



SUSTAINABILITY IMPACT REPORT

2023



YAKIMA CHIEF HOPS



Operating for more than 30 years, we have become more than a hop supplier.

We are leaders of innovation, quality and customer service. We are a resource for brewers, providing solutions-based products and research. We are advocates of sustainability and meaningful social causes, working to support the environment and communities around us.



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FOREWORD

INNOVATION. It is one of our core values here at Yakima Chief. While our focus on new product development drives sustainability and quality improvements, our innovative spirit does not stop there. We actively explore creative solutions to benefit the communities where our employees and customers live and work. We continuously strive to minimize any negative impact we may have on the environment, maximize ways we can optimize our global supply chain, and remain dedicated to an ambitious carbon reduction strategy. This Impact Report reflects the considerable progress we have made in the growing, processing, and packaging of hops, with goals to improve further.

No single person, community, or business can tackle today's pressing issues on their own. United as a brewing community thriving through collaboration, we can make a significant impact. Together, we can drive substantial improvements to our planet, not only environmentally, but socially, and economically - the trifecta of business sustainability. If we can collectively achieve that goal, we can play a vital role in preserving the natural world on which we depend. This is the only world we have, and the next generations are counting on us.

KARL VANEVENHOVEN

CHIEF OPERATIONS OFFICER





MISSION

Our Mission is to connect family hop farms with the world's finest brewers, providing the highest quality hop products and uncompromising service for the ultimate benefit of our customers, employees and growers.



VISION

Our Vision is to be the global hop supplier of choice. We want our passion for preserving the planet, treating people with respect and dignity, and our commitment to healthy communities to be reflected in every beer brewed with our hops.



VALUES

PASSION

For people, product, planet & process

RESPECT

Teamwork & collective responsibility

INTEGRITY

Transparency & accountability in all we do

DEDICATION

To safety, quality and sustainability

EXCELLENCE

An emphasis on innovation & continuous improvement

The core values contained within our PRIDE statement are more than just words; they are the cornerstone of our approach to providing our valued customers with super-premium hops. Inspired by the work being done at our family farms, these values demonstrate our focus and outline our priorities as a team from production to customer service.

AMERICAN HOPS FROM THE PACIFIC NORTHWEST®

OUR

GROWER OWNERS



**CHARLIE
DAVIDSON**

3D & BC HOP FARMS
4th Generation
Woodburn, OR



**ED
ST. MARY**

BLACK STAR RANCHES
5th Generation
Moxee, WA



**REGGIE
BRULOTTE**

BRULOTTE FARMS
6th Generation
Toppenish, WA



**MIKE
SMITH**

B.T. LOFTUS RANCHES
3rd Generation
Yakima, WA



**KEITH
HOUSER**

C & C HOP FARMS
3rd Generation
Moxee, WA



**CRAIG
CARPENTER**

CARPENTER RANCHES
5th Generation
Granger, WA



**TOM
COLEMAN**

COLEMAN AGRICULTURE
6th Generation
St. Paul, OR



**KEVIN
RIEL**

DOUBLE R HOP RANCHES
5th Generation
Harrah, WA



**PATRICK
GASSELING**

GASSELING RANCHES
4th Generation
Wapato, WA



**BRENTON
ROY**

OASIS FARMS
4th Generation
Prosser, WA



**STEVE
PERRAULT**

PERRAULT FARMS
3rd Generation
Toppenish, WA



**RICK
SAUVE**

SAUVE & SON FARMS
3rd Generation
Mabton, WA



**DOUG
WEATHERS**

SODBUSTER FARMS
3rd Generation
Salem, OR



**RICH
VAN HORN**

VAN HORN FARMS
2nd Generation
Moxee, WA

PROUD TO BE 100% GROWER OWNED



CHIEF COMMITMENTS

REFLECTING ON 2022

In 2022, Yakima Chief Hops embarked on a year of growth and transformation, marked by urgency and hope. Since introducing our Corporate Social Responsibility program, we've upheld a commitment to prioritize people and the planet alongside profits. This year underscored the significance of values-driven companies and innovative economic models in tackling global challenges, including the pandemic, the Ukraine war, fragile supply chains, inequality, political instability, and climate change impacts. Despite these hurdles, our team remained devoted in our mission to drive positive change and support human rights while minimizing our environmental impact.

Throughout 2022, we leaned on our core values, fostering collaboration with our growers, employees, customers, and community partners to uplift marginalized communities and make strides toward sustainability. Grounded in courageous optimism and an acknowledgment of hard truths, we navigated the year successfully, believing that hope can fuel not just a company but a transformative movement. We extend our heartfelt thanks to all who joined us in this journey in 2022.

WHAT ARE CHIEF COMMITMENTS?

As an agriculture company, Yakima Chief Hops is committed to advancing positive impacts for both people and our planet, and to create more resilient global systems. This is why we have established a list of Chief Commitments, which builds upon our long history of social responsibility.

Our Chief Commitments include both initiatives and tangible goals to keep us accountable and on track with the progress we want to make. The goals address land and water management, renewable energy, carbon reduction, community enrichment, and circular packaging. They challenge us to do more to reduce our environmental impact and preserve our natural resources.

These commitments also help us to drive positive impact within our supply chain. Rooted in agriculture, we believe that progress starts in the field with sustainable growing practices and equitable treatment of farmworkers. We also partner with local non-profits to make a positive impact on the communities in which we work, serve, and play.



1

PROTECTING OUR PLANET

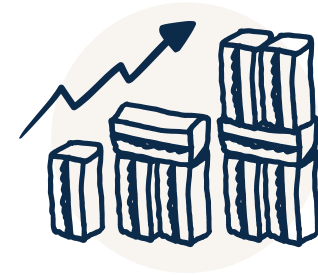
Conserving agricultural land and watersheds, while reducing energy and waste on our farms and in our facilities



2

HEALTHY HOPS

Ensuring sustainable & regenerative farming practices are implemented to promote a healthy growing environment for our hops



3

THRIVING FARMS

Providing our growers with the tools, resources and education to be more efficient, economically sound, and viable for future generations



4

PRODUCT EXCELLENCE

Holding ourselves accountable to higher standards of excellence for flavorful, aromatic and solutions-based hop products that our brewing customers love



5

EMPOWERING PEOPLE

Fostering a culture that is enriching and fulfilling for all our employees

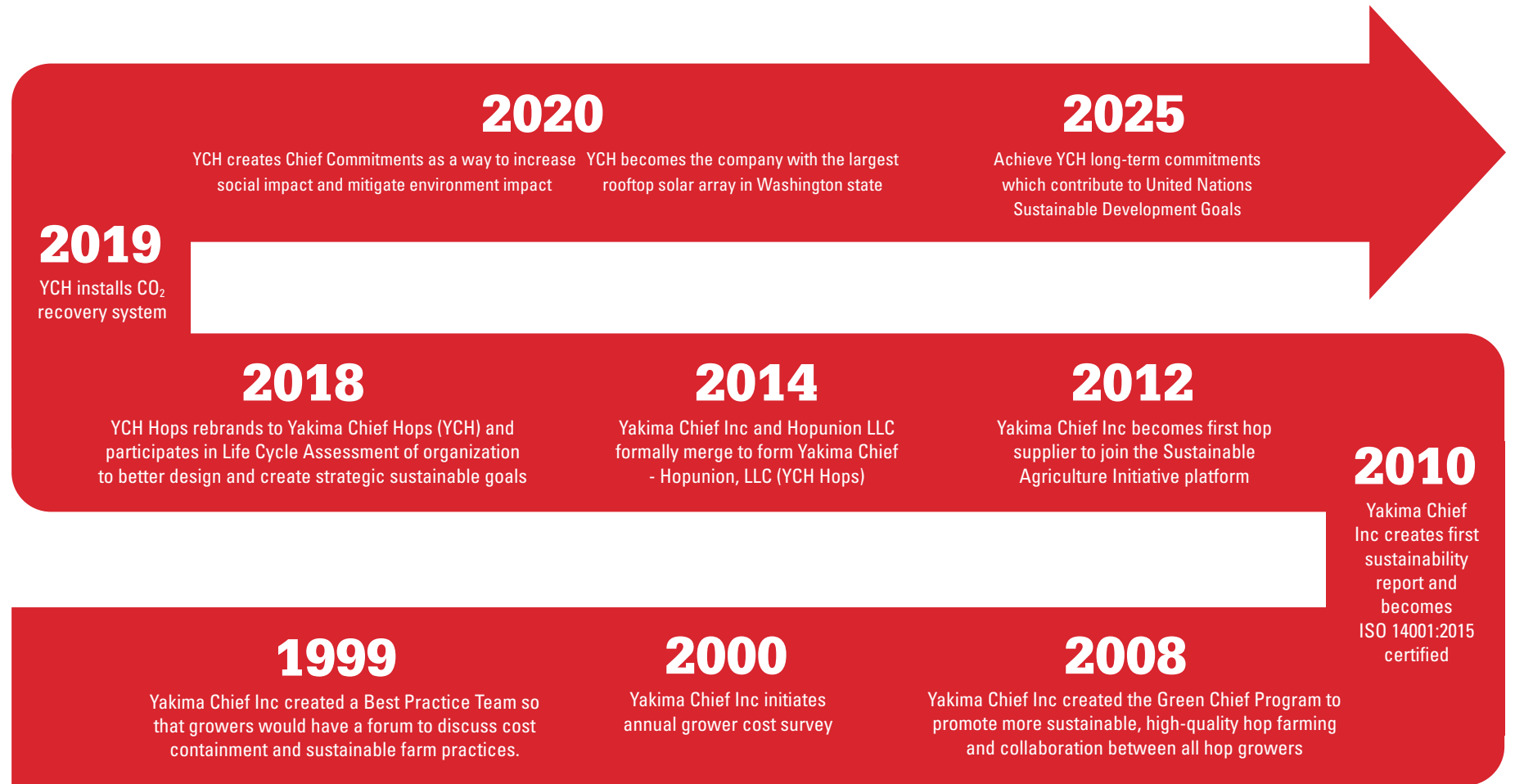


6

GROWING OUR COMMUNITY







Strengthening our communities with meaningful intentions by focusing on driving economic growth, promoting opportunities in underserved regions, and supporting youth programs

OUR CSR JOURNEY



PERFORMANCE TRACKER

● 70-100% OF GOAL ● 30-69% OF GOAL ● 0-29% OF GOAL

AREA OF FOCUS	GOAL TO ACHIEVE BY 2025	2019 PERFORMANCE (BASELINE YEAR)	2020 PERFORMANCE	2021 PERFORMANCE	2022 PERFORMANCE	2023 PERFORMANCE	OVERALL STATUS
	PROTECTING OUR PLANET						
	REDUCE Scope 1, 2 Greenhouse Gas Emissions by 50% (based on 2019 baseline intensity ration)	100%	78%	20%	35%	38%	●
	PROCURE 100% renewable energy for our domestic operations	55%	65%	78%	81%	86%	●
	ACHIEVE carbon neutrality on 50% of all our shipments	X	0%	15%	26%	87%	●
	RESEARCH and implement anaerobic digestion as a renewable on-site energy source for operations	X	X	✓	✓	✓	●
	HEALTHY HOPS						
	ENSURE 100% of our growers GLOBALG.A.P. Certified through GLOBALG.A.P. Certifying body	33%	40%	76%	55%	53%	●
	ENSURE 100% of our growers participating in greenhouse gas emissions tool	0%	0%	10%	15%	15%	●
	VERIFY 100% of our family farm facilities are 'Green Status' Green Chief® Level	71%	74%	93%	98%	99%	●
	THRIVING FARMS						
	MAINTAIN a Return-to-Grower rate of 75% or higher	78%	76%	76%	75%	75%	●
	PROVIDE continual learning opportunities to our growers through our Green Chief Program	✓	✓	✓	✓	✓	●
	PRODUCT EXCELLENCE						
	ENSURE 100% of our packaging materials are reusable, recyclable, or compostable	82%	95%	90%	94%	95%	●
	REPLACE 100% of mylar foil packaging	In Progress	In Progress	In Progress	In Progress	In Progress	●
	MAINTAIN a customer satisfaction rate above 90%	86%	94%	97%	98%	90%	●
	EMPOWERING PEOPLE						
	ENSURE zero time loss incidents from employees	0	0	1	X	0	●
	INCREASE % of women in leadership positions	N/A	8%	13%	14%	18%	●
	INCREASE diverse representation such as BIPOC in leadership positions	N/A	23%	27%	22%	27%	●
	ACHIEVE 85% employee retention rate	86%	94%	89%	86%	83%	●
	GROWING OUR COMMUNITY						
	CONTRIBUTE 1% of sales towards community enhancement projects	0%	0%	0%	0%	0%	●
	ACHIEVE 50% employee participation rate in YCH volunteer program**	41%	X	40%	18%	19%	●
	ACHIEVE 50% employee utilization of 'give-back' dollars towards NGO of their choice**	54%	X*	X*	10%	27%	●

* Due to circumstances revolving around the pandemic, YCH temporarily paused this program.

