

COVID-19: Update on Spread's Hygiene Controls & Processes

Dear Spread Employees, Customers, & Partners,

First of all, we would like to express our deepest sympathies to all those directly affected by COVID-19, their families and related people. I am writing to tell you about how we are approaching the situation.

The ability of Spread to deliver the freshest, cleanest, and most nutritious lettuce to customers is thanks to the hard work of the whole team. I recognise that the impact of COVID-19 will have already meant some disruption at home, and I want to start by thanking everyone for their continued professionalism and commitment.

Production continues at Spread's two farms, and we continue to work with customers and suppliers to ensure a sustainable supply of fresh vegetables

Spread's Hygiene Controls & Processes have been proven to be effective in over a decade of large-scale operation, but our business depends on all stakeholders' trust. Spread's normal operating procedures are to measure the temperature of all employees who work inside the farms, and operators wearing sanitary clothing and masks, and follow strict hand washing procedures, including using alcohol disinfectant.

In addition to the controls that were added in January, we are now adding those described below. The purpose of these extra measures is to both ensure that employees are completely confident that the working environment is safe, and that customers remain confident in the quality of the food we provide.

Taking further action now might seem excessive. However, part of the challenge of managing tail risk events is that even though their probability is low, their consequences can be catastrophic. Spread has successfully navigated several tail risk events in the past, and while anticipating them is by definition difficult, we have learned from experience that while the situation can quickly move beyond even the best laid plans, the planning process itself is an important part of ensuring effective preparedness. Our strategy is to continuously 'Prepare. Analyse. Act'.

We are following the Government's guidelines on social distancing, and apologize for any inconvenience this might cause. We appreciate your understanding.

We continue to analyse the effectiveness of all aspects of the business under a range of potential scenarios, and I will keep you updated if further changes to working practices are needed.

Shinji Inada
CEO, Spread Co., Ltd.

January 2020: Updated Hygiene Controls & Processes in response to spread of COVID-19

- Hand sanitizer installed for all persons entering Spread's farms and offices.
- Two weeks of home working and COVID-19 testing for anyone displaying flu-like symptoms. Several members of staff worked from home during this time, with no cases of COVID-19 detected.
- Two weeks of home working for anyone that has travelled abroad. At least one worker has already done this.
- Temperature checks for all visitors to our farms, including both employees from other offices and guests.

March 2020: Updated Hygiene Controls & Policy in response to the Japanese Government's guidance that infection rates are expected to rise

- The following Controls will be in place from 6th April 2020 and will be reviewed on April 20th 2020. I want to make clear that all employees and part-time workers that the company deems unable to work, whether due to sickness, fever, or any other reason, are entitled to receive compensation under the Labor Standards Act.
- Work from home directive for Tokyo-based employees, inline with the Tokyo Metropolitan Government's guidance.
- All staff to replace face-to-face meetings with video meetings where possible. Keep all non-essential visits to the farms to a minimum.
- Expansion of temperature checks of all staff at our farms, including both office staff and all production teams.
- Daily temperature checks of staff in Kyoto, Osaka, and Tokyo, given that they can come into contact with staff from our farms.