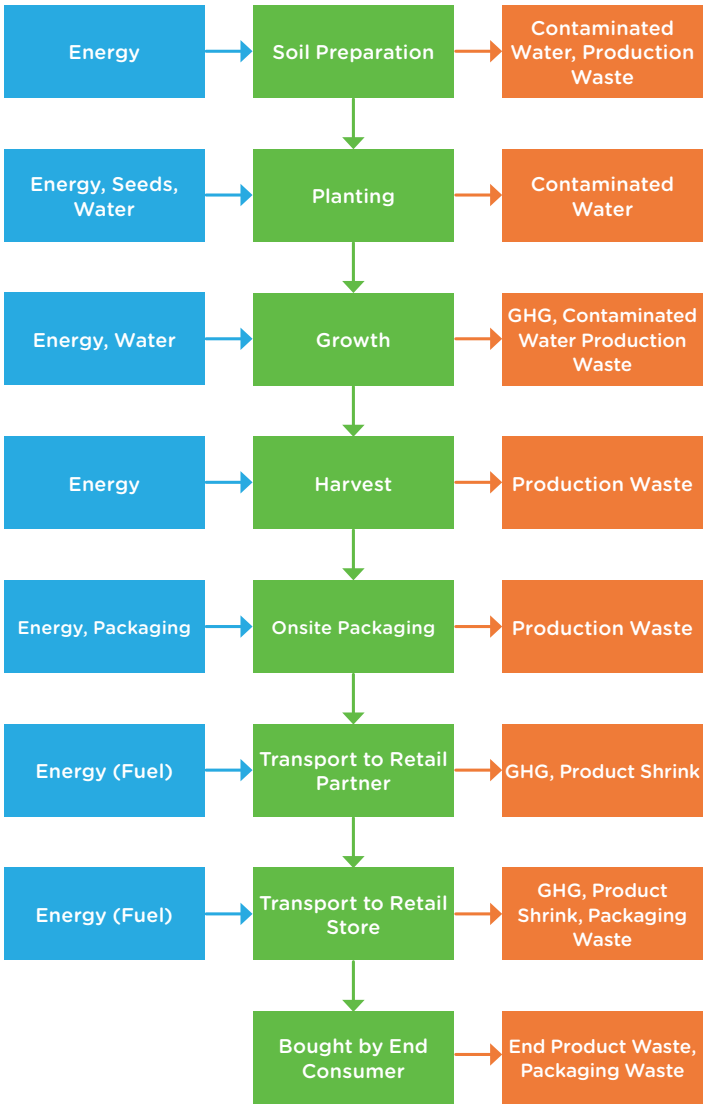


Figure 1 Lifecycle Flowchart

(food loss by our Retail Partners before delivery to the consumer) in the distribution and retail areas and as product waste by the end customer.

The major inputs for leafy green growing are light, nutrients, and water. In each of our advanced growing facilities, we use our patented Stack & Flow Technology™ to efficiently grow our leafy greens, shown in Figure 1. This process is optimized to maximize the use of available, sustainable inputs and minimize the use of less sustainable inputs such as fossil fuels and water.

Stack & Flow Technology™

+

Vertical Farm **Greenhouse**

Figure 2 Lifecycle Flowchart

Local Bounti strives to measure all our facility inputs and impacts including their greenhouse gas (GHG) contributions. Our scope of reporting includes the direct on-site Scope 1 and 2 uses and our estimated Scope 3 inputs and transportation to our customer distribution facilities. We are establishing the methods and data collection to capture our Scope 3 inputs (materials used by our facilities) and the impact of our waste (disposed of by our facilities) on our GHG emissions. As discussed above, the impact of transportation beyond our Retail Partner distribution centers and the impact of shrink (additional waste) at our Retail Partners are areas of future focus for Local Bounti.

Our entire process has been defined to ensure our boundaries include all our inputs and outputs. We begin with soil, seeds, and water, using a process much like a vertical farm to sprout and begin growth. The seedlings are then transported to a hydroponic raft and placed on ponds inside greenhouses, where they will finish their growth. These processes are semi-automated, using machines to aid in planting and transplanting. Our process loses little to no product at this time, leaving our waste stream consisting of roots, soil, and water contaminated by the plant nutrients. Our plants are harvested and promptly packaged to be shipped to our retail partners for sale to the end customer. This is where we first begin to see some production waste, from plant trimmings to packaging waste. Our transportation distances and times are dramatically reduced due to facilities being local, within 48 hours or 400 miles of our retail partners. This dramatically reduces fuel consumption and product degradation, but GHGs are still emitted and there is some end-product shrink at this time. Traditional produce delivery systems have 1,000's of miles and several days of cold storage to overcome, our local facilities overcome much of this, but we still aim to improve this further.

The final destination is the consumer, where our leafy greens are consumed, our packaging becomes waste to be recycled, and, with our extended shelf life, very little end-product is lost. This extended product life is critical to Local Bounti as traditional produce delivery chains can suffer over 30% post-harvest loss. At Local Bounti we are actively testing our current and improved packaging to ensure produce life is improved to reduce product waste.

Overview of GRI Material ESG Topics

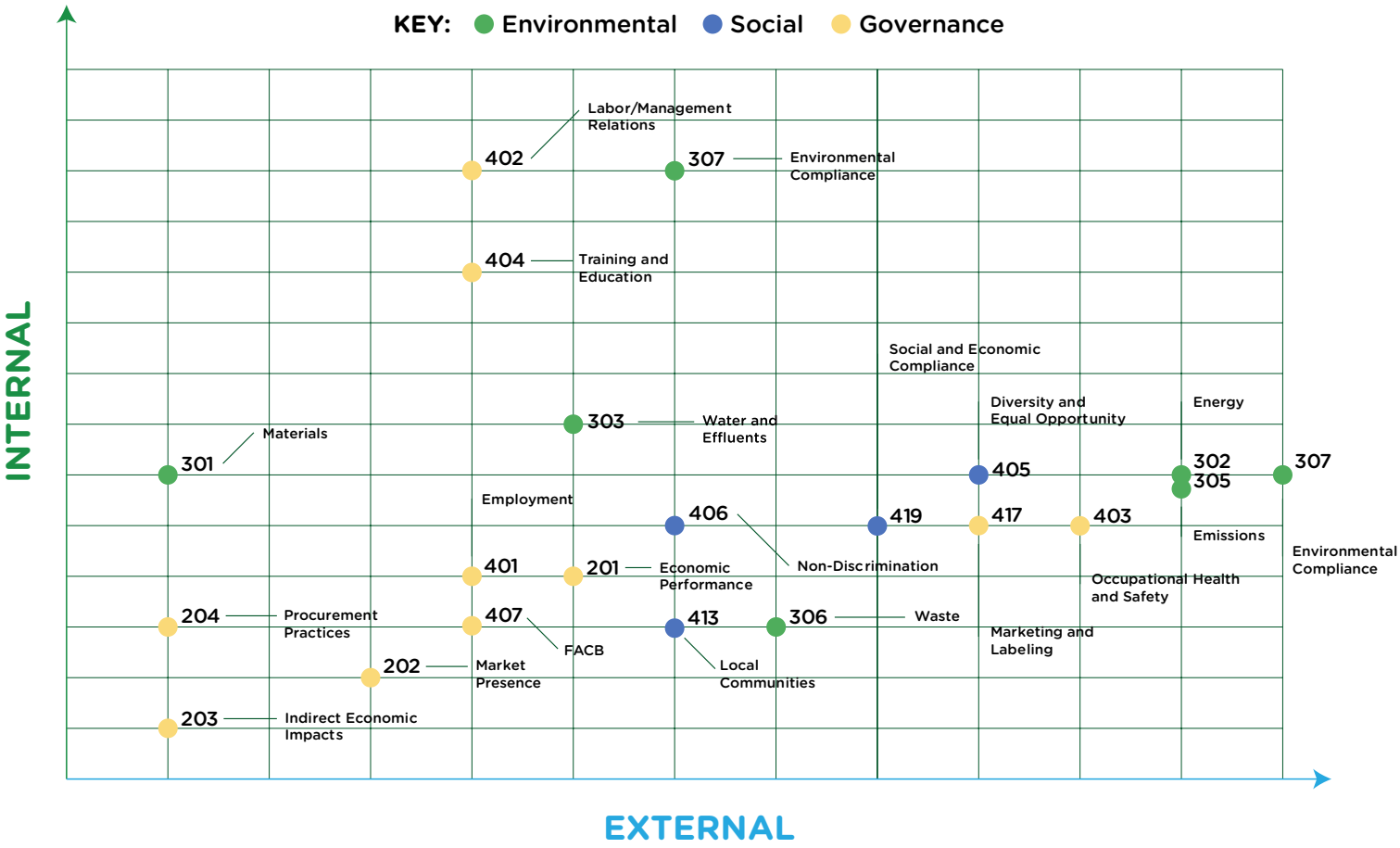
In 2020, we completed our first comprehensive GRI Materiality assessment to provide a foundation for our inaugural ESG report. Leveraging our detailed boundary and process review, we identified the key stakeholders that could be impacted, positively or negatively, directly, or indirectly by our business activities. Our stakeholders have been identified as the following:

- **Customers –** the end-user who consumes our leafy green products that are directly purchased from retailers or consumed in restaurants, institutions, or other establishments
- **Retail Partners –** the purchaser of our leafy green products, including retailers, restaurants, institutions, food processors, and food service companies
- **Communities –** the people and organizations in the areas where our facilities are located
- **Employees –** the key contributors to our success and their families
- **Investors –** those individuals and companies that have believed in and supported our value proposition from our creation
- **Government agencies –** local, state, and federal agencies and regulators including the US Department of Agriculture and the Federal Drug Administration which regulate our industry
- **Industry and non-governmental organizations –** groups that share lessons learned and best practices to support our continued improvement

Our internal assessment began by examining the needs, issues, and expectations of our stakeholders. In addition, the efforts and reports of our industry peers were closely evaluated to ensure a comprehensive review and to establish comparative frameworks.