** Reevaluated and adjusted goal.

PROTECTING OUR PLANET



Mother Nature is not waiting.

We know that making progress toward a sustainable future requires taking a holistic approach that fosters collaboration within the industry and partnership across the entire agricultural supply chain.

As a growing company, we wholeheartedly understand the importance of monitoring how our farming, production, and business practices affect the planet – not just one crop year at a time but long into the future. Using data analytics as our guide, we’re breaking down our own global environmental footprint to determine strategic goals that allow us to positively impact the planet by prioritizing reduction efforts from propagation to pint.

We operate under the philosophy that no resources should be wasted, and we empower the people of our organization to seek innovative solutions and establish sustainable practices as our standard. It is our vision to help our growers and brewing customers create a better world for everyone, which entails advocating for a future where agriculture helps solve the world’s most pressing issues, from climate and environmental restoration to creating resilient agricultural supply chains. We believe the agricultural transformations we create today will ensure a more sustainable future.





CARBON IMPACT

Climate change is no longer a future event. It is happening now and will continue to impact businesses, our economy, and our communities.

It is straining the natural resources that our food production system and society depend on. The rise in extreme weather events such as droughts, wildfires, and flooding is a common occurrence that our growers are experiencing first-hand year after year.

We need collective action on every level. We are partnering with non-profit organizations big and small to drive that effort by connecting education, advocacy, and agriculture. The time is now, and we need to be bold in the face of this crisis to protect our environment, preserve our water supplies and build a more resilient future.

While we take pride in reducing carbon emissions through hands-on approaches such as energy efficiency updates and dual use of gases in production, YCH participated in two carbon offset programs in 2023, reducing our emissions by 3,500 metric tons annually.

Reducing our climate impact is a pivotal piece to our Chief Commitment to Protect Our Planet. We have been holding ourselves accountable for years by measuring and managing our carbon footprint. With an innovative thought approach and collective action, we have successfully reduced our carbon intensity over the years through investments in energy efficiency, renewable energy, and refrigerant emissions–reduction measures. We continue to implement proven solutions, innovate, and identify new collaborations to improve our sustainability.



SCOPE 2

INDIRECT SOURCES

YCH PURCHASED ELECTRICITY, STEAM, HEATING & COOLING

SCOPE 1

DIRECT SOURCES

FARM FACILITIES & VEHICLES

YCH FACILITIES & VEHICLES

SCOPE 3

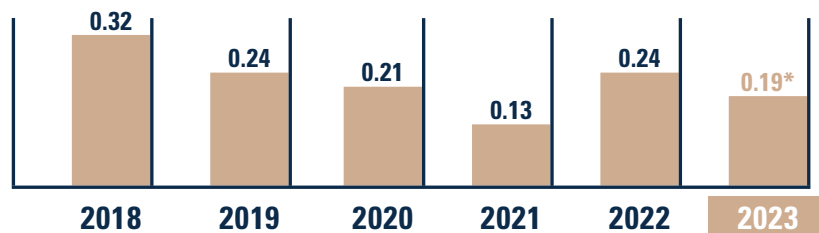
UPSTREAM & DOWNSTREAM SOURCES

TRANSPORTATION & DISTRIBUTION, PURCHASED GOODS/SERVICES, BUSINESS TRAVEL, END OF LIFE TREATMENT




GREENHOUSE GAS INTENSITY RATIO

LBS OF CO₂/ LBS OF HOPS - MEASURED AGAINST RAW HOP EQUIVALENT



SCOPE:

- 3,301 MT CO₂ – DIRECT SOURCES:** Emissions directly occurring from sources that are owned or controlled by the institution, including: on-campus stationary combustion of fossil fuels; mobile combustion of fossil fuels and “fugitive” emissions.
- 7,440 MT CO₂ – INDIRECT SOURCES:** Emissions generated in the production of electricity consumed by the institution.
- 131,071 MT CO₂ – UPSTREAM & DOWNSTREAM SOURCES:** All other indirect emissions that occur in the value chain of the reporting company, including both upstream and downstream emissions.

 **21%**
DECREASE FROM 2019
BASELINE

* IN 2023 YAKIMA CHIEF HOPS OFFSET 425 MT BY UTILIZING THE CARBON NEUTRAL SHIPPING PROGRAM WITH UPS AND AN ADDITIONAL 2,868 MT BY PARTNERING WITH ONE TREE PLANTED.

SUSTAINABLE BY DESIGN

At YCH we have a long history of improving our environmental and sustainability profile while providing innovative products and services designed to improve our customer's experience.

”

Sustainability initiatives at Yakima Chief Hops are continually being evaluated for feasibility through data driven methods.

Sustainability not only sustains the planet but also ensures the sustainability of our business through ensuring continued operations through future generations. All of our operational business decisions are rooted in the best interest of our growers, brewers, local and extended communities.

RANDY SPURBECK
DIRECTOR OF ENGINEERING

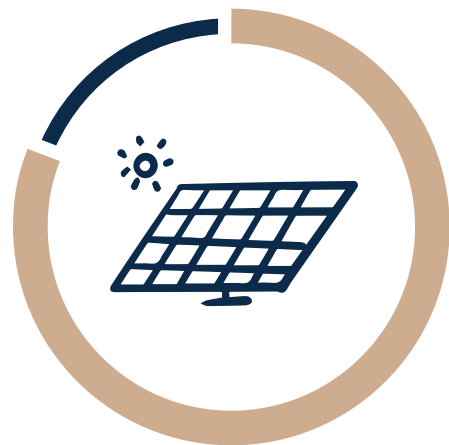


OUR ENERGY

Electricity usage continues to be one of the largest contributors to YCH's environmental footprint.

We have made tremendous strides in reducing this area of impact by sourcing renewable energy from local utility companies, investing in solar panels, transitioning away from carbon-intensive refrigerants in our warehouses, and purchasing energy-efficient equipment in our facilities. The energy choices we make now will have lasting impacts for decades to come, which is why we are committed to finding alternative methods to traditional energy usage throughout our operations.

Supporting our 2025 Sustainability Goal to source 100% of our purchased electricity from renewable sources, we have established key partnerships with renewable energy leaders.. We are happy to report we are currently operating on 81% renewable energy, and on track to achieve this goal.

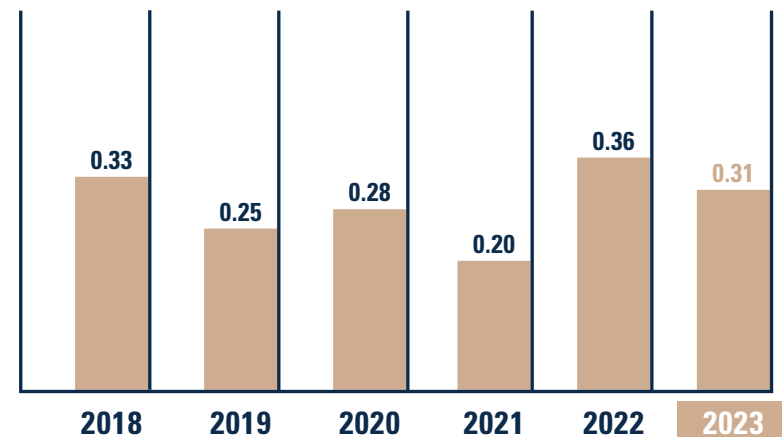


81%
RENEWABLE ENERGY SOURCED

24%
INCREASE FROM 2019 BASELINE

ENERGY INTENSITY RATIO

KWH/LB OF HOPS - MEASURED AGAINST RAW HOP EQUIVALENT



OUR WATER

Water risks are an urgent global challenge.

Most public health crises are driven by water, including floods, droughts, and water-borne diseases. Climate change is worsening the problem by intensifying drought and flooding, shifting precipitation patterns, altering water supplies, and accelerating glacial melt and sea level rise. Clean water supplies are vital for human health, industry, agriculture, and energy production, making water risks a major humanitarian threat. At YCH we are constantly working to identify, understand and respond to these risks.

Water is an essential resource for life that helps sustain our communities, our hops, and the beer industry. Therefore, it is vital that we remain mindful of our consumption and manage our watersheds appropriately to ensure this valuable commodity is available for EVERYONE

now and in the future. We are extremely proud of the work we are doing with organizations tied to our local watersheds, who advocate keeping these regional waterways protected and clean, ensuring that everyone has equal access to this vital resource.

TOTAL WATER USE

GAL OF WATER USED BY US & BELGIUM FACILITIES

11,031,461

▲ 27%

INCREASE FROM 2019
BASELINE

WATER STRESS LEVELS

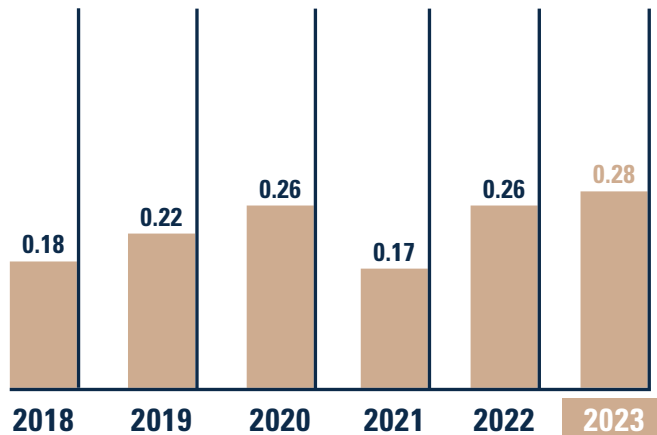
Our growers depend on a stable water supply to ensure a bountiful harvest year after year. They understand the importance of water management and it is our goal to improve water availability in our water-stressed hop-growing regions. We are accomplishing this by embedding water preservation and sustainability practices into farm operations, including transitions to 100% drip irrigation, and smart irrigation techniques that incorporate moisture probes for field saturation levels.

WATER STRESS LEVELS ACCORDING TO WRI AQUEDUCT WATER RISK ATLAS

YAKIMA VALLEY	<10%	LOW
TREASURE VALLEY	40-80%	HIGH
WILLAMETTE VALLEY	<10%	LOW

WATER INTENSITY RATIO

GAL OF WATER/LBS OF HOPS - MEASURED AGAINST RAW HOP EQUIVALENT



Kevin Scribner - Interior Columbia Basin
Ag Outreach/Special Projects
Salmon-Safe

OUR WASTE

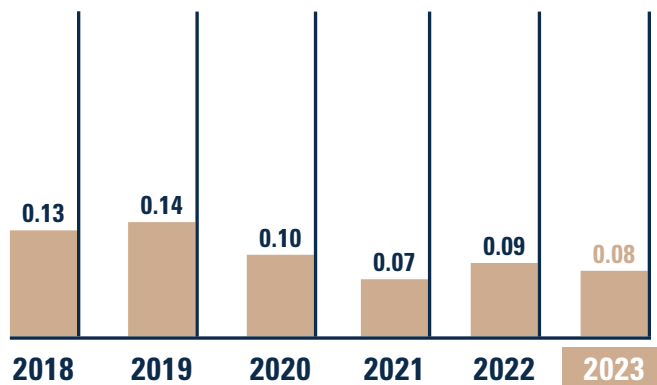
We are focused on evolving all operations into a more circular economy, which means decreasing production losses and eliminating operational waste through improved analysis.

