



**YAKIMA
CHIEF
- HOPS -**

**CORPORATE
SOCIAL
RESPONSIBILITY**



CSR: WALK THE WALK

Unfortunately CSR sometimes gets the stigma of being a form of “Green-washing” or a way of company to selfishly promote itself. At YCH we like to think of our CSR program as an interwoven aspect of our overall DNA and aligns with our beliefs.

OUR CORE VALUES

PASSION

For people, product, planet & process.

RESPECT

Teamwork & collective responsibility.

INTEGRITY

Transparency & accountability in all we do.

DEDICATION

To quality & sustainability.

EXCELLENCE

An emphasis on innovation
& continuous improvement.

Handing off the planet to
the next generation like





COMMITTED TO DOING OUR PART

Many of the goals outlined by the United Nations are intrinsic to our own philosophies and business practices. We have also made it a priority to implement more moving forward—all guided by our “five p’s” approach to sustainability: people, prosperity, peace, partnership and planet.

WE WANT TO BE THE PEBBLE IN THE POND THAT CREATES THE RIPPLE FOR CHANGE.



A SUSTAINABLE FUTURE

"We are a successful business that strives to meet the highest standards of verified positive impact for our workers, customers, growers, suppliers, communities, and the environment."



Our Environment



Our People



Our Community



GROWER APPRECIATION



ENVIRONMENTAL STEWARDSHIP

“What gets measured, gets managed.”



**IT'S NOT ABOUT THE NEXT 5 YEARS. IT'S ABOUT THE
NEXT 50 YEARS. IT'S ABOUT 5 GENERATIONS FROM NOW.**

Steve Perrault

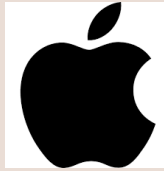
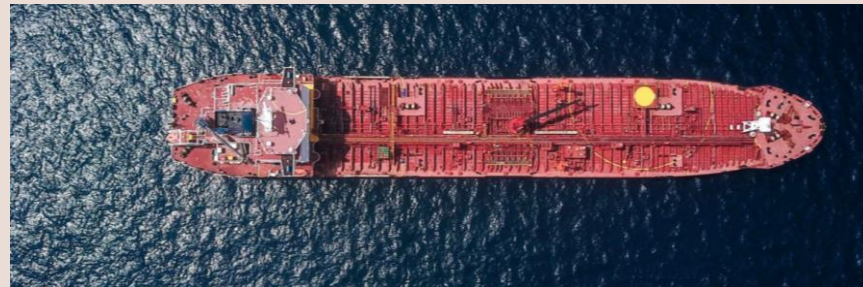
STEVE PERRAULT | 5TH GENERATION HOP GROWER | PERRAULT FARMS

YCH IS COMBATING CLIMATE CHANGE

1. Climate Change
2. Forest
3. Water Security
4. Supply Chain



Put simply: Environmental disclosure makes sound business sense and now more companies than ever are disclosing to CDP.



PROCESS STARTS ON THE FARM

Drawing on plant sciences for information on soils, seed, and fertilizer, on control of weeds, insects, and disease, and on rations and breeding; on agricultural engineering for information on farm buildings, machinery, irrigation, crop drying, drainage, and erosion control systems; and on psychology and sociology for information on human behavior.



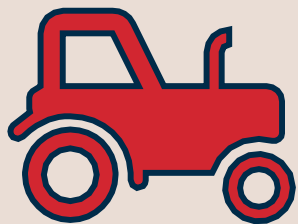
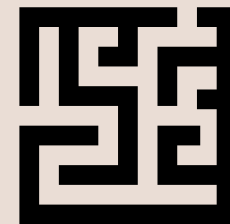
ACHIEVEMENTS

- 🎯 **Conducting** annual cost surveys
- 🎯 **Increasing** awareness of certifications and spray guidelines
- 🎯 **Collaborating** sustainable farming solutions



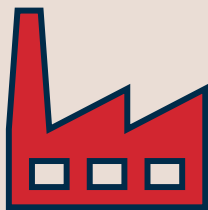
LIFE CYCLE ASSESSMENT STUDY

In an attempt to gaining insight and clarity into operational in/efficiencies YCH partnered with a third-party organization to conduct a pilot Life Cycle Assessment (LCA) study. We believe the use of this tool may open new opportunities and even lead to reduced overall cost through better utilization of energy, equipment, and agrochemical resources. Having this objective assessment has enabled us to become more intentional in our approach to benchmarking, goal setting and implementation of best practices.