We completed a detailed analysis of our processes, building detailed process flow diagrams and evaluating the major contributors to our processes, from seed to the end consumer. This process identified the key areas where data is captured for evaluation including energy, material, and labor inputs. We completed a detailed review of publicly available data on the conventional, greenhouse and vertical growing of leafy greens in North America and completed a life cycle assessment (LCA) for the production of leafy greens. This document provides the comparable data for the ongoing evaluation of our patented Stack & Flow Technology™.

Using this detailed process data, we mapped CEA specific material ESG topics identified by the stakeholders listed above to the GRI Standards Topics. This initial step produced a list of 21 topics of interest to different groups of stakeholders. In addition, we completed a detailed review of the Sustainability Accounting Standards Board (SASB) – Agriculture Sustainability Accounting Standard, and other ESG topics of interest to investors and other important stakeholders.



We then conducted a deeper analysis to prioritize these issues starting with an assessment of many of our potential retail partners and their sustainability programs and focus areas. We also examined the methodologies of leading ESG rating organizations and institutional investors. We reviewed their strategic selection of material ESG topics for inclusion in their sustainability disclosure, rating methodologies, investment decision–making, goal setting, and strategy.

These reviews allow us to complete the required GRI evaluation and to select the appropriate topics for GRI reporting. This report has been prepared in accordance with the GRI Standards: Core option.

Figure 5 SCS Global

In addition, for both 2020 and 2021, we have completed the SCS Global Services Sustainably Grown certification for agriculture firms. SCS Global Services is an internationally recognized third-party auditor that provides an independent framework to validate that our practices contributed to sustainable agriculture. This independent third-party audit confirms our data collection and tracking processes, found here.

United Nations Sustainable Development Goals

The Sustainable Development Goals (SDGs) are a series of interlinked goals adopted by UN member states in 2015. These goals focus on creating a fairer, more just world with more sustainable economic and environmental practices by 2030. The goals are ambitious and will only succeed through the combined efforts of government, business, and civil society.

As a Participant (September 2021) of the UN Global Compact, Local Bounti supports all the SDGs and, recognizing the importance of the goals, we have linked our areas of impact to the SDGs. We have prioritized eleven goals that align with our business where we can make a positive impact around the world. We intend to lead the CEA segment in the transparent execution of sustainability activities, and by doing so clearly identify how the industry can grow better leafy greens sustainably. We believe this disclosure will engage our stakeholders and challenge us to continue to improve.

WE SUPPORT

UN GLOBAL COMPACT

UN Sustainable Development Goals	Our Activities
2 ZERO HUNGER	• Local leafy green production in under-served communities • Donations to local charities • Employees are paid a living wage[3]
6 CLEAN WATER AND SANITATION	• No agricultural run-off • Manage and reduce water usage • <10 gallons/lb. leafy greens vs. field-grown > 150 gallons/lb. leafy greens
7 AFFORDABLE AND CLEAN ENERGY	• Measure energy usage • Natural sunlight in greenhouses • Energy efficiency investments to reduce usage
8 DECENT WORK AND ECONOMIC GROWTH	• Full-time (year round), indoor employment with regular working hours • Opportunity Zone Locations for under-served populations • Paying a living wage
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	• > $15 million in local facility investments for Montana Facility • > $1 million in local purchases • 50+ new jobs in local communities
11 SUSTAINABLE CITIES AND COMMUNITIES	• Regional/local production • Opportunity Zone Locations[4] • Indoor year round production
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• 90% less land, 9-10 crops/year vs 3-4/year for conventional agriculture • Longer food life, less food waste • 80-90% less food miles and less fertilizer vs. conventional agriculture
13 CLIMATE ACTION	• 80-90% less food miles and less fertilizer vs. conventional agriculture[5] • Locating our facilities in regions with low GHG emitting electrical generation and monitoring energy usage and take action to reduce usage
14 LIFE BELOW WATER	• No water runoff • Fertigation with water recovery • 10% recycled content in most packaging
15 LIFE ON LAND	• No chemical pesticides, third-party certified pesticide residue-free • The controlled environment reduces environmental impact • Produce 175,699 lb. produce/acre-year, 8 times more than conventional methods[6]
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	• Strong commitment to anti-discrimination included in company values and policies • Established corporate policies and governance including anti-bribery and human rights policies
17 PARTNERSHIPS FOR THE GOALS	• Participant in UN Sustainable Development Goals (September 2021) • Member of GRI Community (August 2021) • United Fresh Produce Association/Produce Marketing Association member (June 2021)

Table 1 – UN Sustainable Development Goals and Activities

Redefining the Controlled Environment Agriculture Segment – Turn a New Leaf™

1. Transforming the Production of Leafy Greens

Local Bounti is completely focused on being local. We grow and package our leafy greens locally, investing in our communities, many are in under-served areas. This local advantage combined with using advanced CEA technology allows us to leverage our inherent sustainability attributes. Local Bounti is determined to bring transparency to the CEA space, as we believe this will benefit our stakeholders and help advance sustainability in the entire CEA segment.

A key step in our transparency journey is reporting according to independent third-party frameworks including GRI and SASB; and participating in industry organizations to gain access to best-in-class processes, technologies, and practices. Local Bounti is focused on working with organizations that share our values and focus on improving the CEA segment and being transparent about our Sustainability journey. Local Bounti is a member of the GRI community (https://www.globalreporting.org/reporting-support/gri-community/, September 2021); a United Nations Sustainability Development Goals Participant (https://www.unglobalcompact.org/participation, Sept 2021); and a member of United Fresh Produce Association (https://www.unitedfresh.org/, June 2021).

Local Bounti believes that pro-active engagement in industry and sustainability organizations will provide better insight into how our Sustainability program can be improved and to benchmark our performance against other segments and produce suppliers.

Food Safety

Supporting GRI 307, 419, and SASB FB-AG-250a

Providing safe leafy greens is our highest priority. Local Bounti is certified by the United States Department of Agriculture (USDA) to the Harmonized GAP+ Field Operating and Harvesting level. This certification is completed annually and validates that our processes meet or exceed the USDA requirements. A key part of this certification is our food safety program and processes. Local Bounti recently completed our second USDA GAP+ audit. Our food safety program is managed by an experienced team led by a seasoned food safety executive. Incidents and deviations are reported to the management team weekly in our Key Performance Indicator report so that potential issues can be identified early and acted upon. Local Bounti had zero reportable food safety incidents in our 2021 reporting period.

We are currently implementing a Safe Quality Food (SQF) program. SQF is an auditing scheme recognized worldwide. The Global Food Safety Initiative (GFSI) has identified SQF as a food safety auditing scheme that upholds rigorous and credible food safety and quality programs that retailers, brand owners, and food safety providers expect from food manufacturers.

To ensure that our food safety programs are effective, Local Bounti has added a certified Preventive Controls Qualified Individual (PCQI) trainer to our team so that we can directly train our employees. The PCQI training is delivered through face-to-face interaction, including 20 hours of classroom instruction. The training outlines the responsibilities of the Preventive Controls Qualified Individuals pursuant to Subpart C of 21 CFR 117, Hazard Analysis and Risk-Based Preventive Controls. We have commenced PCQI training (Q4 2021) for all our team leaders and a significant portion of our farm technicians.

USDA GAP & GHP AUDIT PROGRAM
AGRICULTURAL MARKETING SERVICE

Pesticide Residue Free and Chemical Free Leafy Greens

Supporting GRI 301, 303, and SASB FB-AG-250a

Local Bounti is fully committed to minimizing and attempting to eliminate the use of all synthetic pesticides, fungicides, and herbicides. Our products are certified pesticide residue-free by SCS Global Services (https://www.scsglobalservices.com/). This quarterly laboratory test confirms that our products have no pesticides on or in our leafy greens. Our certification can be found at this link.

An additional advantage of controlling our environment is our ability to grow ready-to-eat leafy greens. Many conventional agriculture facilities wash their leafy greens post-harvest and prior to packaging to eliminate harmful mold and bacteria (such as E. coli). Leafy greens that are subject to this process are commonly referred to as "triple-washed". Many of these processes use chemicals, sodium, and other contaminants that can remain on the product.[7] Local Bounti's product does not require post-harvest washing and as a result these chemicals, as well as the mold and bacteria, are not in our leafy greens.

CERTIFIED
PESTICIDE RESIDUE FREE™
SCS GLOBAL SERVICES
BASED ON LABORATORY ANALYTICAL LIMITS OF DETECTION

2. Minimizing the Environmental Impacts of Controlled Environment Agriculture

Supporting GRI 302, 303, 304,305, 307, and SASB FB-AG-110a.2

Conventional farming has major negative environmental impacts that will be intensified as the world population increases and more food is needed. Currently agriculture is one of the largest users of freshwater in the U.S., accounting for over 40% of total freshwater withdrawals. CEA addresses this issue by reducing water use by up to 90% and has the added advantage of being able to be used in areas with low water availability, where conventional agriculture cannot be employed. We strive to locate our facilities in areas with less water depletion. To continue to reduce the water needed to grow leafy greens, Local Bounti is committed to setting a new standard in transparency to ensure accountability for our environmental impacts. We track water use and discharge at our Montana Facility and will continue to do so at all future facilities to maintain transparency.

Increased electricity and gas use are a consistent problem for CEA facilities; however, we firmly believe that with improvements to the technologies involved these problems can be mitigated. To this end, we track all energy use in our facilities to analyze and better understand what processes can be improved. This tracking is part of our commitment to full transparency, and we have set our goals to improve efficiency and reduce overall use.

Reduction of GHG

Supporting GRI 302, 305, and SASB FB–AG–110a

Local Bounti is highly focused on reducing the impact of CEA on GHG emissions. Our broad evaluation boundaries include not only our on-site emissions but also Scope 3 transportation emissions. By locating our facilities in areas with lower GHG electrical generation and closer to our Retail Partners' distribution centers, our impact can be reduced. Our 2030 vision is the delivery of high-quality local produce that is produced with neutral GHG emissions. To accomplish this, we will invest in our facilities and work closely with our retail partners to align our transportation networks and further reduce the high impact transportation miles.