We are focused on transitioning our entire operations into a more circular economy, which means decreasing production losses and eliminating operational waste through improved analysis. We do this by monitoring waste streams to find ways to give used materials a second life. Spent hops from extract production processes are particularly valuable, with most going to local farms for use as cattle feed.

100% of our bale material packaging is now recycled and reincorporated back into similar materials. We have partnered with Natural Selection Farms, a local composting organization in the Yakima Valley, that composts all of our waste biomass materials generated in our US operations. The compost materials are then used by growers as nutrients amendments to boost soil health.

WASTE INTENSITY RATIO

(LBS OF GARBAGE/LBS OF HOPS)



43%
DECREASE FROM 2019 BASELINE





OUR 2023 FOCUS

- ✓ **ENHANCED** environmental advocacy by forming partnerships with conservation organizations.
- ✓ **MAINTAINED** ISO 14001 Certification for our Belgium and US facilities.
- ✓ **ACHIEVED** zero environmental compliance nonconformities within our regulatory reporting.
- ✓ **ADVANCED** our efforts to convert 100% of our packaging materials to be recyclable or compostable.
- ✓ **INCREASED** global environmental collaborations to benefit healthy waterways and decarbonization efforts.

LOOKING FORWARD:

TAKING OUR ENVIRONMENTAL ADVOCACY & SUSTAINABILITY REPORTING TO THE NEXT LEVEL

- Investing in renewable energy projects
- Advance environmental reporting metrics
- Transition operations to a zero waste to landfill status
- Continue our sustainability commitment by finalizing a science-based target

Yakima Chief Hops has set ambitious environmental sustainability goals as part of our Chief Commitment to Protect the Planet. As a global organization, it is our social responsibility to leverage our voices and play a critical role in tackling climate change and promoting a healthy landscape for future generations. In 2022 we sought to advance our efforts in environmental sustainability by protecting the land and waters that have always nurtured us. Advocating on behalf of environmental stewardship is something we are passionate about and will continue.

As we look to the future, we are excited to combine public health, environmentalism, and business acumen to not only reduce our impact in our own operations but provide others in our supply chain opportunities to reduce their impact as well. We are dedicated to taking meaningful actions to ensure that the planet and our supply chain continue thriving by promoting a healthy planet.

There is no Planet B. We understand that the decisions we make today influence the outcomes of tomorrow and are excited to embark on another year of progress on our sustainability journey. This past year we exceeded some of our sustainability goals while also missing the mark on a few. Our CSR approach is rooted in establishing clear and defined benchmarks that challenge us each day to do better. Anchored in transparency and accountability, we thank you for joining us on our journey. Here's to progress!

OUR 2025 GOALS

- 🎯 **REDUCE** Scope 1, 2 Greenhouse Gas Emissions by 50% (based on 2019 baseline)
- 🎯 **PROCURE** 100% renewable energy for our domestic operations
- 🎯 **ACHIEVE** carbon neutrality on 50% of all our shipments
- 🎯 **RESEARCH** and implement anaerobic digestion as a renewable on-site energy source for operations

HEALTHY HOPS



There is an intrinsic relationship between healthy hops and a healthy planet.

As hop growers, we strongly believe that if we wish for a bountiful harvest, we must be good stewards of the land. This requires us to hold ourselves accountable for our growing practices, and work with nature, rather than against it. Our growers have been farming in their respective regions for multiple generations, and this success is largely in part due to the sustainable practices implemented in the fields.

We proudly support the advancement of sustainable farming processes rooted in our Green Chief Program. Cemented in quality and sustainability, this holistic program stands alone in the hop industry as the leading program designed and developed by hop growers, for hop growers.

At YCH we aspire to be the leading voice in proactive land stewardship through storytelling, education, and advocacy. We believe regenerative agriculture is a viable solution to combat the climate, water, and health crisis – simultaneously providing our brewers with world-class hop varieties. This is precisely why regenerative agriculture holds a strong presence in our Green Chief Program. By adopting high standards and following the guidelines outlined by these robust programs, our growers are making a commitment to the ongoing health of their farms for generations to come.



GROWING TOGETHER

Thirty-five years ago, Yakima Chief Hops was founded by growers, for growers.

These men and women worked hard, took proper care of their land, looked after their neighbors, and recognized that we all do better when we work together. Our growers understood then, as they do now, the power of community, not only to meet the needs of today but to chart a stronger course for tomorrow.

That strength and character continues to drive us forward. Our growers, who live and work in rural communities across the Pacific Northwest, are entrepreneurs who are truly changing the world for the better.

Today, with 15 grower owners, and more than 54 different farms across the globe to source from, we still channel the energy of a small, tight-knit community. We care passionately about the people, planet, and farms that provide our beloved hop crop each year. We take pride in working together as one YCH family.

YCH HARVEST BREAKDOWN



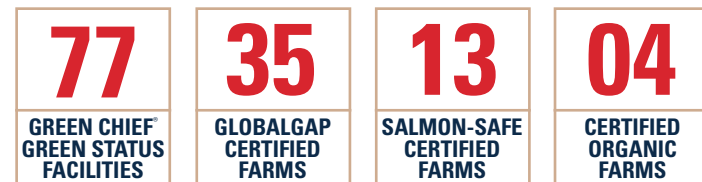
56 VARIETIES
FROM 23,500 ACRES

35.4 MILLION LBS
DELIVERED

192,937 BALES
RECEIVED

STAMPS OF APPROVAL

While our hop growers are humble creatures, we are proud of their triumphs and would like to acknowledge the hard work they put in to create a sustainable supply of high-quality hops. Take a look at last year's breakdown of farm certifications.



TOP 10 VARIETIES

1. Citra® Brand
2. Mosaic® Brand
3. Simcoe® Brand
4. HBC 682
5. Cascade
6. Centennial
7. Amarillo® Brand
8. Chinook
9. Idaho 7® Brand
10. Palisade® Brand

YAKIMA VALLEY

WASHINGTON

76,559,800 LBS HARVESTED
30,037,000 LBS DELIVERED TO YCH

54 TOTAL FARMS

15 GROWER OWNERS

39 ALLIED GROWERS

56 VARIETIES GROWN

23,500 TOTAL ACRES

WILLAMETTE VALLEY

OREGON

10,629,700 LBS HARVESTED
3,900,000 LBS DELIVERED TO YCH

TREASURE VALLEY

IDAHO

16,853,000 LBS HARVESTED
4,300,000 LBS DELIVERED TO YCH

BEYOND THE BINES

The devil is in the details.

On the surface, our growers grow hops each year – but it is so much more complex than that. There is a symphony happening on these hallowed grounds where our growers must

HEALTHY SOILS - COMPOSTING

Our growers rely on soil as their foundation, emphasizing the importance of preserving soil health for long-term agricultural sustainability.

Composting is a vital component of building healthy soils as it enriches the soil with essential organic matter, nutrients, and beneficial microorganisms. These enriched soils provide a nourishing environment for hop plants, promoting robust growth and improved yield quality. By incorporating biomass back into their fields this reinforces the feedback loop that is essential for the success of producing healthy hops.

delicately balance inputs such as water, fertilizers, and soil amendments, in order to maximize outputs such as hop yields and healthy soil.

Our growers are always exploring new approaches to farming practices and techniques that can promote a healthier habitat, and bolster resilience in the face of a changing climate.



We hop growers, we love our land. We also love good yields. Healthy soils are crucial to our businesses and applying compost is one of the major ways our ranch promotes soil health. We both purchase compost from our neighbor dairies and produce our own from the agricultural waste we collect at harvest. It reduces the need for synthetic fertilizers, feeds/adds to the soil microorganisms, and has led to better soil structure. We've seen a reduction of our pesticide use as well as plants that seem to better withstand other stresses. Then as long as we have sufficient water, we can achieve our goal of high yields of quality hops.

TYLER CARPENTER
CARPENTER RANCHES

SCALING CLIMATE SMART AGRICULTURE

Yakima Chief Hops has an array of programs and initiatives that were designed to help farmers adopt climate-smart agriculture practices.

These practices aim to reduce greenhouse gas emissions and improve soil health by sequestering carbon. Additionally, YCH is working with third-party organizations toward farm-level emissions reduction opportunities.

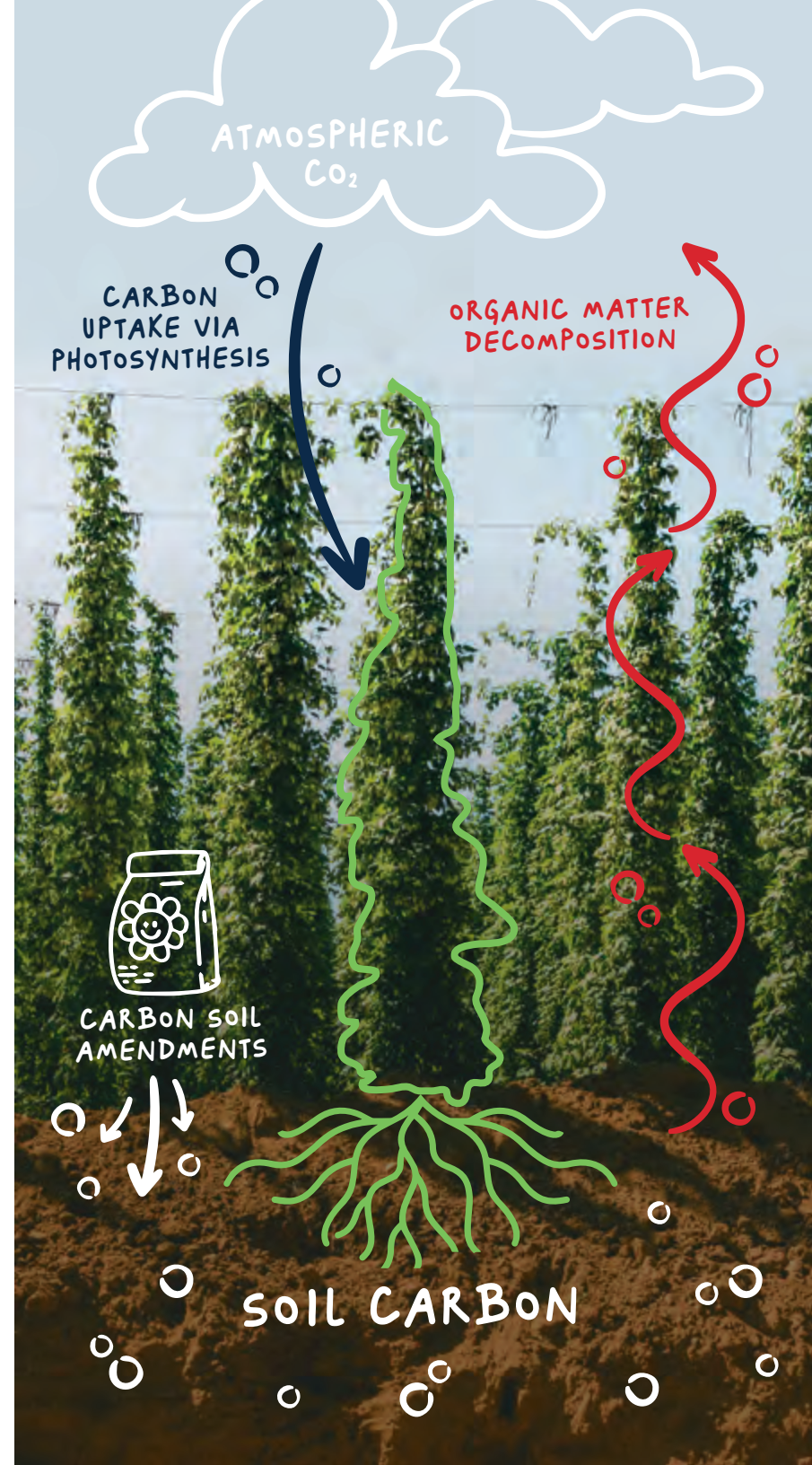
By partnering with our growers, we believe that we can address the world's most pressing issues. Using data-driven insights through our Green Chief program's sustainability tool, our growers are able to implement the conservation practices that work best for their operations and are rewarded for holistic improvements in the environmental impact of their land, using regenerative agricultural practices.

