

Application for the 2004 INTERNATIONAL SPIRIT AT WORK AWARD

Section 1: General Information

Company: Phenomenex, Inc.
Founded: 1982
Employees: 350
Business: Phenomenex is dedicated to the development, manufacturing and supply of products and accessories for the separation, analysis and purification of chemicals and biochemicals.
Locations: Torrance, CA, USA (headquarters); Macclesfield, UK; Aschaffenburg, Germany; Milford, New Zealand; NSW, Australia.
Website: <http://www.Phenomenex.com>

a) Business Profile

Incorporated in 1982, Phenomenex develops, manufactures and supplies products used to separate, analyze and purify chemicals and biochemicals by chromatography (a branch of analytical chemistry). We serve a wide spectrum of markets, including: pharmaceutical and biotechnology; clinical and medical; chemical, petrochemical and plastics; food and beverage; flavors and fragrances; natural products, environmental and toxicology. Under the stewardship of Mr. Fasha Mahjoor, Phenomenex is now the global market leader and a pacesetter for innovative chromatography products.

Section 2: Contact Information

Contact: Mr. Fasha Mahjoor, Founder and President
Telephone: 310-212-0555 ext. 201
Cell Phone: 310-922-1300 (please do not leave messages)
Email: FashaM@Phenomenex.com

Section 3: About Phenomenex

a) Core Values and Service Philosophy

Phenomenex recognizes that successful business entities have the ability, and indeed the responsibility, to further the progress and well being of their communities. We believe it is our duty to leverage our strengths as a company toward helping those we serve.

In his essays on civilization, the humanitarian and missionary Dr. Albert Schweitzer maintained that a “reverence for life” is essential to the prosperity of our global community. His philosophy held that each life is to be revered and that it is our solemn duty as human beings to be alert, considerate, and to find some way to help others. Schweitzer believed that all of us are called to some level of service to mankind, and that it is the duty of every man and woman to consciously decide to do good deeds. Many religions have at their core a similar philosophy of service and duty. Phenomenex puts this philosophy in to practice by living out our Mission Statement:

The very existence of Phenomenex depends directly on the complete satisfaction of our customers. Therefore, it is our duty to acknowledge the contributions made by our customers and our staff toward the progress of the company. Further, it is our responsibility and foremost mission to promote the growth, prosperity, and well being of those we serve – our customers, our employees, and humanity.

This very simple mission statement represents the core philosophy of our company. As a business entity, we can only serve humanity by first satisfying our customers, which in turn depends entirely on the care and thoughtfulness of our employees. Our progress and our possibilities, both collectively and as individuals, depend on it. These concepts are articulated by the company’s leaders and managers, and appreciated by all.

Therefore, it is the primary duty of our company’s leadership to promote the well being of all of our employees around the world. We are committed to promoting their growth and continuing development in all realms: intellectual, physical, emotional and spiritual. Further, it is our goal to instill in our employees a sense of duty and obligation to serve their local and global communities.

b) Living Our Mission

“If we can evolve an institution that shows itself both progressive and enlightened, if we can set new standards in serving our employees and customers all over the world, then I will have reached as high as I can dream. Nothing pleases me more than seeing those I work with and for realize a better quality of life.”

-- Fasha F. Mahjoor, President

This quote from our corporate profile has been set down as a primary strategic priority, and has proven itself again and again to be a powerful business catalyst. As the culture of any organization evolves by the example of its leadership, our President has always set the tone at Phenomenex. From its inception, it has been the founder’s goal to create a company that is recognized not only for the innovation and quality of its products and services, but also for its humanitarian vision and transforming nature. There are many companies with impressive

products and services, but it is rare to find a company that can be respected solely for its desire to serve others.

c) A Common Diversity

Phenomenex directly employs over 350 individuals in 6 countries around the world. Surprisingly, more than 40 nationalities are represented along with all the world's major religions. It is a unique fusion of nationalities, cultures and beliefs, which we take as both a blessing and strength. The diversity makes things interesting indeed! Such richness in cultures and customs have definitely expanded our horizons and led to a greater appreciation of who we are in this world. We see more clearly how common needs, desires, and passions unite us. Also the universal truths and values that bind us. In celebration of our diversity *and* our unity, every year for the last 10 years we show off our different colors during International Day. It is a day of food, fun and games that no one ever misses.