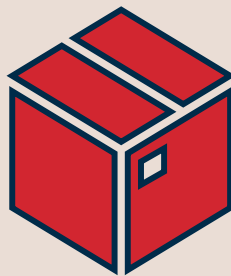
63%

FARM



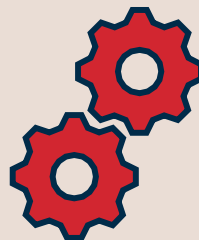
11%

OPERATIONS



1%

PACKAGING



6%

PRODUCTION



5%

DELIVERY



14%

DOWNSTREAM

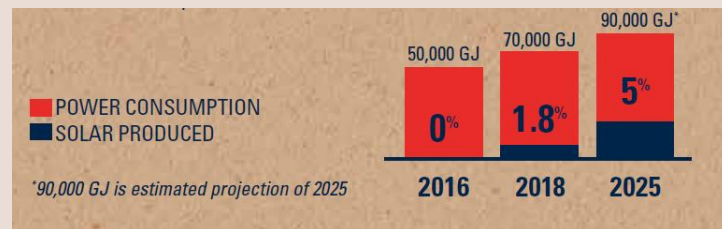
ENERGY

Like many businesses that operate across the globe, energy use is one of the largest contributors to YCH's climate impact. Energy choices we make now will have lasting impacts for decades to come, which is why we are committed to finding alternative methods to our traditional energy usage in our operations. Our mission is straightforward: we aim to make more of an impact by making less of one.







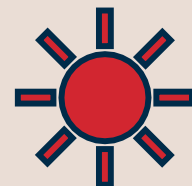
Energy saved through solar panels is equivalent to 254 Metric Tons of Carbon Dioxide Equivalent.

The amount of energy saved could have provided 44 homes in Yakima County electricity for an entire year.



FY2019 GOALS

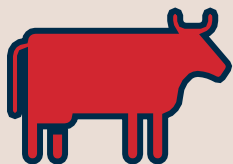
-  **Use Less Energy** through good building design and energy efficiency measures (refrigerant and lighting upgrades)
-  **Generate Our Own Energy** (e.g. rooftop solar panels bio generator)
-  **Contract Directly** with utilities for long-term renewable energy
-  **Explore Options** of purchasing renewable energy certifications (Strategic Energy Management System)



WASTE




"Waste poses a clear environmental challenge, and as a consumer-packaged goods company, we play an important role in helping to solve the global waste crisis."

Our ultimate goal is to become a zero-waste-to-landfill company, and we have set new targets to help us achieve this over time. It will not be an overnight accomplishment; however, it will require us to look for other applications to reduce solid waste and the cost associated with it such as packaging, shipping, and disposal. Eliminating waste is good for our business and good for the environment.



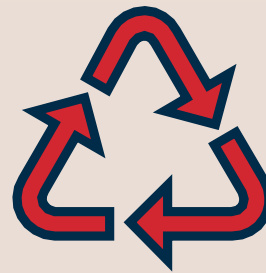
By partnering with local dairy farms we were able to divert approximately 3,000 tons of spent hops from the extract process to feed livestock. I think we're moooving in the right direction.

FY 2019 GOALS

-  **Recycle** 100% of all poly bales by 2025
-  **Reduce** all production-based landfill materials by 25% by 2025
-  **Recycle** 90% of electronic waste by 2020



978 MT OF WASTE IS THE EQUIVALENT ENERGY USAGE AS REMOVING NEARLY 9,000 VEHICLES FROM THE ROAD.*



WATER

Being located in Eastern Washington, with an annual rainfall of 8.35 inches per year, our farming operations and communities must be extremely conscientious of water usage each year. This mindset has led to irrigation infrastructure innovations that deliver water in efficient ways. YCH's water footprint is limited primarily to production, specifically within our extract plant where water is used to lower temperatures of pumps during the supercritical extraction process.



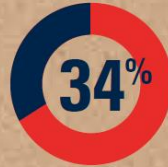
In an attempt to start cutting back our water consumption, we are using the City of Yakima's Eyes on Water interface to provide us "real-time" consumption data to make decisions.



2018

WATER USE
5,462,340 GALLONS

REDUCED CONSUMPTION
3% SINCE 2016

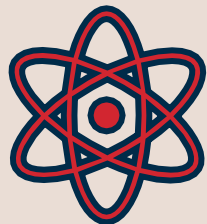


RECLAIMED: 1,873,581 GALLONS

The water is diverted through irrigation and used to supply our facility grounds, support an avian habitat and act as a ground water recharge.