WHAT IS REGENERATIVE AGRICULTURE?

Regenerative agriculture takes a systems-based, holistic look at the land being stewarded and applies various principles with the goal of making the land more productive and biodiverse over time. In most situations, improving soil health and function is the key to improving productivity and biodiversity. One of the key components of healthy soil is organic matter, which is anything that is alive or was once living, such as a plant root, an earthworm, or a microbe.

Degenerative land management practices, such as poor grazing practices, lead to lower levels of organic matter in the soil. Yakima Chief growers who adopt regenerative practices are able to capture and store carbon in their fields resulting in soil restoration.

Improving organic matter in growers' fields can reduce and prevent erosion, and improve water infiltration, water retention, nutrient cycling, plant health, crop yields, crop resilience, biodiversity, and more. Increased organic matter in the soil also means carbon is being moved from the atmosphere and deposited into the soil, where it can be a net positive for the planet instead of sticking around as a greenhouse gas.



BENEFITS OF REGENERATIVE AGRICULTURE

Regenerative agriculture helps build healthy farmlands with increased yields, supports growers & farmworkers, protects local environments, and helps reverse global climate change by the reducing and improving the following:

REDUCES

- EROSION
- EXPOSURE TO HARMFUL CHEMICALS
- TIME, LABOR, INPUT & FUEL COSTS
- AIR & WATER POLLUTION
- USE OF SYNTHETIC CHEMICALS

IMPROVES

- SOIL HEALTH
- WATER HOLDING CAPACITY OF SOIL
- ADAPTATION TO CLIMATE CHANGE
- CAPACITY OF SOIL TO STORE CARBON
- BIODIVERSITY & WILDLIFE HABITATS

WHAT GROWERS ARE DOING (AND WHY)?

- 1 | MINIMIZING DISTURBANCE** - By adopting low or no-till practices, growers minimize physical disturbance of the soil and over time increase levels of soil organic matter which creates healthier and more resilient environments for hops to thrive.
- 2 | ENHANCING BIODIVERSITY** - Whether through the use of cover crops that provide carbohydrates which benefit the soil or buffer zones to prevent runoff into adjacent streams, plant biodiversity proves beneficial to growers. By increasing plant diversity in their fields, growers can create rich and nutrient-dense soils that lead to more productive yields.
- 3 | INTEGRATION OF ANIMALS** - Animals can eat the cover crops and grass that protect the soil. In turn, the animal's manure can naturally nourish the soil and build the soil's health.
- 4 | SOIL PROTECTION** - Left exposed to the elements, soil will erode and the nutrients necessary for successful plant growth will either dry out or quite literally wash away. Cover crops help build soil carbon, and cycle nutrients and water to plants while defending against pest and diseases.

LOOKING FORWARD:

CONTINUE TO IMPROVE OUR AGRICULTURAL PRACTICES

The agricultural saga continues. The focal point for many of today's challenges include economic development, climate change, water scarcity, and biodiversity loss. Rather than turn a blind eye, YCH has partnered with organizations that have empowered our growers to overcome these challenges by focusing on implementing sustainable agricultural practices to help our planet regenerate its resources, rather than stripping them.. The future of agriculture holds so much potential! We are excited to introduce climate-smart technology in the fields, equipping our growers with essential information and educating our brewing customers on the importance of advocating for a healthy planet through purchasing power.

OUR 2025 GOALS

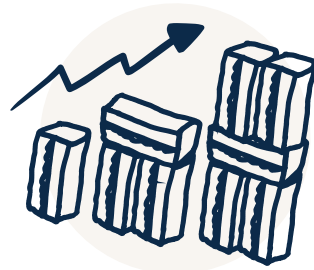
- 📍 **ENSURE** 100% of our growers are GLOBALG.A.P. Certified through GLOBALG.A.P. Certifying body
- 📍 **ENSURE** 100% of our growers are participating in greenhouse gas emission tool (LCA)
- 📍 **VERIFY** 100% of our family farm facilities are 'Green Status' Green Chief® Level

OUR 2023 FOCUS

- ✓ **INTEGRATED** regenerative agriculture practices within Green Chief Program.
- ✓ **INCREASED** education around sustainable agriculture practices.
- ✓ **ADVANCED** sustainability measuring tools for growers.
- ✓ **DEVELOPED** pilot studies on carbon emission factors at grower level per variety.

THRIVING

FARMS



Enabling growers to create a better world means supporting a secure and stable agricultural system that helps feed our world and grow the agricultural economy.

Our unique business model allows us to create connections that drive innovation throughout the food chain and supercharge the future of agriculture, and our growers stand dedicated at the forefront of making impactful changes.

Founded with a strong moral code and an unmatched dedication to persevere through adversity, our growers have embraced a mantra of resilience. Farmers are continuously challenged by ever-changing and unpredictable variables, such as weather, water supply, environmental conditions, and labor concerns. As a grower-owned organization, we have full comprehension of the essential requirements for farmer success, and are passionate about providing them with as much support and guidance as possible. We don't aim to just help our farmers endure, but to thrive in their ventures.

Our grower network is not restricted to Pacific Northwest soil, as we source from various independent farms from across the globe. Despite vast geographical separation, we take great pride in selecting partners who share the same core values and vision that define us here at Yakima Chief Hops.

At YCH, we genuinely believe that quality hops are what differentiate good beer from great beer. Cultivating such high quality hops requires investing in labor, cutting edge equipment, and modern resources. We recognize that in order for our farms, and by extension our supply chain to thrive, each of these facets must be balanced and cared for.

Thriving farms are not only critical to the brewing industry but are also vital to the health and well-being of our communities. The multi-generational family hop farms of the Pacific Northwest play a critical role in the local economy as well as the vibrant spirit of what we know as Hop Country. We are committed to promoting the sustainable growth of our farms by helping our growers become more efficient, economically sound, and viable for generations to come.



The Weathers family - Sodbuster Farms



FARM ADVANCEMENTS

Quality begins in the fields. In order to harvest quality hops, growers must have the resources to maintain, improve and expand their fields and facilities. This starts with a healthy Return-to-Grower.

This starts with a healthy Return to Grower (RTG). Strong, sustainable returns allow growers to make critical investments in people, land, infrastructure, and farming practices that lead to high-quality, stable hops, and thriving farms.

We are proud to be industry leaders in RTG shares, giving our growers the support they need to strengthen their farms and continue their legacy. Over the past 5 years, an estimated 400 million dollars have been reinvested into family farm facilities across the Pacific Northwest, allowing YCH and our growers direct opportunities to expand with the industry. These reinvestments have included:

33

**NEW PICKING
MACHINES**

22

**NEW
KILNS**

24

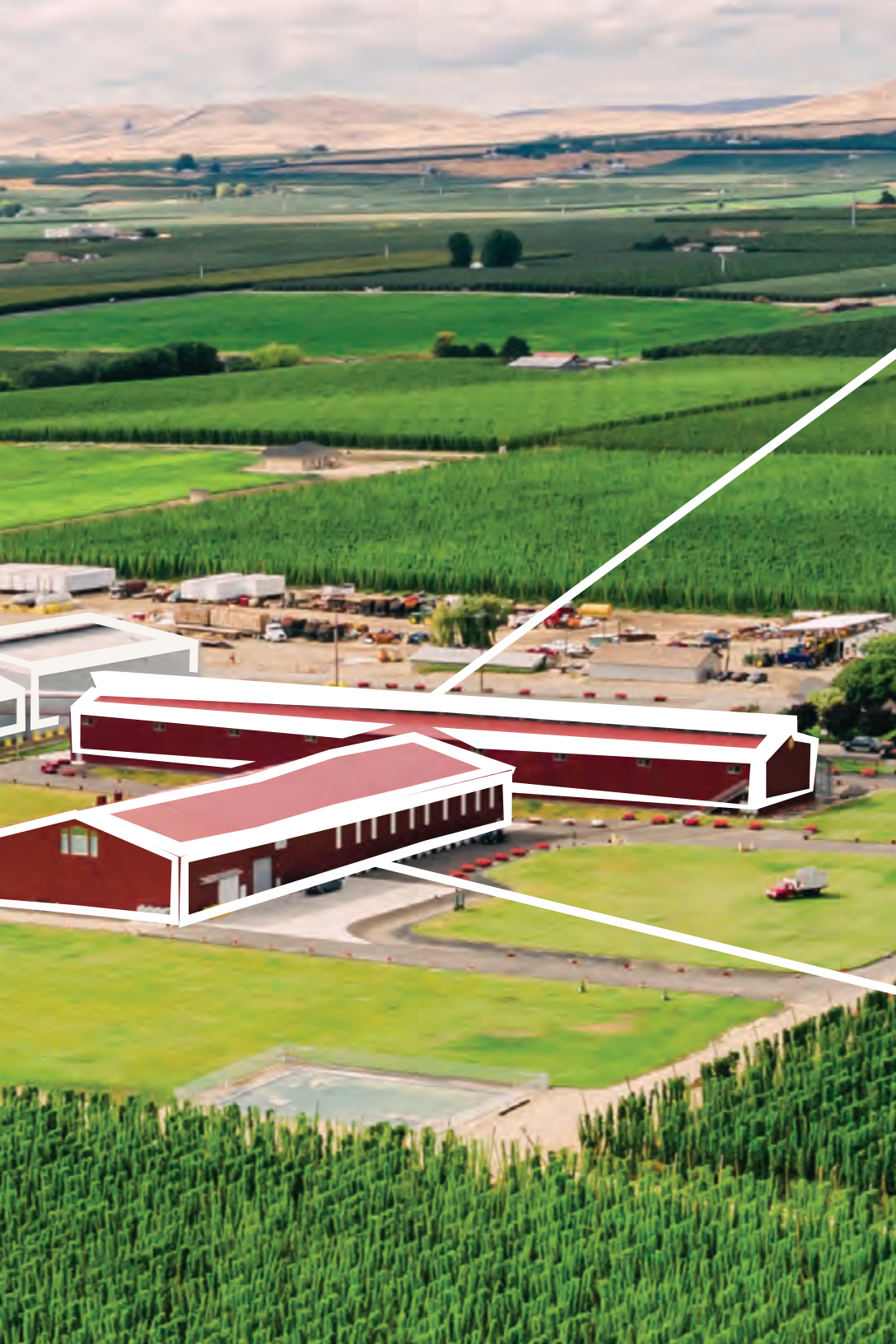
**NEW BALING
ROOMS**

+ DOZENS OF SIGNIFICANT UPGRADES TO FULL FACILITIES



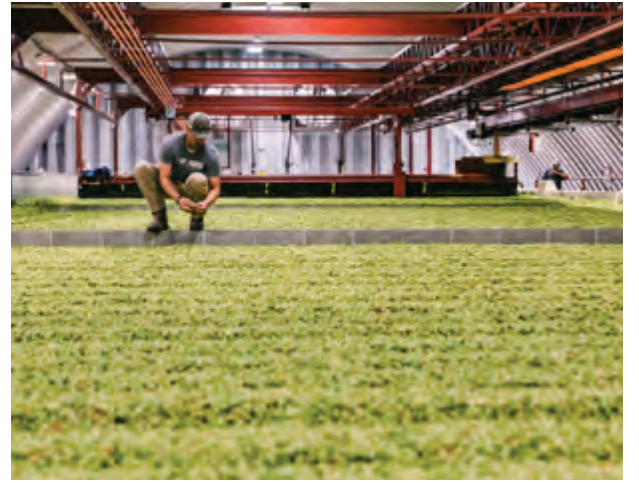
1

A hop picking machine efficiently harvests and separates hop cones from the hop bines, streamlining the process of hop production for brewing.



2

A hop kiln is used to dry and preserve freshly harvested hops by gently applying controlled heat, preventing spoilage and preserving their quality for brewing.



3

A hop baling room is a facility where dried hop cones are compressed and packaged into compact bales for storage and distribution in the brewing industry.