By using a combination of traditional CEA growing technologies, Local Bounti can leverage the energy efficiency of the natural light and climate used by greenhouses while gaining the early product life quality offered by vertical farming solutions. In addition, our focus on being local dramatically reduces the distance that our leafy greens must travel, thereby reducing transportation and cold chain (the energy used to keep our leafy greens fresh) emissions. Local Bounti is focused on all aspects of our emissions and comparing our performance to industry standards to ensure that we are world leaders. We are striving to produce GHG neutral leafy greens and being transparent about how we get there. Local Bounti completed a carbon life cycle analysis (LCA)[8] for leafy greens based on publicly available data to provide comparative and benchmarking data for our facility performance metrics. The figure below shows the major categories that are included in our GHG calculations compared to industry standards. The categories marked by asterisks are areas where our data is incomplete, and we are working to improve our monitoring systems to capture these Scope 3 inputs.

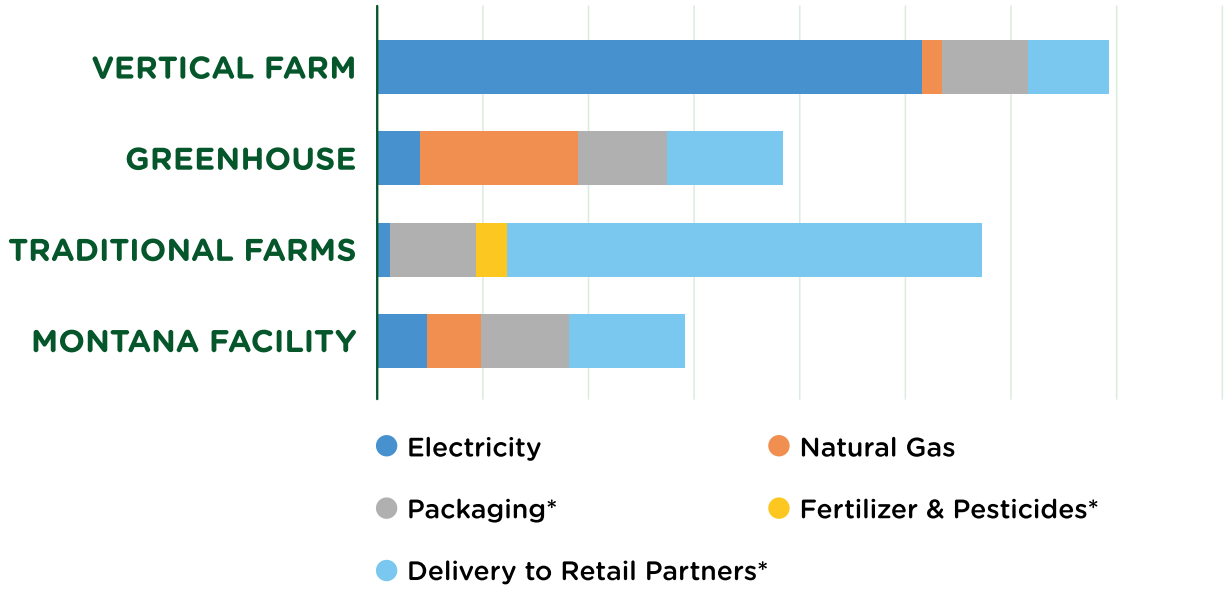


Figure 7 – Relative GHG Contributors

As the above figure shows, our Stack & Flow Technology™ is very efficient compared to other CEA solutions.[11] Within our facilities we are working to reduce both our electricity use with more efficient lights and cooling systems as discussed below and the use of technology that uses natural gas. In North America the electrical grid is dramatically reducing its carbon intensity – from 2017 to 2019, the EIA reported that the US average electricity carbon intensity was reduced by over 10 percent[9], additionally competitively priced, carbon-free electricity is available nationwide. With this in mind, Local Bounti has integrated our nursery and greenhouse cooling and heating solutions to dramatically reduce the natural gas usage in our Washington Facility (in development) and future facilities. This reduction is expected to reduce total energy usage and replace some natural burn with low-carbon electricity.

In addition to tracking our energy intensity and total usage, we evaluate the ultimate source of our electricity. Our operating Montana facility and our development for our Washington Facility are sourced with electricity from the Bonneville Power Administration, which generates over 90% of its electricity from carbon-free sources such as hydroelectric and nuclear power. As we evaluate future sites, we are evaluating the use of on–site renewable energy to minimize our GHG emissions.

For our Montana Facility's expansion, we have installed 20 percent more efficient (vs. current LED) LED lights in our nurseries and hybrid LED/high–pressure sodium (HPS) lights on five of our new greenhouses to evaluate their effectiveness in the growing cycle. Our design for our next facility includes hybrid LED/HPS lights that are expected to reduce light energy usage by over 30 percent.

Figure 8 – Relative GHG Contributors

Due to the nature of CEA and our focus on transparent sustainability, we are very focused on both our GHG emissions and how we can reduce them. To begin we established extensive data capture systems that are regularly observed and managed to note any irregularities and review the areas that are most problematic. Local production dramatically reduces the largest GHG contributor to produce production and delivery GHG emissions – food miles.

Local Bounti is measuring and reporting our Scope 3 transportation impacts from our facility to our retail partners. the figure below compares these actual food miles (for our Montana Facility's production) and the associated GHG produced to those of conventionally grown leafy greens in the Western United States.

Weighted Delivery Miles		Product Delivered	GHG Avoided	
Local Bounti (Montana Facility)	Salinas, CA	(lb.)	Total (lb. CO_2-e)	(lb. CO_2-e/ lb. product)
161	625	78,186	86,890	1.11

Figure 9 GHG Impact of Transportation[10]

Minimizing Water Usage

Supporting GRI 303, 304, and SASB FB-AG-140a

In the U.S., the agriculture segment consumes 118 billion gallons of water per day, over 40 percent[11] of total US freshwater consumption. Many key agriculture regions have severe water depletion issues. Local Bounti carefully tracks our water usage, investing in the re-use of water when possible and using rainwater when available. It is well documented that CEA producers can use dramatically less water than traditional agriculture, but at Local Bounti we are committed to measuring and minimizing our water usage. Local Bounti's Board of Directors has approved our ESG Policy that clearly defines our commitment to carefully using this important resource.

Our Montana Facility receives over 10 million gallons of combined snowfall and rainfall per year and our expanded facility will only use an estimated 1.85 million gallons per year. Starting in April of 2021, we have been measuring 100% of the water extracted from our on-site wells and we are committed to this standard of measure for all our future facilities. Water usage is routinely reviewed, and excess usage is automatically monitored and operations personnel are notified electronically.

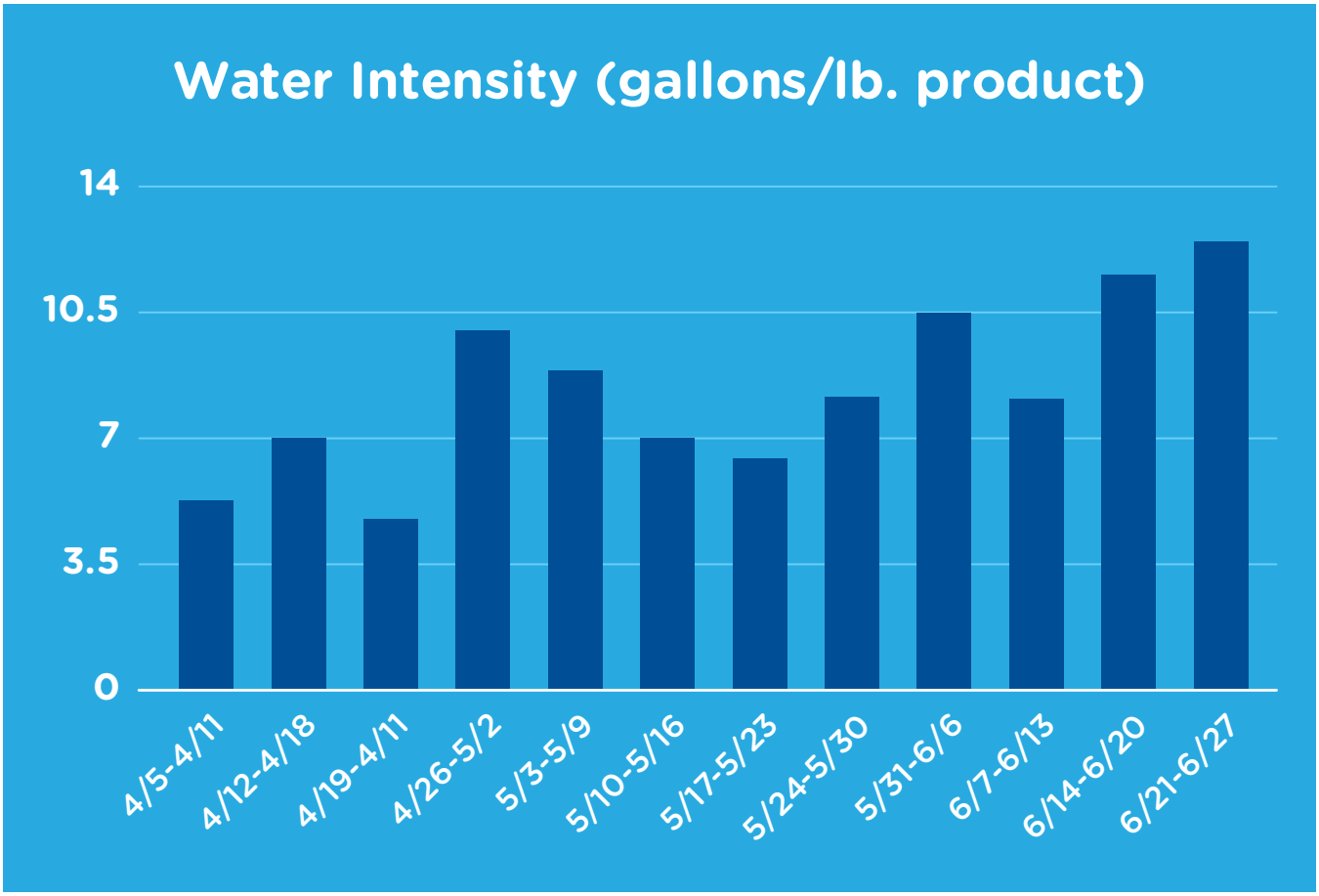


Figure 10 Weekly Water Intensity – Montana Facility

This routine measurement of our water intensity allows our operations and design teams to integrate water-related considerations into our operational and capital investment decisions and our evaluation of both current and future technology choices.