GREEN HOUSE GAS EMISSIONS

We must run a robust business. A healthy business allows us to support our growers, our customers and our employees far into the future. And running a strong business to us means that we meet our traditional business objectives while doing the right thing for the planet. The core practices described in this section are the foundation on which we build an environmentally responsible business. To better predict and measure the success of our sustainability initiatives, we need to utilize accurate and timely data that is measurable—enabling us to improve in the years to come.



**YCH Total Footprint – 157,000
Metric Tons CO2 E**

CARBON FOOTPRINT BY VALUE CHAIN*



YCH FACILITIES CARBON FOOTPRINT*

**43%
ELECTRICITY**
4,378 MT CO₂e

**35%
CARBON DIOXIDE**
3,477 MT CO₂e

**10%
NATURAL GAS**
1,019 MT CO₂e

**7%
LIQUID NITROGEN**
750 MT CO₂e

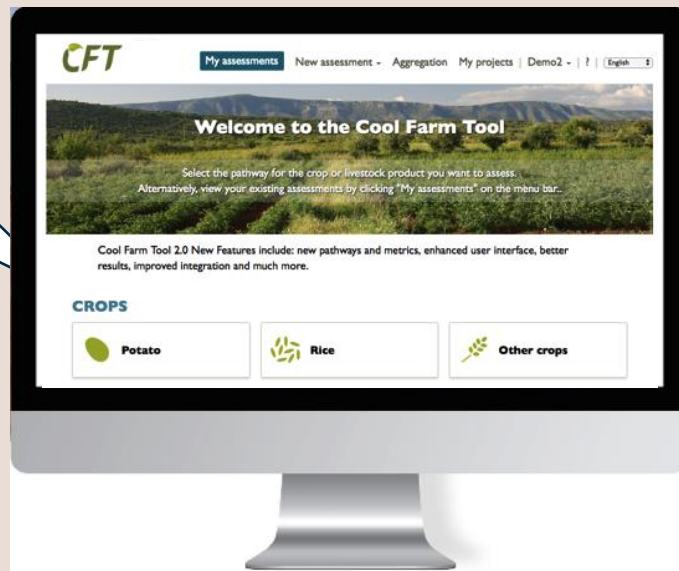
**2%
PROPANE**
171 MT CO₂e

**3%
GAS/DIESEL**
273 MT CO₂e

The Cool Farm Tool quantifies on-farm greenhouse gas emissions and soil carbon sequestration

To enable millions of growers around the world to make more informed on-farm decisions that reduce their environmental impact

This is an online CO₂ and water calculator for farming



SUSTAINABLE AGRICULTURE INITIATIVE

YCH has joined forces with SAI in a commitment to create a future where people, the planet and sustainable business solutions come together to ensure a viable and resilient agriculture sector.






GROWING OUR COMMUNITY

VOLUNTEERING
CORPORATE GIVING
YOUTH EMPOWERMENT



DOING GOOD IN THE NEIGHBORHOOD

In an attempt to reconnect with the area we serve: YCH reached out to Yakima County to see about helping the parks division re-open Eschbach Park.

-  The goal would be to help Yakima County develop an 18 hole disc golf course.
-  Help with the park cleanup and construction of course.
-  Provide the community with a low cost family alternative to family fun.



DOING GOOD IN THE NEIGHBORHOOD

Yakima Chief Hops is proud to be a part of our community - we encourage you all our employees to participate in our corporate giveback program which allows employees to donate **\$200** to a Youth Program organization of their choice.

Donation for Youth Programs:

Each fiscal year, YCH will provide its full-time employees with a \$200 credit to designate towards Youth program(s) or activities that encourage our youth to get involved in physical activity and/or activities that build a culture of cooperation and service. To be eligible, employee must submit a request in person or in writing for approval to Human Resources.

\$36,117 last fiscal year



P.A.C.E. PROGRAM

Yakima Chief Hops is proud to support school attendance in Yakima County. This year YCH was able to donate bicycles to students who reached perfect attendance in the Sunnyside and Outlook School Districts.



GROWING OUR COMMUNITY

“Community in the front, business in the rear” – we have been blessed to impact so many within our community through our corporate giving program and volunteer efforts. These efforts are done with the community in mind, every time.