RETURN-TO-GROWER

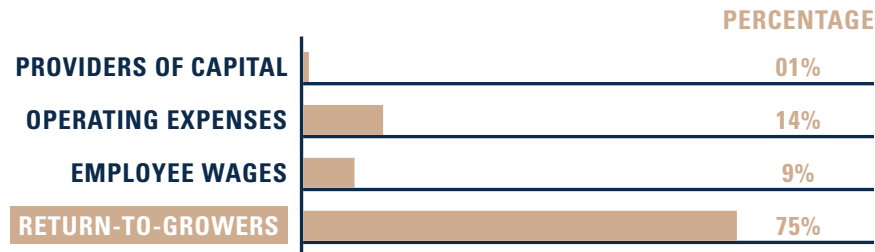
YCH was founded on the idea of creating more transparency and stability in the market, and to break the mold in a system that historically shortchanged farmers.

There is no denying that the hop growing community has experienced ups and downs between beer booms and global regressions. However, one of the ways that we remain sustainable and balanced is through strong Return-to-Grower percentages.

WHAT IS RETURN-TO-GROWER?

Return-to-Grower is the dollar amount given back to the farms for the sale of their hops. We have established the RTG program with 75% of our income being given back to our family farms regardless of the state of the market.

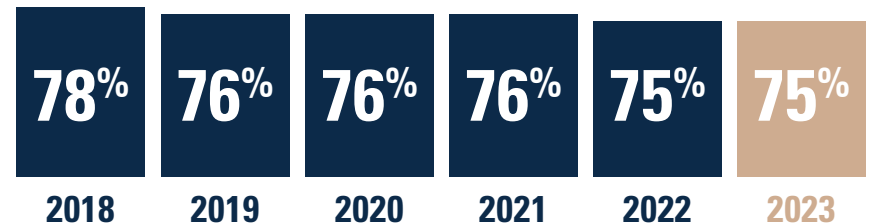
It is important to note that investments at the farm level are not restricted to infrastructure and equipment. Significant investment is made in people. Higher quality products require more labor, as more people are needed to monitor operations throughout the entire growing and harvest seasons. Appropriate pricing and a high-end RTG help to ensure that growers can gainfully employ the people needed to operate a quality-focused farm. People are the lifeblood of a successful farm, and our growers recognize that.



FOR EVERY 1 LB OF HOPS SOLD

75%

OF THE RESULTING REVENUE IS RETURNED TO GROWERS





HOW WE INVEST IN OUR FARMS:

- ✓ **PAY GREATER PRICES**
With our unique business model, we pay our growers hop prices that are above market value, paying a premium to receive quality hops and incentivize continuous improvement.
- ✓ **SHARE ANNUAL EARNINGS**
Each year, we make grower distributions based on our earnings. This means that, regardless of market conditions, business earnings go back into our growers' pockets.
- ✓ **HELP THEM CONTINUOUSLY IMPROVE**
We believe that by collaborating with our network of growers, we can help to evolve farming best practices through the use of data, science and technology and optimize productivity at the farm-level. We also believe in consistently helping our growers discover and address opportunities for improvement throughout our Green Chief® program, focusing on quality and sustainability.
- ✓ **FACILITATE FARM EVALUATIONS**
Using both internal and external evaluators, we help farmers identify opportunities to improve their facilities and field management practices as well as hop quality, environmental practices, and working conditions for their employees.
- ✓ **GREEN CHIEF® PROGRAM**
Based on regular evaluations, our Green Chief® team helps farmers improve the overall management of their farms. Technical assistance comes in a variety of forms from customized one-to-one sessions to regional meetings to keep our growers updated on the latest spray guidelines and provide feedback on quality scores.

Brian Zielinski - Scenic Valley Farms

GREEN CHIEF® PROGRAM

The Green Chief Program, initiated by our grower-owners in 2008, collaboratively enhances daily farm operations, focusing on quality and sustainability.

This led to forming the YCH Best Practices Team, establishing standards for traceability, harvest food safety, data collection, and reporting. With a “rising tide raises all ships” mentality, the Green Chief Program promotes shared insights between farms to elevate yearly hop quality.

Over the years, Green Chief® has expanded to include more than 54 farms, collaborating on environmentally and socially responsible solutions. It is a special group of individuals who gather during the growing season to share learned experiences and best practices amongst their peers. The Green Chief® program is a robust framework designed to help advance the industry and elevate the overall quality standards for hops. The program is competitive, and our growers are evaluated on their sustainability efforts, quality standards, and farm facility cleanliness. With meetings held regularly, these gatherings are intended to promote more collaboration between all hop growers, regardless of ownership.

The Green Chief program is governed by three membership groups. In this way, we ensure that hop quality, food safety, and sustainability are continuously achieved and improved from hop propagation through harvest. The Green Chief Team is comprised of members representing YCH, Yakima Chief Ranches (YCR), and growers who develop best practice plans, solicit feedback, and engage their group in implementation. Green Chief® is made up of both owners and allied growers. It is designed this way to promote a cooperative spirit and to strengthen grower relationships outside our core ownership.

MEMBERS



YCH Owners & Allied Growers



MEETINGS

Our monthly Green Chief® meetings include an educational component meant to empower growers with the latest in environmental initiatives and sustainable practices. We believe these meetings and the information shared to be critical for our growers to thrive. By choosing collaboration over competition, we continue to elevate our growing practices, resulting in a superior hop product. Last year's topics included:

- ✓ INTEGRATION OR REGENERATIVE AGRICULTURE
- ✓ COVER CROPPING
- ✓ WATER CONSERVATION INITIATIVES
- ✓ ECONOMIC REVIEW OF FARM PRACTICES
- ✓ SPRAY GUIDELINES & RESTRICTIONS
- ✓ AGRONOMIC RESEARCH
- ✓ DRYING TECHNOLOGY





File	Sprays	Utilizable Sprays	Uploaded By	Uploaded On
BPNO CSV.csv	75	50		09/11/2021
Pals CSV.csv	75	0		09/11/2021
Homeplace 10 and Townsend 10.csv	44	0		09/09/2021
Frank 22 CSV.csv	22	0		09/08/2021
Frank_multiple_spray_records_YCH_CSV (compressed).csv	124	0		09/02/2021

”

Green Chief® is a unique program in the hop industry, born from a vision that collaboration among a group of dedicated growers would result in the highest quality hop products in the world. The program focuses on quality, food safety, environmental stewardship, and the economic sustainability of the family hop farm. On a monthly basis, Yakima Chief and our growers meet to discuss and collaborate on these topics. We also provide transparent reporting on our focus areas to our grower customers that is specific to their farm. Reporting that gives our growers the information they need to continuously improve as they're measured on their quality against their peers. Our growers are constantly striving to be the best in all aspects of growing and harvesting hops, aligning the YCH supply chain to a common mission – providing the highest quality hop products to brewers around the world.

MISSY RAVER

Sr. VP GROWER RELATIONS, QUALITY & ERM



AMERICAN HOPS.
FROM THE
C NORTHWEST™





LOOKING FORWARD:

INCREASE OUR PROGRESS TRACKING & CERTIFICATIONS

Farms thrive when given the appropriate tools and resources. YCH is committed to advancing our Green Chief program by boosting education, leveraging agricultural technology, and sharing information. Data-driven insights help growers optimize farm-level inputs, reducing overall emissions, and improving yields. The future of farming will see an increase in socially responsible and environmentally sustainable practices.

OUR 2025 GOALS

- 🎯 **MAINTAIN** a Return-to-Grower rate of 75% or higher
- 🎯 **PROVIDE** continual learning opportunities to our growers through our Green Chief Program

OUR 2023 FOCUS

- ✓ **EXPANDED** the sustainability arm of the Green Chief Program
- ✓ **CONNECTED** growers with grant opportunities
- ✓ **UPDATED** the Grower Best Practice Guidelines

PRODUCT EXCELLENCE



Yakima Chief Hops has an unwavering commitment to product excellence, innovation, and quality inspired by the pioneering creative spirit of both our growers and brewers.

Long-term sustainability ultimately relies on our ability to provide premium product offerings and maintain trust throughout our growing customer base.

Our family of growers have been perfecting their craft for generations. They depend on us to supply brewers with hop products and solutions that mirror the excellence they have cultivated in the fields. We act as hop stewards, sourcing from the most quality-driven farms and processing the hops with care, preserving their aromas and flavor characteristics.

We hold ourselves accountable for creating and surpassing an elevated standard of product excellence. We consistently allocate resources toward research, innovative packaging solutions, and cutting-edge technology. We have developed tools for increased transparency and traceability throughout the supply chain and measure our success with both internal and external validations. Our competitive edge creates opportunities that begin in the field and end in your brewhouse.



FEEDBACK MAKES THE WORLD GO ROUND

Yakima Chief Hops was founded on the principle of breaking down the barriers between hop growers and brewers.

The overarching goal of our organization was to provide a level of transparency and equality in our industry that did not exist before. This novel idea was the inspiration behind our company’s mission to connect the world’s finest brewers with the family farms that supply their hops, and has been for more than 35 years. This vision of increased transparency is reflected in our value chain illustration.

We are huge supporters of creating open communication between growers and brewers. We genuinely believe this relationship is fundamental for producing

quality hop products that fuel the beer industry. Continuous improvement is an ethos that runs deep in our organization, and we thrive on feedback from our brewing customers. Using our internal programs as a springboard, Green Chief®, and Hop Selection, we encourage and promote valuable feedback from the brewers to the farms, ultimately helping growers enhance their sustainable growing practices culminating in higher quality hops.

This communication is valuable beyond measure. The conversations and level of detail provided by the brewers helps YCH and growers forecast acreage and variety demands, allowing us to maintain a healthy, balanced supply chain. It’s all about relationships, and by creating these meaningful relationships and simultaneously gathering important data from both sides of the supply chain, it is our desire to continue to advance the industry and add value to all businesses involved.



STAMPS OF APPROVAL:

We work to achieve the highest standards in product performance and environmental responsibility by seeking certifications that provide us with rigorous guidelines and keep us accountable. These programs, such as the ISO certifications, enable us to build a robust and systematic approach for handling our daily operations. They also help to drive quality and sustainability by helping us identify opportunities to implement new technologies and operational efficiencies. We pride ourselves on going above and beyond minimum regulatory compliance standards to push our product excellence to new heights.



QUALITY MANAGEMENT SYSTEM:

Contains tools and guidance that ensures YCH's products and services fulfill quality requirements, from both a regulatory and customer satisfaction perspective. YCH has been certified since 1994.



ENVIRONMENTAL MANAGEMENT SYSTEM:

Provides YCH with the framework necessary to actively track the use of resources and production of waste within our operations to ultimately improve our overall environmental performance. YCH has been certified since 2010.



HACCP CERTIFIED

Our facilities operate in accordance with current Good Manufacturing Practices (GMP) for food processors. All employees are given training on food safety during orientation and for their specific positions. We employ Hazardous Analysis and Critical Control Points (HACCP) system for all areas of production.



BUILDING A CULTURE OF **SUSTAINABILITY**

We understand the importance of a sustainable economy and are increasingly integrating sustainability strategy and investing key resources into critical parts of our business to not only align with stakeholder expectations but also the industry needs.

One way in which we are doing this is through the establishment of the Cross Functioning Product Development Team (XFPD). This team is dedicated to the development of innovative products and processes at YCH. Stakeholders include Marketing, Operations, Sustainability, Research & Development, and so many more.

This process was designed to take ownership and accountability for the environmental imprint our products have in the marketplace. By taking into consideration the life cycle assessment of each product, YCH is dedicated to creating meaningful products that our customers can connect with.



PACKAGING WITH A PURPOSE

Quality is in the bag.

That goes without saying. But we also believe everything we make should be able to do more. Here's how we intend to do right with our packaging choices:

Our current packaging protects the quality, safety, and brewing benefits of our products. And if it's not recycled or re-purposed, packaging can deplete valuable resources and add waste. We've been leaning into science as we carefully consider the materials that go into our packaging, which means reevaluating how the package looks, feels, and performs.

Finding solutions for the future of packaging has been an exciting journey and we're committed to providing our brewing customers with innovative solutions that target waste reduction and don't jeopardize the quality of the products inside.



SUSTAINABLE PACKAGING GOALS

1 | MINIMIZE AVOIDABLE OR ADDED WASTE BY REEVALUATING CURRENT PACKAGING ORIENTATION.