Local Bounti's key water metric is water depletion as opposed to water stress as an indicator because we believe it is more relevant as a sustainability metric. Water depletion is consumptive water used whereas water stress measures the total water used in an area compared to the water available. The important difference being water stress includes water returned to the area via runoff, wastewater treatment and release, and other measures, as opposed to just water removed from the environment. We track water stress as a part of the process of determining where to build facilities, but we believe depletion is more important. See the table below for an estimated comparison of Local Bounti water use and the water use of a conventional lettuce farm in Salinas, California.

	Montana Facility (Hamilton, MT)	Conventional Producer (Salinas, CA)
Annual Rainfall (gallons/acre/year)	420,887	407,310
Water Used (gallons/acre/year)	71,228	3,637,260
Excess Water Used (gallons/acre/year)	-349,659	3,229,950
Water Depletion	Low-Medium	Medium-High

Table 2 – Water Use and Rainfall[5]

Maintaining hydroponic pond water quality is critical to food safety and plant health. Periodic draining of ponds is required to maintain this quality. For our Montana Facility expansion and all future facilities, we have incorporated hydroponic water filtering and disinfection, safely extending the hydroponic water life, and significantly reducing our annual water usage.

As noted, our Stack & Flow Technology™ reduces the amount of water we consume when compared to other CEA greenhouses and traditional agriculture, and we continue to work to reduce our water consumption even further. We have incorporated several water reduction features into our Washington Facility based on our experience at our Montana Facility. Our Washington Facility will capture rainwater from the 8 acres of facility roofline and recycle the water condensate from our cooling systems. These two system enhancements are expected to reduce our water intensity by at least 10 percent.

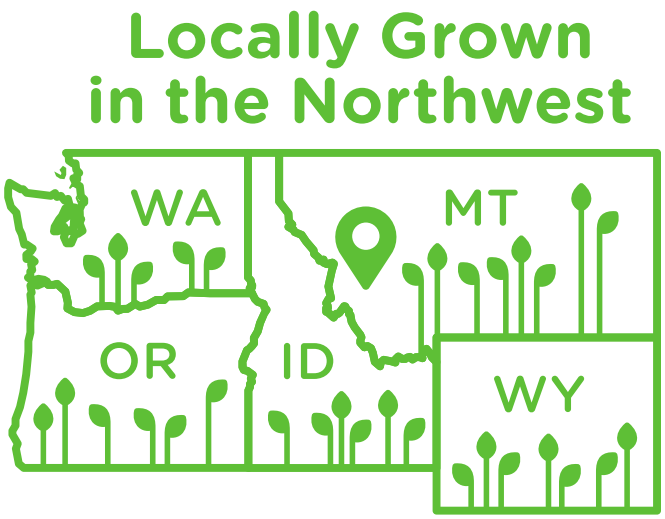
Land Use & Location

Supporting GRI 203, 304, 413, and SASB FB-AG-140a.1, FB-AG-000.C

Local Bounti developed a unique, patent pending Stack & Flow Technology™. Our focus is to maximize product quality and yield with minimum inputs. Our solution currently produces over 175,699 lb. of leafy greens per acre per year, over 8 times that of soil-based non-CEA techniques.[12] We continue to focus on process improvement to enhance these yields, further extending our contribution to reduced land use.

At every Local Bounti site, we are careful to minimize our impact on the environment. Each of our facilities has completed a full Environmental Impact statement.

These comprehensive reports include: International Union for Conservation of Nature (IUCN) Red List analysis, historical impact preservation, traffic studies, and air quality and wetlands impact reviews.



3. Dramatically Reducing Waste in the Leafy Greens Segment

Supporting GRI 306

We have a strong focus on waste in our business. As shown in our Sustainability Data Tables, our current facility is not effective in diverting waste from disposal. Our data collection efforts during the 2021 reporting period have focused on measuring, defining, and taking actions to improve our performance. As a result, we have established that well over 50% of our waste by mass is organic waste and we are implementing processes to work with our community to utilize this waste for animal feed and compost.

Local Bounti has established a corporate waste policy mandating the measurement and proper handling of our waste. Our primary waste streams are:

- Production Waste which is produced by the growing, harvesting, and packaging of our leafy greens. This consists primarily of organic waste, but also includes packaging, PPE, and other waste streams.
- Produce Waste which is product that does not meet our quality standards or cannot be sold or provided to food donation partners.

Our Montana Facility expansion is incorporating design changes that will allow most of our Production Waste to be collected during operations and composted, and we have identified local partners who value this waste stream. Our Product Waste has potential as animal feed and those partners are being identified. The standard operating procedures (SOP's) to direct these activities are in place (August 2021) for our Montana Facility.

Wasting food has irreversible environmental consequences.

Leafy greens waste causes even more waste and generates greenhouse gases by the same water and energy it took to produce it. According to the World Wildlife Fund, the GHG emissions associated with wasted food in the U.S. is equivalent to the GHG emissions of 37 million cars.[13]

Industry-wide, the waste of leafy greens post-harvest is far too high. Local Bounti's long-term vision is to eliminate retail partner shrink and consumer waste of purchased leafy greens. This goal can only be achieved by extending product life. Our team has been actively evaluating and testing our leafy green life post-production. These tests are conducted with both product purchased from our retail partners and product obtained directly from our facility. The results of a 2021 shelf test are shown in the figure below.

Table 11 – Product Shelf Life

Currently, we are unable to directly measure the volume of retail partner shrink and customer waste. Incorporated in our 2021–2022 outreach are activities to define consistent metrics to support these measurements. We believe this expanded outreach should provide access to this information.

Directly linked to produce waste is high-quality leafy green packaging. Packaging both protects the product from contamination after leaving our facilities and establishes the conditions necessary for the leafy greens to last for extended periods. Our current packaging is manufactured from polyethylene terephthalate (PET), recycled PET (rPET), and polystyrene.

These customer packages are then consolidated in cartons and shipped on pallets. We will start reporting the amount of packaging that we procure and are currently actively evaluating many steps to reduce the mass of packaging used per unit of production and the impact of that packaging, primarily the GHG emissions associated with its manufacturing. Our data collection in this area is incomplete. We have directed significant resources to these efforts and will provide updated disclosure in future reports. Our areas of focus with respect to packaging are:

- Extending product life to reduce leafy green waste post-harvest
- Reducing the mass of packaging by using different form factors and feedstocks
- Using a higher percentage of rPET as opposed to virgin PET, current PET packaging is 10% rPET
- Incorporating bio-based PET (bio–PET) into our packaging
- Reducing the additional packaging materials such as cardboard and plastic wrapping

Our intention is to report on the packaging intensity of our produces from a total mass and GHG basis in future reports.

Living Our Values

4. Transforming Agricultural Employment

Supporting GRI 202, 401, 402, 403, 404, 407, SASB FB-AG-320a.1

The foundation of our business is our people. Long-term business success is completely dependent on our ability to attract and retain high-quality people at all levels of our business. One of the "Facts That We Live By" is that empowered teams are stronger. To achieve this, we strive to give all employees equal opportunities, including all employees having benefits on the same basis, from our entry-level positions to the CEO.

To ensure that our teams remain empowered, our employees must be safe in our facilities and we must retain and promote our employees over the long term. Our key focus areas are employee health in the workplace and in their lives. We do this with a robust facility safety program and by providing full benefits including medical starting on the first day of employment.

Employee Health & Safety

Supporting GRI 401, 402, 403, SASB FB-AG-320a.1

A key benefit of the CEA segment is that our employees can work in an indoor and controlled environment. This is another inherent advantage of the CEA segment, but it is critical that we measure our actual safety performance and regularly evaluate our processes continuously to ensure that our employees return safely to their families. This critical performance metric is reported to our entire management teams weekly, with both incidents and near misses being reported. Local Bounti's culture of full disclosure and integrity is critical in this area with the reporting of near misses being supported such that these warnings of larger problems can be acted upon.

Paying a Living Wage

Supporting GRI 401, 406

While conventional agriculture companies have many part-time or seasonal employees, our farm technicians are full-time, year-round employees and are provided with medical, retirement, and other benefits from their first day of employment. As a company we are committed to paying a living wage.[14] We use MIT's Living Wage Calculator to determine the local living wage in areas where we operate facilities and ensure our starting wage meets or exceeds the Living Wage for single employees with no children. This is an area we hope to improve reporting and transparency on as our workforce matures and grows with us, and as such we will review this data yearly to ensure that as the living wage increases, so to does our pay to match it.

We have chosen to exclude our corporate employees from being included in our living wage discussion as we believe that including them will skew the average wage upward. This would defeat the purpose of using this information to ensure our hourly employees are paid a living wage and goes against our philosophy of aggressive transparency.

Our starting wage at our Montana facility is $14 per hour and the average wage is $15.69. The living wage for our Montana Facility is $14.31 per hour as show above. However, all of our employees are eligible for benefits including health insurance from their starting date. MIT's total living wage include healthcare costs, which are estimated to be $1.18 per hour. Taking this into account, our starting wage is higher than the living wage for the area.

Local Bounti firmly believes in promoting from within. We provide our hourly employees with options for promotion and raises within the company and have made the following assumptions. After several years of working at Local Bounti an employee's wage will increase to above the average wage listed above. Our starting employees are more likely to be younger than our seasoned employees , and therefore more likely to not have children yet, putting them in the Employee Only category. Similarly, our seasoned employees are more likely to have a family and children to care for. Our younger and newer employees tend to use the higher deductible healthcare plans due to less health issues, and conversely our older and seasoned employees will use lower deductible plans to provide adequate care for their families.