COMMUNITY HIGHLIGHTS

215

GIVE-BACK HOURS ALLOCATED

AS PART OF YCH'S CORPORATE GIVEBACK PROGRAM

\$2,000

DONATED

TO LOCAL YOUTH PROGRAMS

\$35,550

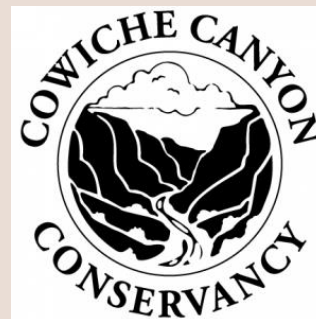
DONATED

TO LOCAL YAKIMA VALLEY ORGANIZATIONS

\$10,000

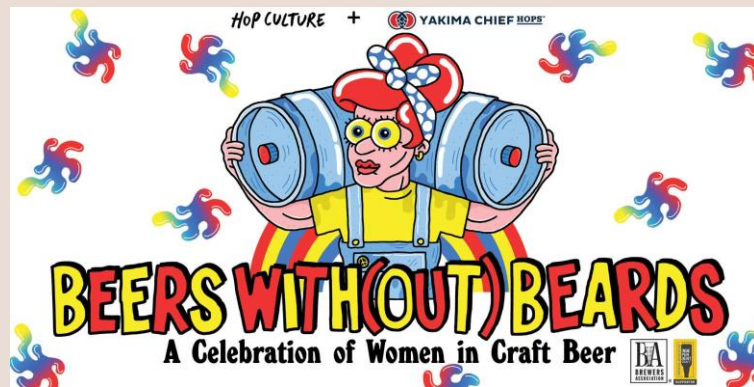
IN-KIND DONATIONS

TO DISASTER-RELIEF BREWING EFFORTS
(FLORIDA, TEXAS, CALIFORNIA)



CONJURING UP EQUALITY IN BREWING

Created to assist, inspire and encourage women beer industry professionals to advance their careers through education. YCH has partnered up with PBS to create an exclusive hop blend that celebrates women in the beer and brewing industries, with a portion of the proceeds benefiting the Pink Boots Society scholarship funds.



REMEMBER – HONOR – CELEBRATE

Yakima Chief Hops is connecting heroes from field to pint with our annual Veterans Blend. The project aims to collaborate with Veteran owned breweries, and show our appreciation to the men & women of the US Military. With this community blend, we hope to inspire brewers to brew beers that multiply efforts and celebrate US Armed Forces.



This year's donation will be made to the Wounded Warriors Family Support Fund – \$3 per pound sold.



YCH IS GROWING AND SO IS OUR CULTURE

As a company committed to continuous improvement, YCH is dedicated to advancing not only our products and processes, but also our company culture as well. From providing employees to workplace advancement opportunities to group volunteering events: YCH is dedicated to promoting cohesiveness within the organization.



12 PARTICIPATED IN
ENGLISH
AS A SECOND LANGUAGE

23 PARTICIPATED IN
SPANISH
AS A SECOND LANGUAGE



Wellness Program



4 employees involved in
tuition program by YCH



Breaking down language
barriers with ESL/SSL courses



40 Hours towards training
per year, per employee



38 individuals hired
in FY 2018



Rewarding employees



GLOBAL PRESENCE

With **48** countries receiving product from YCH last year. Recognizing our growth – YCH focus efforts on increasing both our social impact & environmental impact.



**Beer is
good but
beers are
better.**

YCH MAKING A GLOBAL IMPACT

Through the partnership with Heritage we are partnering up with the Enactus group to improve social, economic, and environmental conditions of the impoverished community in Belize.



1. Identifying a Need
2. Providing Solutions



LOOKING FORWARD: FUTURE OBJECTIVES



PLANET

- **PROVIDE** incentives to family hop farms that invest in reducing their carbon footprint.
- **REDUCE** the impact of refrigerants & gases to the production carbon footprint by investing in improved systems.
- **REDUCE** system-wide waste by exploring tactics to increase recycling and reuse of materials while also exploring responsible sourcing options.



COMMUNITY

- **GROW** financial contributions to our local and global communities as we grow.
- **VOLUNTEER** in our local communities to give back in meaningful ways beyond cash contributions.



PEOPLE

- **CONTINUE** to invest in workforce education and training.
- **PROVIDE** workforce with advancement opportunities by creating a pipeline of talent and professional growth assignments.



VISION: BRINGING OUT THE BEST IN PEOPLE, ESTABLISH SUSTAINABLE GOALS,
AND ALLOWING INDIVIDUALS TO FIND A DEEPER MEANING IN WORK.



THANK YOU!

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LEVI.WYATT@YAKIMACHIEF.COM**

• AMERICAN HOPS. •
FROM THE
PACIFIC NORTHWEST™