2 | 100% OF OUR PACKAGING SOLUTIONS TO BE REUSABLE, RECYCLABLE, OR COMPOSTABLE BY 2025.

3 | PARTNER WITH SUPPLIERS WHO ARE SOURCING PAPER PACKAGING PRODUCTS FROM SUSTAINABLE MATERIALS, VERIFIED THROUGH CERTIFICATIONS SUCH AS THE SUSTAINABLE FORESTRY INITIATIVE.

4 | INCREASE CONSUMER-BASED EDUCATION ON OUR PACKAGING OFFERINGS AND HOW TO RECYCLE OR REUSE OUR MATERIALS.

We are committed to doing business the right way—not just by our brewing products but by our impact on the environment. We're making sustainable packaging a priority today, tomorrow, and well into the future. This requires a series of intentional steps to move toward maximum impact. We have a lot more work to do.

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Sustainability in operations isn't just a professional obligation; it's deeply personal to me. It's about eliminating waste, reducing our environmental impact, and ensuring that we're good stewards of our resources. Whether it's finding sustainable packaging alternatives, composting waste, or generating nitrogen onsite, every initiative we undertake reflects our commitment to leaving a better world for our children. And maintaining ISO 14001 certification isn't just about compliance; it's about upholding our values, ensuring a safe work environment, and striving towards a greener future. As a production company, minimizing our carbon footprint isn't just a goal; it's our responsibility to future generations.

EUSTAQUIO GUERRERO

PELLET PLANT MANAGER



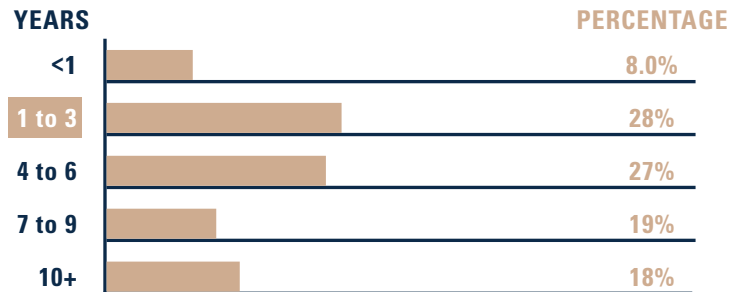
CUSTOMER ENGAGEMENT

One of the ways that we measure the quality of our products, the services we provide, and our business practices is through customer feedback.

Each year we distribute our Annual Customer Engagement Survey to our global commercial brewing customers, offering them the opportunity to provide their candid feedback anonymously, or along with their contact information if they choose to do so.

Using this annual survey, we are able to create benchmarks and monitor our progress year over year. This allows us to celebrate our successes while identifying shortcomings and opportunities for improvement. Here are the results:

CUSTOMER LONGEVITY



We're fortunate to have been in business for 35 years. A large part of this successful run is based on the strong relationships we've established with customers across the globe. Regardless of the size of the brewery - we value all our brewing partners and appreciate the feedback we receive each year. It's with this information that we can better serve you!



CUSTOMER SATISFACTION

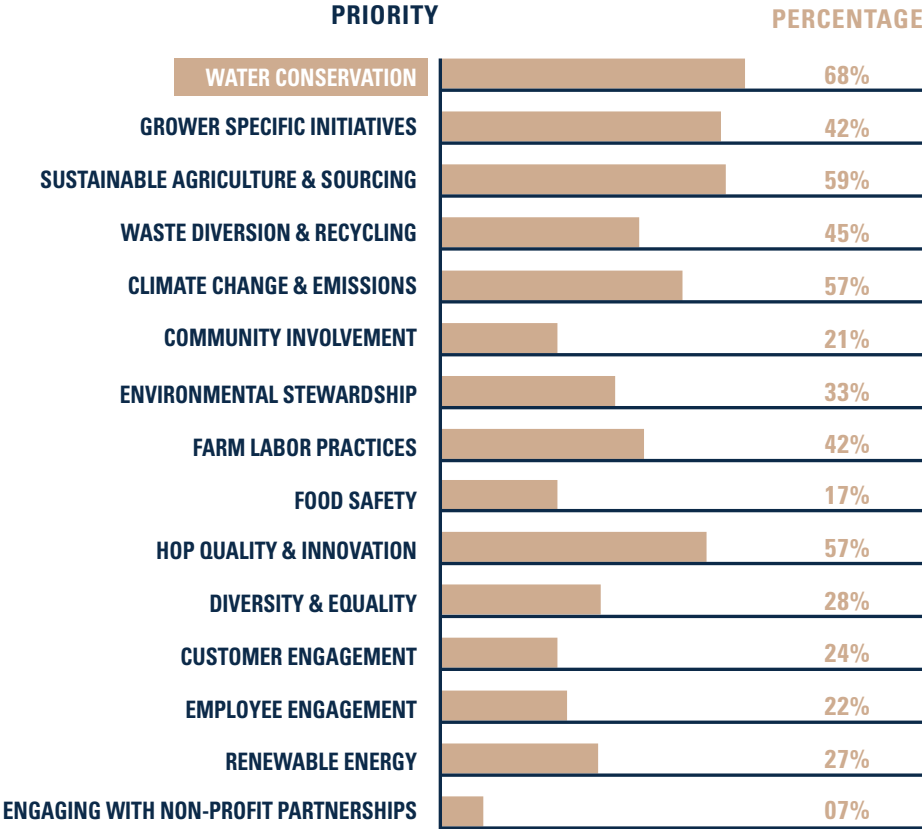


OVERALL SATISFACTION WITH YCH AS A HOP SUPPLIER

CUSTOMER PRIORITIES

One of the outcomes we hope to achieve by conducting our annual customer satisfaction survey is to better understand what topics are of interest to our customers. As we continue to build out our social responsibility programs, we want to use your feedback to better our business practices and make them more inclusive of these social and environmental topics. Our collective efforts help to make meaningful change, as we share ideas, inspire one another, and multiply our impacts. As always, we appreciate the ways that our customers challenge us by sharing their thoughts on these important topics.

Here are the results for the type of environmental and social initiatives you would like YCH to focus on in the future.



One of the outcomes we hope to achieve by conducting our annual customer satisfaction survey is to better understand what topics are of interest to our customers. As we continue to build out our social responsibility programs, we want to use your feedback to better our business practices and make them more inclusive of these social and environmental topics. Our collective efforts help to make meaningful change, as we share ideas, inspire one another, and multiply our impacts. As always, we appreciate the ways that our customers challenge us by sharing their thoughts on these important topics.

LEVI WYATT

CORPORATE SOCIAL RESPONSIBILITY MANAGER





WHO ARE YOU?

Every year we are fascinated by the list of customers providing us with amazing feedback and insight on how to elevate our social responsibility practices. Here is the breakdown of who completed the survey. We hear you and we see you!

MARKET	PERCENT
DISTRIBUTOR	0.33%
CONTRACT BREWERY	1.33%
OTHER	2.33%
NATIONAL BREWERY	5.32%
BREW PUB	13.95%
REGIONAL BREWERY	20.27%
MICRO-BREWERY	56.48%



OUR 2023 FOCUS

- ✓ **VETTED** new foil alternatives.
- ✓ **INCREASED** our customer feedback loops.
- ✓ **ELEVATED** sustainability within our products.

LOOKING FORWARD:

QUALITY IN THE BAG STARTS WITH QUALITY BAGS.

Quality in the bag starts with quality bags. It is our goal to provide our customers with quality hops while simultaneously offering packaging options that are recyclable or compostable. The industry standard has been to utilize mylar hop bags due to their ability to preserve the shelf life of products; however, it's initial use, the material is discarded to the landfill.

We aspire to be a zero-landfill organization and the customer feedback you've provided has inspired us to investigate innovative ways to reduce the amount of waste generated from product packaging. At YCH, we seek to challenge the status quo. We are on a mission to identify sustainable packaging materials that help to alleviate this burden from our customers and reduce our packaging imprint. to date, 95% of our packaging is reusable, recyclable, or compostable. We're passionate about sustainable packaging solutions that target continuous waste reduction.

In recent years, we have successfully discovered and implemented better packaging options in some areas of our operations, as they require less energy to produce, less materials to ship, and less waste. And we've even extended the shelf life of our products while minimizing our impact on the environment! We believe a closed loop is the only way forward for packaging – a circular economy where materials are kept in use for as long as possible. In pursuit of this vision, we've established goals for 2025 to reduce our packaging imprint, close the loop on material use, and help curb plastic waste.

OUR 2025 GOALS

- 🎯 **ENSURE** 100% of our packaging materials are reusable, recyclable or compostable (currently at 95%)
- 🎯 **REPLACE** 100% of mylar foil packaging and find a long-term packaging solution replacement for finished products
- 🎯 **MAINTAIN** a customer satisfaction rate above 90%

EMPOWERING PEOPLE



We know that our people are critical to our success.

Being a global leader in the hop industry depends on the dedication, knowledge and performance of our employees and the excellence of our leaders. We also recognize that creative solutions emerge in an environment where diverse voices are heard, all ideas are considered, bold thinking is valued, and people can grow into their fullest potential. This approach is a facet of 'The YCH Way' that reflects our commitment to engaging people in ways that help them thrive and innovate.

We believe that a skilled, valued and engaged workforce is key for sustainable growth. Empowering our employees leads to a more efficient, agile, and committed workforce which results in beneficial outcomes for both the individual and the organization. The work environment at YCH continually evolves to maximize the employee experience and drive high performance. We aim to create a culture that values the well-being of our employees and motivates them to work safely and productively. YCH has several methods to help engage employees, collect input and improve our performance.

Over the past five years, we have developed and implemented an annual Employee Engagement Survey to measure the level of engagement and experiences of our people and identify ways to improve our culture and business results. Our 2023 results reflected our updated business practices designed to provide employees flexibility, safety, and growth, along with the highest response rate we've ever seen to date.



EMPLOYEE SURVEY



PARTICIPATION RATE

Teamwork makes the dream work. YCH strives to empower the voices of our employees by encouraging participation in the survey for the overall betterment of the organization.



EMPLOYEE SATISFACTION

Happy hours in the beer world only happen for a short period of the day; at YCH it is our mission to keep all employees satisfied and happy throughout the year.



YCH BENEFITS:

At YCH, we take pride in offering a competitive benefits package to our employees. We strive to promote the mental, physical, and financial wellness of our employees, not just because it is the right thing to do, but because when people feel good and feel valued, it shines through their work. With our individual development plans and continuous education stipends, we also support the professional growth of our staff.

YCH fosters a vibrant community of employees who love the beer industry and feel passionate about our mission to connect family farms to the world's finest brewers. We are proud to be a locally recognized employer of choice, providing our employees with a positive and empowering workplace and supporting them with competitive pay and benefits programs.

- ✓ **Company-paid Medical, Dental & Vision Insurance for Full-time Employees**
- ✓ **Tuition & Education Reimbursement Program**
- ✓ **Employee Engagement Survey**
- ✓ **Employee Assistance Program (EAP)**
- ✓ **Monthly Well-being Budget**
- ✓ **Youth Donation Program**
- ✓ **Manager Training**
- ✓ **Company-wide Meetings**

ADDITIONAL BENEFITS

The perks don't stop here. In addition to the above, we also work to create a comfortable, positive, and welcoming office space with amenities such as a casual dress code and flexible schedules that promote a healthy work-life balance. Employees can also bring in their four-legged furry friends and are encouraged to join in after-work activities such as running, organized bike rides, and a variety of other group fitness activities.

At YCH, we strive to tap into the science of operating a high-growth business with high-functioning employee engagement efforts. As people, we thrive by creating a healthy balance of work and play, every day. That might mean something different for each individual, so options exist for our employees.



A GLOBAL WORKFORCE

It's pretty wild to think this company started with a few employees in Sunnyside, WA 35 years ago.

We're proud of our roots and extremely humbled to see our sustainable growth pattern over the years that has allowed us to reach new heights in serving different markets across the world. No this isn't a map of Settlers of Catan, this is our global workforce map – check out how we've grown!