Ravalli County	Employee Only ($/hour)	Employee & Spouse ($/hour)	Employee & Child ($/hour)	Employee & Children ($/hour)	Employee & Family ($/hour)
Living Wage	14.31	11.64	29.94	37.81	20.92
Povery Wage	6.13	4.14	8.29	10.44	6.30
Minimum Wage	8.65	8.65	8.65	8.65	8.65

5. Developing and Supporting Local Communities

Supporting GRI 204, 413, SASB FB-AG-000.B

One of the "Facts That We Live By" is being Connected to our Community. Local Bounti strives to be local in all our communities. Our facilities bring new employment and other opportunities to our communities. We strive to hire local personnel, over 90% of our non-exempt employees at our Montana facility have been hired from the local community. We have hired a Government and Community Affairs Manager (August 2021) to focus on supporting our facility personnel in their active engagement in the communities. This will include the use of community colleges for training support and outreach.

Local Bounti is investing over $60 million in facilities in local communities. Our first two facilities are in Federal Opportunity Zones (https://opportunityzones.hud.gov/). These underdeveloped areas, identified by the states and approved by the Federal government, will benefit significantly from capital investment in facilities and jobs. During construction of our first two sites over $60 million has/will be spent on personnel and local contractors, bringing extensive benefits to the community.

Our Montana Facility has been in operation since the middle of 2020 and is completing an expansion this year. This facility has brought more than fifty (50) full-time jobs (35 non-exempt) to the local community including many entry-level positions, bringing new workers to the CEA space.

In addition to jobs, our facilities preferentially buy local products and support the development of local infrastructure such as local utilities.

With our local production of fresh leafy greens, supporting local food banks and other organizations with product donations has been part of Local Bounti's community activities from the beginning. In our first reporting period we donated 10,719 lb. of leafy greens to the organizations listed below.

Organization	Amount Donated (lb.)
Idaho Food Bank	7,043
Montana Food Bank Network	3,676
Total	10,719

Table 4 Food Donations

6. Fostering Diversity, Equity, and Inclusion – “Treating everyone the same”

Supporting GRI 405, 406

Our commitment to a high-performing workforce requires that we hire from all walks of life, and this is mandated by our Corporate Code of Business Conduct. Our hiring process includes hiring manager training that is designed to establish objective measures to evaluate and select the appropriate candidates.

Our focus on being local leads us to hire primarily from our local communities and as the figure below shows our workforce is diverse compared to state Census data. We are actively engaging with local community organizations and educational institutions to improve their awareness of the benefit of CEA employment. In 2021/22 we will formalize our educational support activities and have hired specific personnel to lead this engagement effort.

	Local Bounti	Montana	U.S.
White	82%	85.9%	60.1%
Black	3%	0.6%	13.4%
Hispanic	10%	4.1%	18.5%
Other	5%	9.4%	8%

Local Bounti is committed to releasing our Federal EEO–1 data annually. This federally mandated submission provides an open accounting of our actual hiring practices with respect to equal opportunity. Our first EEO–1 form is expected to be filed in 2022.

To support our employees, Local Bounti maintains an Anti-Harassment Hotline that allows our employees to report any harassment issues so that such issues can be reviewed and acted upon independently of the employees' direct supervisors.

Operating Our Business Responsibly

7. Upholding Effective Corporate Governance

Supporting GRI 102–18 to 102–39

Our Board of Directors and Executive Leadership Team recognize the importance of maintaining robust corporate governance policies and practices to maintain high standards of oversight, compliance, integrity, and ethics. Annually, we review our corporate governance policies, compliance policies and procedures, and compensation practices and policies to confirm that they are consistent with evolving market practices and trends and the promotion of long-term stockholder value.

Providing Accountable Leadership from the Board

The Local Bounti Board of Directors has six (6) members, consisting of four independent directors and two directors considered not independent under applicable NYSE rules. Our corporate governance policies and practices include majority voting for directors, an independent Board chair or if the Board chair is not independent, a lead independent director and Board committees made up of only independent Board members. Local Bounti recognizes the value of having a Board of Directors with diverse backgrounds, skills, experience, and industry knowledge. Our Board members bring a diversity of thought and skills to their roles, based on their extensive experience in the food and beverage, energy, real estate, technology, and telecom industries and their varied backgrounds in the finance, global operations, scientific/ R&D/product development, supply chain/ manufacturing, regulatory, marketing, and sales functions. Each Board member has extensive risk management expertise in one or more industries relevant to Local Bounti.

Ensuring Oversight Through Board Committees

Our Board of Directors includes four standing committees:

- Audit
- Compensation
- Nominating and Corporate Governance
- Sustainability

The Audit Committee of the Board has primary oversight of our financial controls and risk, litigation and regulatory matters, as well as enterprise risk prioritization and mitigation, and management's plans and objectives for our capitalization. The Audit Committee monitors risk assessment and compliance with legal and regulatory requirements, reviews violations of our Code of Business Conduct and Ethics, and oversees confidential submissions under the Company's Whistleblower Policy, in coordination with the Company's General Counsel or, in the absence thereof, a senior executive designated by the Board or member of the Board.

The Compensation Committee is responsible for reviewing the Company's overall executive and employee compensation programs and related benefit plans to confirm that they are aligned with investor interests, support our long-term strategic objectives, and provide appropriate rewards and incentives to attract and retain talented and high-performing executives and employees. The Compensation Committee also has primary oversight of management's plans, policies and practices related to human capital, including diversity, equity, and inclusion strategies.

The Nominating and Corporate Governance Committee is responsible for oversight of the Company's corporate governance policies and practices, including policies regarding the structure and composition of the Board and Board committees. This committee is responsible for identifying, considering and nominating qualified candidates for Board membership, consistent with criteria approved by the Board including diversity goals.

The Sustainability Committee is responsible for framing the ESG agenda and strategic goals, leading ESG improvements and communicating the strategic direction for the Company's ESG objectives. This committee will address alignment with ESG best practices in the CEA space, including a focus on waste and water management.

Sustainability Policies and Commitments

The Local Bounti Board of Directors has approved several key social and environmental commitments and policies that set forth our expectations for our colleagues, business partners and contractors, and our organization. They establish clear standards that govern our approach to sourcing, environmental stewardship and employee conduct, among other topics. These policies were developed with input from our operations, legal, sustainability, compliance, and health and safety teams and were approved by our Board of Directors. These policies include the following which are published on our corporate website:

- Code of Conduct and Ethics
- Anti-Harassment Policy
- Corporate Governance Guidelines
- Cybersecurity Incidence Response Plan (IRP) Policy
- Equal Employment Opportunity Policy
- Family and Medical Leave Policy
- Foreign Corrupt Practices Act Policy
- Hiring Minor Employees Policy
- ESG Policy
- Whistleblower and Complaint Policy
- Written Information Security (WISP) Policy

8. High Standards of Ethics and Integrity

Supporting GRI 102–16, 102–17

Local Bounti has established the Code of Conduct and Ethics to clearly articulate how we will operate as an organization. These values are incorporated in all employees' evaluations and goals, clearly aligning our standards with our expectations. We expect employees to take responsibility for their actions and adhere to our values of honesty and integrity while conducting business fairly and ethically. Local Bounti's Sustainability Committee with input from executive management meets quarterly to address alignment with this strategic priority.

Employee and business partner training are important components of our compliance program. All employees are required to complete compliance training on topics such as anti-corruption, insider trading, conflicts of interest and data privacy and protection.

Local Bounti is committed to promoting high standards of honest and ethical business conduct and compliance with applicable laws, rules and regulations. As part of this commitment, the Company has adopted our Code of Conduct and Ethics, Foreign Corrupt Practices Act Policy and Whistleblower and Complaint Policy. The Company has adopted the Code of Conduct and Ethics to set expectations and provide guidance applicable to all members of the Company's Board of Directors and officers, employees, independent contractors, and consultants of the Company.

Maintaining Comprehensive Compliance and Whistleblower Programs

Local Bounti's Audit Committee provides oversight of and receives quarterly reports on the whistleblower complaint hotline and any other compliance events occurring within the quarter. The Whistleblower and Complaint Policy provides employees with clear procedures and methods for reporting known and suspected violations of laws, government regulations, and Local Bounti policies. These procedures include a third-party managed toll-free compliance hotline and online reporting, available 24/7 and with the option to remain anonymous. This policy reflects our commitment to protect the confidentiality of an employee within the confines of applicable law and to prohibit any form of retaliation.

Anti-Corruption, Anti-Bribery and Fair Competition Practices

Local Bounti's fundamental commitment to operating our business ethically begins with monitoring and complying with all applicable provisions of U.S. anti-corruption, anti-bribery and anti-money laundering laws and regulations. Our Code of Conduct and Ethics and our Foreign Corrupt Practices Act Policy guide specific activities prohibited by anti-bribery and anti-corruption laws including, but not limited to, the U.S. Foreign Corrupt Practices Act. Our Code of Conduct and Ethics policy prohibits employees and representatives covered by the Code from engaging in unethical activities and/or agreements with competitors or customers to share nonpublic information or otherwise influence market conditions through anticompetitive conduct. All Local Bounti employees are required to undergo training on the Code of Conduct and Ethics and related policies, both as new hires and every two years thereafter.

9. Managing Enterprise Risks

Supporting GRI 102–15

Local Bounti recognizes the importance of managing risks in our business, including operational risks such as reputational risk, compliance risk, business continuity, and technology risks involving information security and protection of intellectual property. The Board of Directors helps management evaluate our risk management systems and processes, with each committee having oversight of certain categories of risk. At the management level, the Risk Management function is overseen by the Chief Financial Officer, who reports to the Board's Audit Committee on a regular basis. An overview of Local Bounti's enterprise risks is provided in the current filing with the Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, as amended, as supplemented by our Annual Reports on Form 10–K and Quarterly Reports on Form 10–Q, and other reports and documents Local Bounti files from time to time with the SEC.[15] Additionally, Local Bounti has implemented policies and procedures to mitigate certain risks to the organization.