As a side note, it is a puzzle to outsiders how the culture of Phenomenex transfers itself to new offices as they open in far away places. The same philosophy and vision somehow implants itself, the same mission takes hold, and similar activities permeate all our worldwide locations (including some of our 57 international distributors).

d) Policies, Programs, and Practices That Explicitly Promote or Enable Spirituality at Work

The benefits of working for a company that pays special attention to the physical and economic wellbeing of its employees are many and obvious. What is not so obvious is the reach and impact our employees have in their communities as a result of the humanitarian spirit spawned at work. Phenomenex encourages its staff to become directly involved in helping others – whether it is in their own neighborhood or around the world. It is easy for an organization simply to give to charities – and we do that. It is more important and effective to teach social sensitivity and to encourage social responsibility. By culturing and supporting humanitarian activities at work, we believe the long-term benefit will extend far past our company's doors.

Employees of Phenomenex take pride in their personal and corporate efforts to serve both themselves (through a unique and generous profit-sharing plan) and their communities. This common pride is the glue that holds our team together. It is what makes us all better people. It propels us to a leadership position in our marketplace, and at the same time, it fosters a desire to do “good” in our daily lives outside of the workplace. As a global company, the efforts of our employees are touching the lives of many people throughout the world. And our fervent hope is to greatly expand these activities in the future.

Most important of all, our passion to serve extends beyond our employees to their children, family and friends as others may learn by example that owning and managing a business is not about serving and prospering an individual or shareholders. Rather it is about serving all employees as well as those outside the institution.

Promoting Volunteerism

With the strong support of our employees, we remain committed to helping the communities in which we live and work. Since beginning in 1982, Phenomenex and its employees worldwide have given generously of their time and energy participating in a variety of local programs and organizations. Some of these activities are described below.

Bone marrow donor programs

Arising out of our desire to help a fellow employee stricken with leukemia, Phenomenex has been involved in bone marrow donor drives since 1998. At that time of crisis, our employees banded together across the world to join bone marrow donor programs and to encourage their local communities to do the same. To date, we have enlisted 360 new bone marrow donors. Fund-raising activities and public awareness drives are ongoing today throughout Europe and North America. As a result of our staff's commitment, a life was saved – and the opportunity to make a difference is still a topic of conversation in the office and at the homes of our people.

Unfortunately we could not save the life of our British colleague Simon, only 33 with 3 young children at the time, but was his spirit high throughout. He and his family witnessed how Phenomenex, a company that Simon had worked for only one year, mobilized, invested and publicized his need for a bone marrow transplant. We rallied for him to the last moment, and in the aftermath, Phenomenex continues to support on-going cancer awareness and funding activities of his widow and parents.

Red Cross Blood drives

Phenomenex's partnership with the American Red Cross goes back to 1996 in holding bi-annual blood drives at our Torrance facility. A record number of employee participants placed Phenomenex as the leading blood donor to the Red Cross in 1998 among companies of less than 250 employees. During our blood drives, Phenomenex always extends the invitation to donate to employees of neighboring companies. The recognition that we receive from the American Red Cross is passed directly to our staff, and each year these blood drives become more and more successful.

September 11th Outreach activities

Within hours of the September 11th tragedy, Phenomenex mobilized and supported several response efforts, some of which continue to this date. It was our President's philosophy not to just send money (which we did), but to get everyone involved, in whatever ways they felt they could help. Immediately our employees organized a host of fund raising events such as lunch-box drives, ribbon sales, and garage sales to raise money in support of the victims. Phenomenex matched the fund raising efforts. Additionally, our employees elected to forego the annual Phenomenex Christmas event, and instead, donated the costs associated with the event to the families of the victims. As a company we donated food supplies to a ground zero restaurant engaged in feeding WTC clean up workers. Our employees were especially concerned with the children impacted by the tragedy, and as a result, a special donation was made to assist in the establishment of "911 Cyber Angels," a charitable Internet based organization supporting children affected by the event.