542

TOTAL EMPLOYEES

377

FULL TIME EMPLOYEES



27

FTE POSITIONS
REMOVED IN 2023



2.8

% GROWTH
IN 2023



EMPLOYEE REPRESENTATION

For many years, YCH has worked to create a well-rounded workforce that thrives on the perspectives, characteristics, and creativity of different people.

We aim to employ the perfect blend of people and talent to create a balanced yet vibrant organization that keeps us connected to the diverse global brewing community. Promoting DEI starts within, which is why we've set workforce goals to increase the representation of women and people of color (POC) in our global operations by 2025.

As an organization with offices and teams across the world, we are grateful for the opportunity to build a company that is as diverse as both our local and global communities. We are committed to breaking down barriers and providing equal opportunity to all people, regardless of race, gender, beliefs, background, or ability. We are working to implement new programs that will help us ensure that we are recruiting, hiring, and promoting more people of color at all levels of our company.

One of the most valuable aspects of producing this sustainability report is the chance to not only be transparent but to be held accountable for making progress. We will continue to share our progress toward achieving a workforce that better reflects the communities where we work and serve.

BIPOC REPRESENTATION

68%

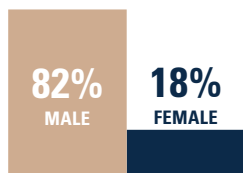
FEMALE REPRESENTATION

32%

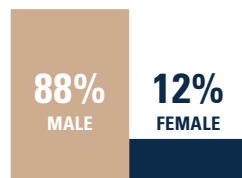
AVERAGE EMPLOYEE AGE

26-35

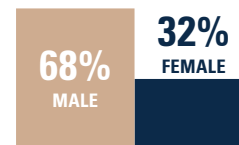
LEADERSHIP REPRESENTATION



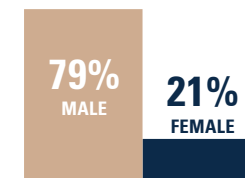
BOARD OF DIRECTORS



LEADERSHIP TEAM



DIRECTORS & MANAGERS



SUPERVISORS, FRONT LINE & LEADS

Beyond overseeing operations, our Leadership team also shapes our company culture, serving as mentors and sponsors to our diverse array of professionals. They drive change, champion innovative ideas, and foster an inclusive environment. Our commitment to diversity is reflected in our efforts to recruit and promote leaders from varied backgrounds, aiming to further enrich our Leadership team through increased recruitment, expanded job opportunities, and ongoing professional growth initiatives.

DEMOGRAPHIC REPRESENTATION

	% US POPULATION*	% YCH EMPLOYEES
AMERICAN INDIAN OR ALASKAN NATIVE	1%	<1%
ASIAN	6%	3%
BLACK OR AFRICAN AMERICAN	14%	<1%
HISPANIC/LATINO	19%	49%
NATIVE HAWAIIAN OR PACIFIC ISLANDER	<1%	<1%
TWO OR MORE RACES	3%	2%
WHITE	75%	45%

source: <https://www.census.gov/quickfacts/fact/table/US/PST045222>

EMPLOYEE OF THE YEAR

SIMON NAVARETE
FACILITIES MECHANIC



CONTINUING EDUCATION

At YCH, we invest in our team members continued success and professional development goals with our annual continuing education stipend and Education Tuition Assistance Program (ETAP).

Recognizing the mutual benefits derived from personal growth and increased work competence, YCH provides financial assistance to employees interested in furthering their formal education. This program is particularly relevant as it relates to the employee's ability to perform their current role and/or advance within the company.

We also offer onsite education opportunities to enhance the skills of our team in our departments through courses such as English as a Second Language, management training, LEAN/Six-sigma, leadership development, etc.

15 EMPLOYEES
UTILIZED THE ETAP
PROGRAM IN 2023

105 EMPLOYEES
PARTICIPATED IN CONTINUING
EDUCATION COURSES IN 2023

”

I began considering the possibility of an advanced degree upon hearing about the Employee Tuition Assistance Program at YCH. With some encouragement from our leadership, I applied to the University of Tennessee as a candidate for a Masters in Agricultural Leadership, Education, and Communications. I'm now on track to graduate after the fall semester 2023. The thing I've most enjoyed about pursuing a degree while working is the ability to directly utilize real-time work situations in my studies. The combination of theoretical + practical knowledge is a substantial advantage in my day-to-day work. My degree is proof that the ETAP program is a powerful force for good in our company. I hope people will see the fruit from my continuing education and feel compelled to pursue their own. You can do it!

SPENCER TIELKEMEIER

VP NORTH AMERICAN SALES



”

ETAP has been a total game-changer for my career growth. I often joke that I'm basically never not in some kind of further education program, because I want to take full advantage of this benefit! With YCH's support, I recently completed a post-graduate degree in Sensory and Consumer Science at Penn State. The program's financial assistance and commitment to employee development allowed me to broaden my role and contribute more effectively to the company. ETAP not only empowers YCH employees to achieve their career goals but also fosters a culture of continuous learning within the organization, which makes me proud to work here. With YCH's commitment to employee development and the opportunities ETAP provides, I genuinely feel valued and inspired to contribute my best to the company's success.

TESSA SHILATY

TECHNICAL MARKETING MANAGER





SAFETY IS CHIEF

Safety is paramount at YCH, as it forms the foundation upon which every aspect of our operations relies.

Prioritizing safety not only protects our team members but also ensures the integrity and quality of our products for our customers worldwide. At YCH, safety is our chief responsibility to our employees. We strive to provide and maintain a safe work environment that empowers everyone to do their best work, injury-free. For our incredible operations employees who work every day to create delicious brewing ingredients, we are continuously looking to improve our safety programs through preventative measures and transparent reporting systems.

We have continued to increase the amount of time we invest in our employees with dedicated safety training. Our safety committee, comprising of 18 diverse departments, underscores our commitment to a comprehensive and unified approach to workplace safety across all facets of our operations.

DIVERSITY + INCLUSION

Being bold and standing up for what is right is the ethos of YCH.

We believe we have an opportunity to set an example for our industry and our global communities. We take this responsibility seriously, holding ourselves accountable for making ethical decisions and advocating for others, even if that means going against the grain. With that, we are not only focused on this commitment to diversity, equity, and inclusion within our company but outside our company as well. Over the years, we have taken a stance on promoting a culture that welcomes more gender diversity and people of color in the brewing and beer communities. From the brewhouse to the taprooms, we want everyone to be empowered to brew, sell, enjoy, and talk about beer.

There has been a lot of internal work such as policy creation for a more inclusive work environment, building partnerships with local JEDI focused non-profit organizations, and

sharing education and resources to our employees to be activists in our community.

Our journey in JEDI is in its infancy but we are learning as we continue our efforts. Our goal is making an impact and having fun along the way is equally important. Last year we teamed up with the Yakima Pride Organization and Varietal Brewing Company to brew a collaboration beer that benefited Yakima Pride. It was a great success, and we look forward to evolving and advancing this partnership.

The real work at YCH is in leading conversations about what can be done to create a more radically inclusive farming and brewing community. The goal is to build a community of hop lovers that represents what we hope the future of the beer industry will look like—diverse, inclusive, and empowering.



Bigger THAN Beer

SEASON ONE
WOMEN + IN THE INDUSTRY

PLATINUM AWARD WINNER

CRAFT BEER & MARKETING AWARDS



WOMEN'S LEADERSHIP

We were very excited to roll out our Women's Leadership Program, a unique and intensive program designed to promote the advancement of talented and motivated women into leadership roles.

Started in 2022, the program is focused on actionable takeaways that will enable our leaders at all levels of the organization to empower individuals, grow our organization, and advance personal development.

In this leadership development program, women leaders will also develop critical skills to advance their careers, while working together to address the challenges facing rising women leaders. Together, they will explore how gender differences at work impact leadership strategies, managing teams, difficult conversations, negotiations, and office politics.

THIS PROGRAM CONSISTED OF SEMINARS COVERING THE FOLLOWING TOPICS:

- **Women in Agribusiness**
- **Women in Business – Finding Your Voice**
- **Imposter Syndrome – Building Self-esteem & Self-confidence**
- **Achieving Financial Independence**
- **Emotional Intelligence**





LOOKING FORWARD:

GROWING AN EQUITABLE FUTURE

Our company's success is fueled by the amazing individuals who make up our employee base. Our people are individuals from all different walks of life who have come together over their shared passion and appreciation for our mission, vision, and values. At YCH we continue to foster a true sense of belonging that enables respect and dignity to flourish; is rooted in being open to understanding; and welcomes people from different cultures, backgrounds, and perspectives. It is a first step to building trust, acceptance, and appreciation.

As we look to the future within our employee health and wellness agenda, we will continue to work through our roadmap toward our 2025 goals. We will continue to strengthen our safety culture in the context of our zero-harm ambition, placing increased focus on operational safety, contributing to a more inclusive beer community, and further developing the Women's Leadership Program.

In the upcoming weeks, months, and years, we'll be making significant developments. We will establish clear timelines and metrics, sharing updates regularly with our community to maintain accountability. The intention of this ongoing multi-year effort is to transform YCH into a vastly improved company, benefiting both our industry and the world at large, for current and future generations.

OUR 2023 FOCUS

- ✓ **INVESTED** in continuous training & learning opportunities
- ✓ **FOSTERED** a culture of recognition & feedback
- ✓ **ADVOCATED** for justice, equity, diversity, & inclusion
- ✓ **EXPANDED** our culture of safety

OUR 2025 GOALS

- 🎯 **ENSURE** zero time loss incidents from employees
- 🎯 **INCREASE** % of women in salaried/leadership positions
- 🎯 **INCREASE** % of BIPOC employees in salaried/leadership positions
- 🎯 **ACHIEVE** 85% employee retention rate

GROWING OUR COMMUNITY



Yakima Chief Hops founded our 'Growing Our Community' commitment based on our own long-standing tradition of community service, as well as the belief that collaboration among businesses can be a powerful force for positive change.

As a company who has been in operations for more than 30 years alongside grower owners who have been farming for generations, we are deeply rooted in the Pacific Northwest communities. It is in these local areas that we partner with strong, like-minded organizations, joining forces and rolling up our sleeves to donate the time, energy, and resources needed to promote thriving communities.

We choose to partner with local organizations to amplify our community enrichment efforts and ensure that resources end up in the hands, homes and lives of the people who need them most. We are focused on intentional and impactful giving along with a boots-on-the-ground approach.

Our company contributes to important social causes both locally and globally in a variety of ways. These efforts include donating hundreds of pounds of hops destined for caused-based brews, empowering employees to give back through paid volunteer hours and providing corporate donations to valuable projects and programs.

It is our ambition to strengthen and give back to our global communities through business, philanthropy, and development initiatives. By working collectively with meaningful non-profits and our brewing partners, there's so much good we can do together.



COMMUNITY GIVEBACK

When your hometown is as amazing as ours, you want to help keep it that way.

That’s why we’ve built partnerships in our own backyard to give back to the valley – and the people – who have given us so much.

In 2018 we introduced our global Employee Giveback program, empowering and motivating our employees to dedicate their time to volunteer within their local communities during regular working hours with full company support. With our team expanding globally, the potential to create a meaningful influence through this program has been magnified.

The Yakima Chief Hops Employee Giveback Program exemplifies our commitment to

fostering community enrichment by empowering our employees to actively participate in philanthropic endeavors. Recognizing the significance of our role in making a difference, we believe in harnessing the collective power of our team to contribute positively to the communities we serve.