Protecting Information Technology Systems and Intellectual Property

Local Bounti has prioritized information technology security relating to cybersecurity threats, phishing attacks, and other targeted IT system attacks. Local Bounti protects our IT systems from these threats through several measures, including employee training, comprehensive monitoring of our networks and systems, incident response procedures, and maintenance of backup and protective systems. Management oversight of the Information Security function is provided by the Chief Information Officer who is responsible for the development of policies and the ongoing testing of the effectiveness of the program, as well as job-specific training for employees to create awareness of information security policies and protocols. Local Bounti has published both a Cybersecurity Incidence Response Plan Policy and a Cybersecurity Incidence Response Plan (IRP) Policy to address procedures around these risks.

Climate and Environmental Risks

Local Bounti operates in the Controlled Environment Agriculture (CEA) space which is intended to specifically address climate and environmental risks of traditional, soil-based agriculture. Our processes dramatically reduce these risks but do have significant potential risks, including:

- **Increased use of electricity and natural gas; and**
- **Facilities designed to operate in conditions (temperature, humidity, and natural light) that may change due to climate change**

This Sustainability Report contains specific disclosures about our aggressive strategies to regularly measure our energy use and other commodities and review this information on a product intensity basis. This review entails evaluating seasonal and longer-term changes in the environment and addressing such changes in the design specifications for our future facilities.

Appendix

Sustainability Content Index

GRI Standard	Disclosure	Report Location	UN SDG
General Disclosures			
GRI 102: General Disclosures	**Organizational Profile**		
	102-1 Name of the organization	Local Bounti	
	102-2 Activities, brands, products, and services	SEC Filings, see Endnote 15	
	102-3 Location of headquarters	Hamilton, Montana	
	102-4 Location of operations	Hamilton, Montana	
	102-5 Ownership and legal form	Delaware C-Corporation, publicly traded as LOCL	
	102-6 Markets served	SEC Filings, see Endnote 15	
	102-7 Scale of organization	Sustainability Data Tables	
	102-8 Information on employees and other workers	Sustainability Data Tables	#8 Decent Work and Economic Growth #10 Reduced Inequalities
	102-9 Description of organization's supply chain	Boundaries of Sustainability Reporting	#17 Partnerships for the Goals
	102-10 Significant changes to the organization and its supply chain	Inaugural reporting year (Jan. 2021-Jul 2021)	
	102-11 Precautionary principle or approach	Local Bounti uses the Precautionary Approach in designing our facility development plan to address local environmental impact. Our produce is non-GMO certified by third party auditors.	#13 Climate Action
	102-12 External initiatives	Developing and Supporting Local Communities	
	102-13 Membership of associations	Transforming the Production of Leafy Greens	
	Strategy		
	102-14 Statement from senior decision-maker	Co-CEOs Sustainability Letter	
	102-15 Key impacts, risks, and opportunities	About Local Bounti	
	Ethics and Integrity		
	102-16 Values, principles, standards, and norms of behavior	About Local Bounti	#16 Peace, Justice, & Strong Institutions
	102-17 Mechanisms for advice and concerns about ethics	Maintain an anonymous toll free number for employee feedback and reporting concerns regarding unethical or unlawful behavior	#16 Peace, Justice, & Strong Institutions
	Governance		
	102-18 Governance structure	SEC Filings, see Endnote 15	
	102-19 Delegating authority	Board of Directors, Sustainability Committee	
	102-20 Executive-level responsibility for economic, environmental, and social topics	Chief Sustainability Officer	
	102-21 Consulting stakeholders on economic, environmental, and social topics	Overview Of our Material ESG Topics	
	102-22 Composition of the highest governance body and its committees	SEC Filings, see Endnote 15	#5 Gender Equality #16 Peace, Justice, & Strong Institutions
	102-23 Chair of the highest governance body	SEC Filings, see Endnote 15	#16 Peace, Justice, & Strong Institutions
	102-24 Nominating and selecting the highest governance body	SEC Filings, see Endnote 15	#5 Gender Equality #16 Peace, Justice, & Strong Institutions
	102-25 Conflict of interest	CODE OF BUSINESS CONDUCT AND ETHICS	#16 Peace, Justice, & Strong Institutions
	102-26 Role of highest governance body in setting purpose, values, and strategy	SEC Filings, see Endnote 15	
	102-27 Collective knowledge of highest governance body	SEC Filings, see Endnote 15	
	102-28 Evaluating the highest governance body's performance	SEC Filings, see Endnote 15	
	102-29 Identifying and managing economic, environmental, and social impacts	Overview of our Material ESG Topics	#16 Peace, Justice, & Strong Institutions
	102-30 Effectiveness of risk management processes	SEC Filings, see Endnote 15	
	102-31 Review of economic, environmental, and social topics	SEC Filings, see Endnote 15	
	102-35 Remuneration policies	SEC Filings, see Endnote 15	

GRI 102: General Disclosures	102-36 Process for determining remuneration	SEC Filings, see Endnote 15	
	102-37 Stakeholders involvement in remuneration	SEC Filings, see Endnote 15	#16 Peace, Justice, & Strong Institutions
	102-38 Annual total compensation ratio	3.86	
	102-39 Percentage increase in annual total compensation ratio	Inaugural reporting year (Jan. 2021-Jul 2021)	
	Stakeholder Engagement		
	102-40 List of stakeholder groups	Overview Of our Material ESG Topics	
	102-41 Collective bargaining agreements	None of Local Bounti's employees are covered by collective bargaining agreements	#8 Decent Work and Economic Growth
	102-42 Identifying and selecting stakeholders	Overview Of our Material ESG Topics	
	102-43 Approach to stakeholder engagement	Overview Of our Material ESG Topics	
	102-44 Key topics and concerns raised	Overview Of our Material ESG Topics	
	Reporting Practice		
	102-45 Entities included in the consolidated financial statements	Local Bounti Corporation	
	102-46 Defining report content and topic boundaries	Boundaries of our Sustainability Reporting	
	102-47 List of material topics	Overview Of our Material ESG Topics	
	102-48 Restatements of information	None	
	102-49 Changes in reporting	Inaugural reporting period (Jan. 2021-Jul 2021)	
	102-50 Reporting period	Jan. 1, 2021 - Jun. 30, 2021	
	102-51 Date of most recent report	First year, Sep. 2021	
	102-52 Reporting cycle	Jan. 1 - Dec 31 yearly	
	102-53 Contact point for questions regarding the report	Chief Sustainability Officer, sustainability@localbounti.com	
	102-54 Claims of reporting in accordance with the GRI Standards	In accordance with GRI Standards: Core option and aligned with SASB and the United Nations Sustainable Development Goals	
	102-55 GRI content index	Sustainabilty Report	
	102-56 External assurance	None	
Economic Topics			
Economic Performance			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	SEC Filings, see Endnote 15	
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	SEC Filings, see Endnote 15	#8 Decent Work and Economic Growth #9 Industry Innovation and Infrastructure
	201-2 Financial implications and other risks and opportunities due to climate change	SEC Filings, see Endnote 15	#13 Climate Action
	201-3 Defined benefit plan obligations and other retirement plans	All employees eligible for 401k plan	
Market Presence			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	SEC Filings, see Endnote 15	
GRI 202: Market Presence	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Transforming Agricultural Employment	
	202-2 Proportion of senior management hired from the local community	6% of Vice Presidents and above were hired from within 100 miles of our headquarters and operating facilities	
Indirect Economic Impact			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Developing and Supporting Local Communities	
GRI 203: Indirect Economic Impact	203-1 Infrastructure investments and services supported	Developing and Supporting Local Communities	
	203-2 Significant indirect economic impacts	Developing and Supporting Local Communities	

Procurement Practices			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Vendor Qualification Process	
GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	Developing and Supporting Local Communities	
Environmental Topics			
Materials			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Minimizing the Environmental Impacts of Controlled Environment Agriculture	
GRI 301: Materials	301-1 Materials used by weight or volume	Sustainability Data Tables	#8 Decent Work and Economic Growth #12 Responsible Consumption and Production
	301-2 Recycled input materials used	Sustainability Data Tables	
	301-3 Reclaimed products and their packaging materials	Sustainability Data Tables	
Energy			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Minimizing the Environmental Impacts of Controlled Environment Agriculture	
GRI 302: Energy	302-1 Energy consumption within organization	Sustainability Data Tables	#7 Affordable Clean Energy #8 Decent Work and Economic Growth #12 Responsible Consumption & Production #13 Climate Action
	302-2 Energy consumption outside of the organization	Sustainability Data Tables	
	302-3 Energy intensity	Sustainability Data Tables	
	302-4 Reduction of energy consumption	Minimizing the Environmental Impacts of Controlled Environment Agriculture	
	302-5 Reduction in energy requirements of products and services	Minimizing the Environmental Impacts of Controlled Environment Agriculture	
Water and Effluents			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Minimizing the Environmental Impacts of Controlled Environment Agriculture	
GRI 303: Water and Effluents	303-1 Interactions with water as a shared resource	Minimizing the Environmental Impacts of Controlled Environment Agriculture	#6 Clean Water & Sanitation #12 Responsible Consumption & Production
	303-2 Management of water discharge-related impacts	Minimizing the Environmental Impacts of Controlled Environment Agriculture	#6 Clean Water & Sanitation #13 Climate Action
	303-3 Total water withdrawal by source	Sustainability Data Tables	
	303-4 Water discharge	Sustainability Data Tables	
	303-5 Water consumption	Sustainability Data Tables	
Biodiversity			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Minimizing the Environmental Impacts of Controlled Environment Agriculture	
GRI 304: Biodiversity	304-1 Operatonal sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside of protected areas	None	#14 Life Below Water #15 Life on Land
	304-2 Significant impacts of activities, products, and services on biodiversity	None	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	None	
Emissions			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Minimizing the Environmental Impacts of Controlled Environment Agriculture	
GRI 305: Emissions	305-1 Direct (Scope 1) emissions	Sustainability Data Tables	#3 Good Health & Well-Being #12 Responsible Consumption and Production #13 Climate Action #15 Life on Land
	305-2 Energy indirect (Scope 2) emissions	Sustainability Data Tables	
	305-3 Other indirect (Scope 3) emissions	Sustainability Data Tables	
	305-4 GHG emissions intensity	Sustainability Data Tables	
	305-5 Reduction of GHG emissions	Sustainability Data Tables	
	305-6 Emissions of ozone-depleting substances (ODS)	Sustainability Data Tables	
	305-7 Nitrogen oxides (Nox), sulfur oxides (Sox), and other significant air emissions	Sustainability Data Tables	
Waste			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Dramatically Reducing Waste in the Produce Segment	
	306-1 Waste generation and significant waste-related impacts	Dramatically Reducing Waste in the Produce Segment	#3 Good Health & Well-Being #6 Clean Water & Sanitation