Charity Down-Under

Since its opening in 1997, Phenomenex New Zealand has had an active charity program. Regular contributions have been made to a range of charities, with particular focus on assisting young children in both New Zealand and overseas. Recently, a fund raising activity has lent direct support to a Kiwi Search and Rescue organization.

Community and school volunteerism

For three years now individuals within the company have helped to organize several breakfasts at Phenomenex to aid a local school in their fund-raising efforts to send students to Washington, D.C. Phenomenex Inc. covers all the time and expenses of employees during these activities, and matches all employee contributions. These breakfasts have been a big success for both the school kids and their "feel-good" impact on Phenomenex employees.

Philanthropist of the Year

At the end of every year, each Phenomenex company presents awards to selected employees in recognition of their achievements. One of the most prized awards is Philanthropist of the Year. This award recognizes those individuals that give selflessly of their time to serve humanity. Awards are presented before the entire company and include a summary of the winner's activities in an attempt to encourage others to become more involved in their communities.

To encourage charitable and volunteer activities, every Phenomenex employee in every country is given one paid "Philanthropist Day" that they may spend away from the company helping the community. Many employees take regular

advantage of the day to pursue good causes, and their activities are usually well known and are the topic of much conversation.

Giving Back to Our Employees and the Community

All Phenomenex employees are witness to the exemplary nature of Phenomenex when it comes to giving back to the world. Indeed, the employees themselves directly benefit through a generous profit-sharing plan, which has been in place now for more than 4 years. For all employees (regardless of position) with two or more years of service, their hard work, dedication and motivation are being rewarded with a slice of the profit pie in direct proportion to their time with Phenomenex. Financial advisors have told us our approach is unconventional, and cautioned that it possibly may work to the company's detriment. By all evidence and accounts to date, these advisors have been proven wrong!

All who work at Phenomenex can take further pride and satisfaction in the fact that even more of the revenues they helped to create are donated in many forms back to local and global communities. Again, the company's intention is to lead by example:

Education. Our company has been a long-time financial contributor to several educational programs that help children and even university-bound students find the money to build their future.

- In 2001 Phenomenex was honored for its contributions to Nahaal Scholarship Foundation, a charitable scholarship aiding brilliant, but financially needy, students wishing to study chemistry at university in Iran. Donations to this charity are regular and ongoing. (<http://www.nahaal.org/>).
- Baha'i Academy, Panchgani, Maharashtra, India. Since 1997 quarterly contributions have gone toward: building of the academy, upkeep and repairs, teachers' salaries, and purchase of transportation. (<http://www.bahacademy.org/>).
- Royal Grammar School, Worcester, England. Since 1999 Phenomenex has contributed to a school funding program administering grant money to deserving, but financially needy, students who otherwise would be unable to attend. (<http://www.rgs.worcester.org.uk/>).

Corporate contributions. Charity and money matching programs for AIDS, cancer, diabetes, disaster relief, and other causes, have been a part of life at Phenomenex since its inception. A few of our recent corporate contributions are listed below:

- SAPA –Sino-American Pharmaceutical Professionals Association – dedicated to promote the advancement of pharmaceutical and biotechnology science and business between the US and China.
- Iranian Recovery Center. A center to create/raise awareness of drug prevention, community education, and assistance in recovery from addiction.

- American Red Cross. Earthquake relief in Iran (2003).
- Various Baha'i Organizations

Use of Phenomenex facilities. For more than four years now, we have invited the local community and social agencies to use our facilities for meetings, programs and other functions free of charge. One group that has used our facilities is LA County Dept. of Children and Family Services. Our facility provided a meeting venue for prospective adoptive parents, and was used regularly for about two years.

e) Effect on Employees, Vendors and Local Communities

A healthy body. Much can be said about promoting employee wellness and creating work environments that do not negatively add to the emotional demands of daily life. Phenomenex firmly believes that happy and healthy employees lead happier, healthier, more productive lives inside and outside of the workplace. The addition of a well-designed and beautifully-appointed exercise gym, including changing room and showers, to our facilities four years ago has given our employees the opportunity to stay physically fit – so important in helping us face the workday and our home life with positive energy, mind and spirit. In today's world, a positive work environment helps mothers and fathers create a positive, nurturing home environment. Strong families, in turn, help stabilize society. Perhaps encouraging our employees to maintain healthful, balanced lives should be one of our most important objectives.

A caring spirit. A workplace culture has evolved at Phenomenex that engenders positive, life-affirming views. All leaders are encouraged to reflect on and develop this "spiritual force" within themselves and throughout the organization. We believe that strength and courage derive from optimism and inner faith, and are essential to realizing our capabilities (spiritual potential). To this end, we encourage self-examination and a deeper reflection on the values, morals, and ethics that guide our daily decisions. By encouraging an inward, spiritual journey of discovery and affirmation, we hope to accomplish more outward expressions of purposeful and meaningful activities that benefit all. The health and resilience of our society is reflection of the sum of our individual energies – physical, mental, emotional and spiritual. We believe that it will only be through this process of self-realization, through continual intellectual and spiritual development, that we become most valuable to society; only then will a caring commitment emerge.

A family at work. Since 1998 Phenomenex has chartered a Human Resources Focus Group at its USA headquarters and at each of its subsidiary companies. Its mission is to promote the well being of our employees. The group is made up of representatives from each department and they meet monthly to brainstorm events and activities that will get our employees involved with each other and with the community. The group has organized countless company-wide events such as picnics, camping trips, hikes, rafting expeditions, and ski outings. Other

events have included fishing trips, film festivals, music appreciation, and classes in yoga, first aid, and car mechanics (in addition to the typical business- and skill-development classes and seminars). Many of the events aim to involve the families and friends of employees as well as non-related members of the community. One special program, the “PhenOlympics”, has been a huge success now at Phenomenex for more than 7 years. The PhenOlympics consists of a mixed bag of friendly sporting events and games. Each event spans approximately 6 month. Organized by our employees, the games seem to draw most everybody to participate. All of these events help foster connectedness and involvement, lead to more satisfying professional and social relationships, and instill life-long memories. Phenomenex is presently in pursuit of hiring a full time “Fun Manager” to better organize all these activities, all year round and for all our companies.

Inside our walls. Phenomenex has devoted many of its resources to improving the physical environment inside the company walls. With the goal of creating a pleasant, open, and inviting atmosphere, the company has put considerable money and attention to work, to surround us with paintings, sculptures, and cultural artifacts, in comfortable workspaces with plenty of natural light. This includes our laboratories, meeting rooms, and even our warehouses, shipping and receiving areas. Attractive designs and beautiful decorations are found everywhere. Abundant facilities and amenities to cook, eat, relax, sleep, exercise, and learn give our employees the very real sense that the company is looking out for their best interests. There is even one room that is devoted to stillness and quiet where the only watchword is “silence”. This is perhaps one of the most frequently used rooms in the company, providing a peaceful haven for meditation and reflection.

Getting involved. Our employees are continuously encouraged to suggest new ideas and new ways to stimulate financial growth as well as spirit in the workplace. For example, at least once per year for the last four years a group of employees has organized a company-wide breakfast. Showing up early in the morning, they prepare lots of fresh food for a hungry crew. The cost for the meal is a nominal cost for providing a forum on organizational ways to promote the wellbeing of all Phenomenex employees. At this time, everyone is encouraged to make recommendations on how we can make our company a better place to work. The President and HR Focus Group act on many of the ideas in the months following the breakfast. This is just one way our employees feel they have a voice in the progress and direction of our company.

The take-home message. In the end, each of us makes our own decision on the level of involvement we will have in society and our contribution toward the progress of humankind. It is our goal to influence employees positively toward taking a more active role in the world. Leadership encourages self-initiative and all appropriate avenues to social responsibility. At the very least, we believe we are providing a workplace culture that opens minds and hearts and creates a sense of community and peace. The very fact that our employees

enthusiastically communicate the unique nature of Phenomenex to their friends and family confirms that we are on the right path.