GRI 306: Waste	306-2 Management of significant waste related impacts	Dramatically Reducing Waste in the Produce Segment	#8 Decent Work and Economic Growth #11 Sustainable Cities & Communities
	306-3 Waste generated	Sustainability Data Tables	#3 Good Health & Well-Being #6 Clean Water & Sanitation #11 Sustainable Cities & Communities #12 Responsible Consumption & Production #15 Life on Land
	306-4 Waste diverted from disposal	Sustainability Data Tables	
	306-5 Waste directed to disposal	Sustainability Data Tables	
Environmental Compliance			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Minimizing the Environmental Impacts of Controlled Environment Agriculture	
GRI 307: Environmental Compliance	307-1 Non-compliance with environmental laws and regulations	Sustainability Data Tables	
Social Topics			
Employment			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Transforming Agricultural Employment	
GRI 401: Employment	401-1 New employee hires and employee turnover	Sustainability Data Tables	#5 Gender Equality #10 Reduced Inequalities
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Transforming Agricultural Employment	#3 Good Health & Well-Being #5 Gender Equality #8 Decent Work and Economic Growth
	401-3 Parental leave	Sustainability Data Tables	#5 Gender Equality #8 Decent Work and Economic Growth
Labor/Management Relations			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Transforming Agricultural Employment	
GRI 402: Labor/ Management Relations	402-1 Minimum notice periods regarding operational changes	None	#8 Decent Work and Economic Growth
Occupational Health and Safety			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Transforming Agricultural Employment	
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management	Transforming Agricultural Employment	#8 Decent Work and Economic Growth
	403-2 Hazard identification, risk assessment, and incident investigation	Transforming Agricultural Employment	
	403-3 Occupational health services	Transforming Agricultural Employment	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Transforming Agricultural Employment	#8 Decent Work and Economic Growth #16 Peace, Justice, & Strong Institutions
	403-5 Worker training on occupational health and safety	Transforming Agricultural Employment	#8 Decent Work and Economic Growth
	403-6 Promotion of worker health	Transforming Agricultural Employment	#3 Good Health & Well-Being
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Transforming Agricultural Employment	#8 Decent Work and Economic Growth
	403-8 Workers covered by an occupational health and safety management system	Transforming Agricultural Employment	
	403-9 Work-related injuries	Sustainability Data Tables	#3 Good Health & Well-Being #8 Decent Work and Economic Growth #16 Peace, Justice, & Strong Institutions
	403-10 Work-related ill-health	Sustainability Data Tables	
Training and Education			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Transforming Agricultural Employment	
GRI 404: Training and Education	404-1 Average hours of training per year per employee	Sustainability Data Tables	#8 Decent Work and Economic Growth
	404-2 Programs for upgrading employee skills and transition assistance programs	Transforming Agricultural Employment	
	404-3 Percentage of employees receiving regular performance and career development reviews	Sustainability Data Tables	#5 Gender Equality #8 Decent Work and Economic Growth #10 Reduced Inequalities

Diversity and Equal Opportunity			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Fostering Diversity, Equity, and Inclusion	
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Sustainability Data Tables	#5 Gender Equality #8 Decent Work and Economic Growth
	405-2 Ratio of basic salary and remuneration of women to men	Sustainability Data Tables	#5 Gender Equality #10 Reduced Inequalities
Non-Discrimination			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Fostering Diversity, Equity, and Inclusion	
GRI 406: Non-Discrimination	406-1 Incidents of discrimination and corrective actions taken	None reported	
Freedom of Association and Collective Bargaining			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Transforming Agricultural Employment	
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	None/Vendor Qualification Process	#8 Decent Work and Economic Growth #16 Peace, Justice, & Strong Institutions
Local Communities			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Developing and Supporting Local Communities	
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	Developing and Supporting Local Communities	#4 Quality Education #11 Sustainable Cities and Communities
	413-2 Operations with significant actual and potential negative impacts on local communities	Developing and Supporting Local Communities	#11 Sustainable Cities and Communities
Marketing and Labelling			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	Code of Conduct & Ethics Policy	
GRI 417: Marketing and Labeling	417-1 Requirements for product and service information and labeling	https://www.pma.com/content/articles/2014/05/labeling	
	417-2 Incidents of non-compliance concerning product and service information and labeling	None	
	417-3 Incidents of non-compliance concerning marketing communications	None	
Socioeconomic Compliance			
GRI 103: Management Approach	103-1-103-3 Aspects of the Management Approach	ESG Policy	
GRI 419: Socioeconomic Compliance	419-1 Non-compliance with laws and regulations in the social and economic area	None	

Sustainability Accounting Standards Board			
SASB Code	Metric	Report Location	UN SDG
Accounting Metrics			
Greenhouse Gas Emissions			
FB-AG-110a.1	Gross global Scope 1 emissions	Sustainability Data Tables	#7 Affordable & Clean Energy #13 Climate Action
FB-AG-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions,emissions reduction targets, and an analysis ofperformance against those targets	Minimizing the Environmental Impacts of Controlled Environment Agriculture	#9 Industry, Innovation, and Infrastructure #13 Climate Action
FB-AG-110a.3	Fleet fuel consumed, percentage renewable	Sustainability Data Tables	
Energy Management			
FB-AG-130a.1	(1) Operational energy consumed, (2) percentage grid electricity, (3) percentage renewable	Sustainability Data Tables	#7 Affordable & Clean Energy
Water Management			
FB-AG-140a.1	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions withHigh or Extremely High Baseline Water Stress	Sustainability Data Tables	#6 Clean Water & Sanitation #14 Life Below Water
FB-AG-140a.2	Description of water management risks and discussion of strategies and practices to mitigate those risks	Minimizing the Environmental Impacts of Controlled Environment Agriculture	
FB-AG-140a.3	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	None	
Food Safety			
FB-AG-250a.1	Global Food Safety Initiative (GFSI) audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	USDA Gap+ Certified. Transforming the production of local, fresh and sustainably grown leafy greens	#12 Responsible Consumption & Production
FB-AG-250a.2	Percentage of agricultural products sourced from suppliers certified to a Global Food Safety Initiative (GFSI) recognized food safety certification program	N/A	
FB-AG-250a.3	(1) Number of recalls issued and (2) total amount of food product recalled	None	#12 Responsible Consumption & Production
Workforce Health & Safety			
FB-AG-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR) for (a) direct employees and (b) seasonal and migrant employees	Sustainability Data Tables	#8 Decent Work and Economic Growth
Environmental & Social Impacts of Ingredient Supply Chain			
FB-AG-430a.1	Percentage of agricultural products sourced that are certified to a third-party environmental and/or social standard, and percentages by standard	100% Sustainably Grown certified - SCS Global	#11 Sustainable Cities and Communities
FB-AG-430a.2	Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Unknown	
FB-AG-430a.3	Discussion of strategy to manage environmental and social risks arising from contract growing and commodity sourcing	Local Bounti does not engage in contract growing	
GMO Management			
FB-AG-430b.1	Discussion of strategies to manage the use of genetically modified organisms (GMOs)	Local Bounti is a non-GMO producer	
Ingredient Sourcing			
FB-AG-440a.1	Identification of principal crops and description of risks and opportunities presented by climate change	About Local Bounti, Managing Enterprise Risks	
FB-AG-440a.2	Percentage of agricultural products sourced from regions with High or Extremely High Baseline Water Stress	0%	#6 Clean Water & Sanitation
Activity Metrics			
Facility & Production			
FB-AG-000.A	Production by principal crop	Sustainability Data Tables	#2 Zero Hunger
FB-AG-000.B	Number of processing facilities	1	#11 Sustainable Cities and Communities
FB-AG-000.C	Total land area under active production	Sustainability Data Tables	#15 Life on Land
FB-AG-000.D	Cost of agricultural products sourced externally	No agricultural products sourced externally	#12 Responsible Consumption & Production

Sustainability Data Tables

Topic	Data (Jan-Jun)	Goals	Source	Disclosure
All reported values represent best available data at the time of publication. Data may be adjusted to incorporate updated methodology, structural changes, and/or minor corrections. Additional detail on these changes will be included as footnotes where applicable.				
Renewable Materials This data was not measured for this report, but will be for subsequent reports.				
Seed Used (lb)	Information Unavailable		This measurement is in progress and expected to be completed in 2022	301-1
Soil Used (lb)	Information Unavailable		This measurement is in progress and expected to be completed in 2022	301-1
Percentage Recycled Materials	0%			301-2
Percentage Reclaimed Materials	0%			301-3
Nonrenewable Materials This data was not measured for this report, but will be for subsequent reports.				
Packaging Used (lb)	Information Unavailable		This measurement is in progress and expected to be completed in 2022	301-1
Chemicals Used (lb)	Information Unavailable		This measurement is in progress and expected to be completed in 2022	301-1
Fertilizer Used (lb)	Information Unavailable		This measurement is in progress and expected to be completed in 2022	301-1
Percentage Recycled	0%			301-2
Percentage Reclaimed	0%			301-3
Energy This data was collected using bills from the utility companies Ravalli Electric and Northwestern Energy.				
Nonrenewable Fuel Consumption (joules)	2.70E+12		Northwestern Energy	302-1
Renewable Fuel Consumption (joules)	0		N/A	302-1
Electricity Consumption (joules)	3.8046 E+12		Ravalli Electric	302-1
Electricity Consumption (kWh)	1,056,840		Ravalli Electric	302-1
Natural Gas Consumption (joules)	2.70E+12		Northwestern Energy	302-1
Total Energy Consumption (joules)	6.50E+12			302-1
Percentage Grid Electricity	100%			FB-AG-130a.1
Water This data was collected using Apana Water monitoring service tracking withdrawals from on site wells. The discharge rate was not tracked as there is currently no tracking system in place on our septic system.				
Water Withdrawal (megaliters)	3.5		On-site Wells	303-3
Total Water Withdrawal from Water Stressed Areas (megaliters)	0		N/A	303-3
Total Water Withdrawal by Freshwater or Other (% Freshwater)	100% freshwater		On-site wells	303-3
Water Discharge (megaliters)	Information Unavailable		This measurement is in progress and expected to be completed in 2022	303-4