By living our core values at work, we hope to both inspire and attract partners and vendors to be similarly committed to activities beyond traditional business. Perhaps even our competitors will take to heart the goodwill and spirit of the work-life balance they see and hear about at Phenomenex and adopt similar workplace initiatives themselves. By committing to such “transformational values”, all of us ultimately benefit by living healthier, more peaceful, more satisfying lives.

We regularly solicit feedback from our employees and customers through surveys, complaint cards and business reply cards of various kinds. Recently our employees were asked to describe their “Life at Phenomenex. Their responses are humbly offered as a reflection of our company efforts to make Phenomenex a stimulating and inspirational place to work (*employee testimonials attached*).

f) Effects of Our Policies and Programs, Business and Activities

Of course this can be a very difficult thing to gauge. Measures of success must necessarily begin with the profitability of the company, and by this measure Phenomenex has enjoyed enormous success. Phenomenex has continually proven itself as one of the fastest-growing companies in the industry. Since its inception in 1982, growth rates of 15 to 25% per year have been the rule. Coming from the very bottom up, we are now the world market leader in sales of analytical chromatography (HPLC) columns. More complete details on our company’s growth and directions can be found in our 2004 Corporate Profile (attached).

An early stated vision (ca. 1990) by the founder, Fasha Mahjoor, was to devise a way for all employees to reap the rewards of their collective efforts through a generous profit-sharing plan (described earlier). Since this plan was first instituted, there has certainly been a palpable change in attitudes. All concerned would probably agree it will impact on employee retention rates across the board (since shares are based on seniority *only*), but we don’t yet have any hard figures to support this.

From its beginning, Phenomenex realized that the difference between success and mediocrity was customer satisfaction. Phenomenex trains its staff to an exceptional degree and spends a substantial amount of time and money in improving its services to provide its customers value-added goods and technical support.

Although the majority of our customers are employed by large and “Fortune 500” companies, our philosophy has always been to provide the same degree of support to the small, independent lab or university student as we do to the huge corporation. This philosophy has proven to be quite successful as is apparent in customer satisfaction surveys, and ultimately in our growth performance.

A recent survey of Phenomenex customers provided the following results:

	Excellent	Good	Fair	Poor
Quality	61%	35%	4%	0%
Technical Support	51%	43%	6%	0%
Delivery	54%	43%	3%	0%
Price	42%	48%	10%	0%
Product Range	42%	51%	6%	1%

In today’s highly competitive global marketplace Phenomenex excels in its ability to create and manage effective and valuable customer relationships, alliances and partnerships. This is recognized as essential to our long-term success and is our utmost commercial goal.

Phenomenex recognizes that to become a great global company we have to first become a great local company by getting closer to our customers in every way. We look to break new ground in many ways, and to our customers these will appear as “solutions”. Our pledge to our customers and business partners around the world is to continue providing the highest possible quality products, innovative solutions, and superior services.

Bottom line: We know our success is a direct reflection of our people, the team we build, and our investment in our own personal and professional growth. First then, we will look inward to develop the necessary personal, collaborative and leadership skills. “Spirit at work” is an essential component, the “*sine qua non*” (*without which not*), in this formula that must be carefully and deliberately cultivated, or our success will fall short of potential.

g) Promoting Social Responsibility in the Business World

Below are some examples of our company’s code of ethics in the business world. It is important we teach our children and show our friends how one organization can impact others, how one individual can help others.

- At Phenomenex there is manifest a good deal of concern, attention and debate on “how business is done”. We are continually exploring our business ethics and examining the wider impact of our business decisions.
- Over the years we have seen past employees take our beliefs and values on to new jobs and companies. It is clear our value systems take root beyond Phenomenex.

- We believe in teaching and nurturing our kids by talking at home about the spiritual approach and content of our work.
- When talking among our friends at other companies, many of us find (by contrast) work is “different” at Phenomenex. Passion, commitment, fun, and excitement are words our employees often use.
- Phenomenex employees take their coaching, mentoring and leadership “spirit” to other organizations outside work. Values can travel in different vehicles; the result on families and society is what is important.

Summary

Below are a few more examples that may complete a brief summary of our ongoing efforts in “spirit at work.”

- *Caring Leadership.* Phenomenex makes a conscious effort to stay with illness-stricken employees and their families by providing needed financial aid, time off, or simple emotional support. Recently, our sister company InventX organized a Spaghetti dinner fund-raiser for an employee’s injured son.
- *Concern for the Environment.* In 1999 Phenomenex was the winner of the Waste Reduction Awards Program. This award, given by the California Integrated Waste Management Board, recognizes Phenomenex’s commitment to responsible handling and reduction of hazardous chemical wastes. Phenomenex has had an on-going commitment to a clean environment and has an aggressive policy to minimize waste, recycle paper, and select eco-friendly packaging for our products.
- *Our Technology at Work.* Phenomenex is naturally aligned and dedicated to the discovery and development of products that address important health, medical, and environmental issues. This is a source of great pride and purpose among our employees.
- *Take-Home Message.* Phenomenex believes in the simple power of human kindness.

Fun and Spirit at Phenomenex

Pay for work is not the only reason people show up. A pictorial essay of life at Phenomenex has been included with this application.

*“Example is not the main thing in influencing others,
it is the only thing.”*

Albert Schweitzer,
doctor, missionary, humanitarian

Section 4: References

- American Red Cross (Jay Olmstead, CEO)
- Community organizations (e.g., LA County Dept. of Children and Family Services, Creative Time Plus)
- Organizations honoring Phenomenex (Nahaal, Baha'i)
- Major customers (e.g., BMS, Merck, J&J, Pfizer)
- Vendors (e.g., Isolation Technologies, Beckman, Akzo Nobel)
- Deloitte & Touche (accountant)

Contact details for any of the above will be provided upon request

Section 5: Sources of Additional Information about Phenomenex

The following collateral information is available upon request:

Item

Phenomenex corporate profile (20 pages, included with this Application)
Pictorial essay of "Life at Phenomenex" (66 photos, included with this Application)
Employee quotes of "Life at Phenomenex" (ca. 50, included with this Application)
Company Mission / Goals / Directions Statements (from our Web site:
<http://www.phenomenex.com/Phen/Profile.htm>)
Phenomenex Human Resources "Focus Group": mission and introduction
Phenomenex Philanthropy Activity: Five years in review (1998-2002)
Phenomenex Quarterly newsletter "*The Orchard*" (Volumes 3, 4, & 5)
"Save Simon" Bone Marrow drive campaign flyer
Torrance Daily Breeze newspaper articles 8/26/1999 and 8/28/1999 on bone marrow drive
American Red Cross Blood Services (Southern California region) magazine "*Life Beat*" profile of Phenomenex's "Save Simon" campaign (bone marrow drive)
American Red Cross Blood Drive & Charity Awareness event poster
Multiple letters from American Red Cross to Phenomenex (re: blood and bone marrow donations): 9/2/1999, 9/14/1999, 10/1/2002, 10/30/2002
"Save Simon" letter to Media / Sponsors soliciting their support of our bone marrow registration drive
[Phenomenex Website: www.phenomenex.com](http://www.phenomenex.com)
Representative pieces of Phenomenex marketing literature:
Phenomenex 2004-2005 Catalog
Introduction to Peptide and Protein HPLC: a user's guide (2477)
GC Users Guide (2250)
Zebron GC Column Selection Guide brochure (2530)
EZ:faast amino acid sample testing kit users guide & brochure (1847)
Chirex HPLC Columns brochure (2147)
Synergi Ultra-performance LC columns brochure (2478)
Luna: The Worlds No.1 HPLC Column brochure (2708)
Nahaal Scholarship Fund Dinner communication update (2001)
Waste Reduction Awards Program 1999 winner, letter of congratulations to Phenomenex (8/31/1999)