Water Consumption (megaliters)	3.5		Estimated due to unknown discharge	303-5
Emissions This data was calculated by using the energy data provided by our utility providers then converted using tools provided by the EPA/IPCC. The ozone depleting substances and NOx and SOx emissions were calculated using internal measurements from our natural gas use and refrigerant use.				
Scope 1 Emissions (lb CO2e)	339,253		EPA/IPCC calculation	305-1
Scope 2 Emissions (lb CO2e)	78,629		EPA/IPCC calculation	305-2
Scope 3 Emissions (lb CO2e)	Information Unavailable		This measurement is in progress and expected to be completed in 2022	305-3
Emission Intensity (lb CO2e/lb Product)	1.35		EPA/IPCC calculation	305-4
Ozone Depleting Substance Emission (lb CFC-11e)	0		Internal measurement	305-6
NOx and SOx Emissions (lb)	<100		Internal measurement	305-7
Waste Our waste was measured using records from our disposal company. We currently do not recycle any waste.				
Waste Generated (lb)	166,580		Disposal records	306-3
Waste Diverted from Disposal (lb)	0		N/A	306-4
Waste Directed to Disposal (lb)	166,580		N/A	306-5
Production Our production data was gathered using internal production data. The land area can by found in the S-4 Registration Statement. See SEC Filings, Endnote 14.				
Production of Principal Crop (lb.)	126,284		Internal	FB-AG-000.A
Land Area Under Active Production (acres)	0.89		SEC Filings, see Endnote 15	FB-AG-000.C

Topic	Data (Jan-Jun)	Source	Disclosure
Employees			
Makeup of Board of Directors			405-1
By gender (Female)	17%	SEC Filings, see Endnote 15	405-1
(Male)	83%	SEC Filings, see Endnote 15	405-1
By age group (Under 30)	0%	SEC Filings, see Endnote 15	405-1
30-50	33%	SEC Filings, see Endnote 15	405-1
Over 50	67%	SEC Filings, see Endnote 15	405-1
White	100%	SEC Filings, see Endnote 15	405-1
Hispanic or Latino	0%	SEC Filings, see Endnote 15	405-1
Black or African American	0%	SEC Filings, see Endnote 15	405-1
American Indian or Alaskan Native	0%	SEC Filings, see Endnote 15	405-1
Two or More Races (not Hispanic or Latino)	0%	SEC Filings, see Endnote 15	405-1
Percentage of employees			405-1
By gender (Female)	34%	Company Data	405-1
Male	66%	Company Data	405-1
By age group (Under 30)	36%	Company Data	405-1
30-50	46%	Company Data	405-1
Over 50	18%	Company Data	405-1
White	82%	Company Data	405-1
Hispanic or Latino	10%	Company Data	405-1
Black or African American	3%	Company Data	405-1
American Indian or Alaskan Native	1%	Company Data	405-1
Two or More Races (not Hispanic or Latino)	4%	Company Data	405-1
Total new employees hired	47	Company Data	401-1
By age group (Under 30)	39%	Company Data	401-1
30-50	52%	Company Data	401-1
Over 50	10%	Company Data	401-1
By gender (Female)	42%	Company Data	401-1
Male	58%	Company Data	401-1
Total rate of new employees hired	69%	Company Data	401-1
Total employee turnover	15%	Company Data	401-1
Total rate of employee turnover	29%	Company Data	401-1
Ratio of salary and remuneration of women to men	0.91	Company Data	405-2
Benefits			
Total number of employees that were entitled to parental leave by gender			401-3
Female	21	Company Data	401-3
Male	43	Company Data	401-3
Total number of employees that took parental leave	0	Company Data	401-3
Total number of employees that returned to work after parental leave	0	Company Data	401-3
Average hours of training for employees during reporting period			404-1
Female	8.3	Company Data	404-1
Male	4.8	Company Data	404-1
Percentage of employees that receive an annual performance review	Information Unavailable	This measurement is in progress and expected to be completed in 2022	404-3

By gender	Information Unavailable	This measurement is in progress and expected to be completed in 2022	404-3
By employee category	Information Unavailable	This measurement is in progress and expected to be completed in 2022	404-3
Health and Safety			
Number of non-employees that are covered by a workplace health and safety system	0	Company Data	403-8
Number and rate of fatalities from work related injuries	0	Company Data	403-9
Number and rate of high consequence workplace injuries	0	Company Data	403-9
Number of Workplace Injuries (Near Misses)	10	Company Data	403-9
Number of Workplace Injuries (OSHA Recordable)	3	Company Data	403-9
Rate of workplace injuries (TRIR)	27.12	Company Data	403-9
Number and rate of cases of fatalities from work related ill health	0	Company Data	403-10
Number and rate of cases of work related ill health	0	Company Data	403-10
Number of incidents of discrimination	0	Company Data	406-1
Number of incidents of non-compliance with regulations and codes	0	Company Data	419-1
Number of incidents of non-compliance with regulations and codes in regards to market communications	0	Company Data	417-3
Total money spent on fines	$0.00	Company Data	419-1
Number of non-monetary sanctions	0	Company Data	419-1

About this Report

Our 2021 ESG Report primarily covers data and metrics related to the period from January 1 to June 30, 2021, unless otherwise noted. Our Montana Facility was operating on a commercial basis starting in January and our data collection processes were robust enough to provide accurate data.

This is our first report, and we will submit a full calendar year report for 2021 in early 2022 and then report routinely on a calendar year basis to align with our fiscal reporting.

This report was prepared in accordance with the Global Reporting Initiative Standards: Core option and the Sustainability Accounting Standards Board Agriculture Sustainability Accounting Standard. We have also mapped our progress on material topics aligned with the United Nations Sustainable Development Goals. Content indexes are available in this document.

Local Bounti is committed to transparency, engagement, and consistent communication of our ESG strategies and programs to all stakeholders. This is our inaugural ESG report, which takes a materiality-based approach to disclosure.

This report contains certain forward–looking statements based on our management's current assumptions and expectations, including statements regarding our goals, commitments, programs and other business plans, initiatives and objectives. These statements are typically accompanied by the words "expect," "may," "could," "hope," "believe," "would," "might," "estimate," "anticipate," "plan," "aspire", "strive", "intend", "intention", or similar words. All such statements are intended to enjoy the protection of the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995, as amended.

We caution that a variety of factors, including but not limited to the following, could cause our results to differ materially from those expressed or implied in our forward–looking statements: our cash position and ability to fund our operations; difficulties in predicting future revenues and financial results; the potential loss of, or inability to secure relationships with, key distributors, customers or partners; the ongoing impact of the COVID–19 pandemic on our business, financial condition and results of operations; our lack of revenues generated from the sale of our renewable products; our inability to decrease costs to enable sales of our products at competitive prices; delays in production and commercialization of products due to technical, operational, cost and counterparty challenges; challenges in developing a customer base in markets with established and sophisticated competitors; and other risks detailed from time to time in filings we make with the Securities and Exchange Commission, including our FORM S–4 REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933 for Leo III Holding Joint Proxy Statement dated November 20, 2021".[11] We have no obligation to update any forward-looking information that is included or incorporated by reference in this document, whether as a result of new information, future events, or otherwise.

End Notes

[1] https://www.un.org/en/chronicle/article/feeding-world-sustainably

[2] https://www.usda.gov/foodwaste/faqs

[3] Glasmeier, Amy K. Living Wage Calculator. 2020. Massachusetts Institute of Technology. https://livingwage.mit.edu/pages/about

[4] https://www.un.org/en/chronicle/article/feeding-world-sustainably

[5] Postharvest Education Foundation, Lipinski et al 2013

[6] https://www.sciencealert.com/not-enough-land-earth-support-diet-usda-recommends-guidelines-environment-ecosystem-health

[7] https://ohioline.osu.edu/factsheet/aex-262, https://www.ams.usda.gov/sites/default/files/media/Chlorine%204%20TR.pdf

[8] https://localbounti.com/wp-content/uploads/2021/12/localbounti-lca-overview.pdf

[9] https://www.eia.gov/environment/emissions/carbon/

[10] https://business.edf.org/insights/green-freight-math-how-to-calculate-emissions-for-a-truck-move/

[11] https://www.usgs.gov/mission-areas/water-resources/science/irrigation-water-use?qt-science_center_objects=0#qt-science_center_objects

[12] Barbosa, G.L., et al. Comparison of Land, Water, and Energy Requirements of Lettuce Grown Using Hydroponic vs. Conventional Agricultural Methods. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4483736/

[13] INDOOR SOILLESS FARMING: PHASE I: Examining the industry and impacts of controlled environment Agriculture THE MARKETS INSTITUTE AT World Wildlife Fund, INNOVATION ANALYSIS – May 2020

[14] Glasmeier, Amy K. Living Wage Calculator. 2020. Massachusetts Institute of Technology. https://livingwage.mit.edu/counties/30081

[15] Leo III Holding Joint Proxy Statement dated November 20, 2021, https://www.sec.gov/ix?doc=/Archives/edgar/data/0001840780/000119312521353084/d238321ds1.htm

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