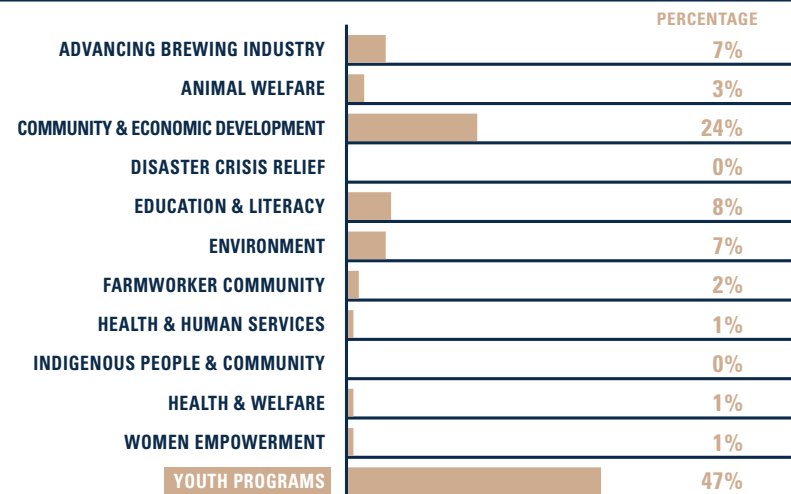
The YCH giveback program offers employees more than just 16 hours of paid volunteer time; it also includes a \$200 allotment given to each full-time employee, empowering them to make meaningful contributions to organizations of their choice.

In 2023, YCH employees collectively devoted 976 volunteer hours and contributed \$5,600 through the program, demonstrating the impactful outcomes that can arise from collaborative engagement. Our endeavors covered a spectrum of causes, from combating food scarcity through distribution events to holding fundraising auctions for local organizations and teaching adapted sports to visually impaired children.

ORGANIZATIONS THAT WE SUPPORT

All State Baseball Sponsorship	Jr Spartans Athletics Program	Soccer.com
American Hop Museum	Mabton High School	Sunnyside Senior Car Show
Bounty of the Valley	Michael James Jackson Foundation	Team Sponsorship - Yahir Munguia
Camp Prime Time	Nuestra Casa Donation	Uganda Mission Trip - Lupe Saldana
Central Washington Hispanic Chamber of Commerce	One Tree Planted	United Way
Central WA Fair Association	Pacific Northwest University - Golf Tournament	Washington Wild
Christ the Teacher - Catholic School - Marti Gras	Perry Tech - Win a Home Tickets	WWS Foundation Dinner
Community Journalism & Civic Engagement Fund	Prosser Boys and Girls Club Campaign	Yakima County Development Association
Cowiche Canyon Rocks	Pledge	Yakima Humane Society - Crab Feed
Davis Boys Basketball	PTI Foundation Raffle	Yakima Nation Little League - T-Ball Sponsorship
EVCEA Moxee Hop Festival	Riverside Christian	Yakima Rotary
First Tee of Central WA	Save the Children London	YN Boys and Girls Club
Hop Research Council	Second Harvest Turkey Drive	YWCA Sponsorship Donation
	Selah little league	
	SHS Baseball	

DONATION BREAKDOWN



IMPACT NUMBERS 2023

Directed by our charitable giving guidelines, we ensure the alignment of our social initiatives with our company values. Since 2018, we've worked closely with growers, breweries, and grassroots organizations recognized as catalysts for change, to drive positive transformations through charitable contributions and volunteer work, advocating for sustainable, thriving communities and the preservation of the natural environment on both local and global scales.



976	HOURS VOLUNTEERED THROUGH GIVEBACK PROGRAM
\$294,430	DONATED TO NON-PROFIT ORGANIZATIONS
\$5,600	DONATED THROUGH EMPLOYEE GIVEBACK STIPEND
\$279,808	GENERATED THROUGH COMMUNITY BLEND SALES

COMMUNITY BLENDS

Our Community Blend program passionately supports social causes and engages diverse communities with unique cause-based hop blends.

These blends channel a portion of sales to featured non-profits and create extraordinary beers! Many breweries amplify the impact by making an additional donation from their sales.

These hop blends lean on YCH's collaborative approach, involving brewing partners and organizations in blend formulation. These partnerships extend from selection to brew, offering brewers a year-round avenue for impactful giving and crafting distinctive, purposeful beers.

Our community blends support mission-driven 501(c)(3) non-profits, fueling vital social causes. In unity with our brewing community, we're pioneering something **#BIGGERTHANBEER**.



Community engagement has and always will be very important to me. It gives me a lot of pride and joy to contribute my time and efforts to give back to the community that I live in. Since being employed at YCH, I've had multiple opportunities to volunteer through the Employee Give Back Program which provides 16 hours of paid community service to each full-time employee. Some of the organizations I've volunteered with are the Yakima Nation, YUGM and the Cowiche Canyon Conservancy. These opportunities have not only been fulfilling but they are also a great time! The giveback program has truly empowered me to be a better me.

JANELLE SMITH
KEY ACCOUNTS SPECIALIST



PINK BOOTS BLEND

Yakima Chief Hops is proud to partner with the Pink Boots Society for a seventh year on this special seasonal hop blend. We are passionate about promoting diversity in both the hop and beer industries, and hope that our brewing customers will take this opportunity to do the same. We encourage you to get creative and create a tasty brew in celebration of International Women’s Day, and hope this will be a brewing industry tradition for years to come. The 7th Annual blend consists of Ahtanum®, El Dorado®, HBC 638 and Idaho 7®. \$3 per pound sold will be donated to Pink Boots Society in support of its mission to provide educational opportunities to women and non-binary individuals in the fermented and alcoholic beverage industry.



VETERANS BLEND

The 6th annual blend is comprised of four different Pacific Northwest-grown varieties including Citra®, HBC 638, Talus® and Sabro® brand hops. It will perform well in any hop forward beer, providing a well-balanced mix of tropical, citrus, and sweet aromatic aromas. The blend creates a hop pellet with a much wider range of flavor characteristics than could be provided by any one variety alone. The 6th Annual Veterans Blend consisted of Citra®, HBC 638, Talus®, Sabro®. Yakima Chief Hops is donating \$3 per pound sold to Homes For Our Troops, a national nonprofit organization that builds and donates specially adapted custom homes nationwide for severely injured post-9/11 Veterans. hfotousa.org.



10 | # OF COUNTRIES
PINK BOOTS BLEND WAS USED IN

17.5K* | LBS SOLD
OF PINK BOOTS BLEND

357 | # OF BREWERIES
PARTICIPATING IN BREW DAYS

\$52,500** | \$ DONATED
FROM PINK BOOTS BLEND SALES



2 | # OF COUNTRIES
VETERANS BLEND WAS USED IN

10.7K* | LBS SOLD
OF VETERANS BLEND

119 | # OF BREWERIES
PARTICIPATING IN BREW DAYS

\$32,250** | \$ DONATED
FROM VETERANS BLEND SALES

* Includes contributions made by Country Malt Group. | ** YTD sales numbers.

PINTS WITH PURPOSE

The craft beer community has demonstrated a fiery passion when championing vital social causes.

We're absolutely thrilled to stand shoulder to shoulder with our purpose-driven brewing partners, blazing a trail for charitable causes. Our fervent hope is that our industry becomes a catalyst for a movement that infuses humanity with positive change! Here's to progress, here's to **#pintswithpurpose!**

WA WILD

Holy Mountain Brewing, Oregon

In collaboration with Holy Mountain Brewing, Yakima Chief Hops co-crafted Winter's Run, a fresh hoppy pale ale, brewed to bolster the Wild Steelhead Coalition and Washington Wild's Brewshed® Alliance. Yakima Chief Hops donated the hops for this vibrant ale, and a portion of the proceeds go to support both Washington Wild and the Wild Steelhead Coalition. Brewshed® Alliance members in Washington Wild's conservation efforts play a crucial role raising funds via collaborative brews, heightening customer awareness, and contributing voices to comment letters on conservation matters.



PRISON PALS

Prison Pals Brewing, Florida

Ales for ALS™ and Team High Octane joined to initiate a transformative movement in Southern Florida, rallying behind those affected by ALS. YCH donated hops, and partnering with Prison Pals Brewing, jointly created Right Here, Right Now to champion ALS support. The proceeds from this beer fuel Ales for ALS and significantly contribute to funding ALS research. When you Purchase this Hoppy Blonde, you support ALS heroes and their families. **#teamhighoctane**





THIRD SPACE

Last October, Third Space Brewing donated all profits from their One in Four initiative to the Sojourner Family Pace Center. This inspired over 50 breweries across 20 states and gained international interest. Yakima Chief Hops has demonstrated support by contributing hops to support this noble cause. Third Space Brewing provides beer recipes, label designs, and marketing materials, and in exchange requests participating breweries to contribute a portion of their proceeds to local organizations battling domestic violence or to the National Coalition Against Domestic Violence.

RISING HOPE

The Rising Hope program, a flagship of Brewing Funds the Cure, selects one brewery per state to receive full ingredient donations from Country Malt Group and Yakima Chief Hops for the creation of the distinctive Rising Hope IPA. 100% of the proceeds benefit the National Pediatric Cancer Foundation for pediatric cancer research!



LOOKING FORWARD:

BUILDING BRIGHTER, BOLDER, BETTER COMMUNITIES

Yakima Chief Hops is steadfast in its commitment to being an exemplary community partner, driving tangible and lasting societal change. That commitment reverberates through our collaborations, initiatives, and partnerships. As advocates for inclusivity and environmental stewardship, we play a dual role supporting both the agriculture and beer industries. Our vision is grounded in creating spaces where diversity thrives, and our actions inspire a more inclusive world.

Through environmental advocacy, we set a high standard for responsible agricultural practices, respecting the planet that nurtures our hops. As we grow, our pledge to be a driving force of positive change only deepens, echoing the spirit of "paying it forward" that has defined our journey thus far.

We are devoted to being an essential ingredient in the pursuit of a better, more harmonious world. This journey is a shared one, where the success of Yakima Chief Hops is intricately woven into the growth and prosperity of the communities we touch. By forging ahead, we remain committed to being an emblem of positive change, demonstrating that the true essence of progress lies in unity, responsibility, and the transformative power of collaboration. Cheers to the future!

OUR 2025 GOALS

- 📍 **CONTRIBUTE** 1% of sales towards community enhancement projects
- 📍 **ACHIEVE** 75% employee participation rate in YCH volunteer program
- 📍 **ACHIEVE** 75% employee utilization of 'give-back' dollars towards NGO of their choice

OUR 2023 FOCUS

- ✓ **AMPLIFIED** our pints with purpose global collaborations
- ✓ **ACTIVELY CONTRIBUTED** towards driving unity in the brewing space
- ✓ **LEVERAGED** our business to actively generate positive change

The difference between a dreamer and a visionary is that a dreamer has his eyes closed and a visionary has his eyes open.

It is with heavy hearts that we lost a hop icon and a true visionary in our Yakima Chief Hops Family this year, with the passing of our very own hop father, Tom Carpenter Jr. His influence and legacy will carry on for generations to come.

Thank you for your inspiration to fight for what you believe in, for your tenacity to dream of brighter days, for instilling the importance of family values, and reminding us to stay humble and stay the course .

Rest in Peace
Tom Carpenter Jr. 1937-2023

"Stay the course"

CHEERS



GRI INDEX

	GENERAL DISCLOSURE	GENERAL TITLE	CROSS-REFERENCE, ANSWER, OR ADDITIONAL INFORMATION	ADDITIONAL REFERENCE
ORGANIZATIONAL PROFILE	102-1	Name of the organization	Yakima Chief Hops, Inc.	
	102-2	Activities, brands, products, and services	All of our products are made available on our company website: www.yakimachief.com . None of our products are banned in certain markets.	
	102-3	Location of headquarters	306 Division Street Yakima, Washington 98902	
	102-4	Location of operations	Yakima Chief Hops has operations located in: United States, Europe, Australia and Asia	
	102-5	Ownership and legal form	Yakima Chief Hops, Inc.	
	102-6	Markets served	We serve all customers, from home brewers to the largest global breweries. In the 2023 report, our customer segments were reported in accordance with Brewer's Association designations. Our customer segment designations have since changed and are still being reevaluated to better represent our customer base. We work with family hop farms and source hops from the Pacific Northwest (USA), Europe, and Australia. Our hops are sold globally to a majority of countries.	
	102-7	Scale of the organization	Total number of employees: 377 full time employees. Total number of operations: We define major operations as Yakima and Sunnyside, Washington & Brussels, Belgium. Net Sales: This information classifies as legal information, confidential to YCH, and therefore cannot be disclosed. Total capitalization: This information classifies as legal information, confidential to YCH, and therefore cannot be disclosed. Quantity of products or services provided: This information classifies as legal information, confidential to YCH, and therefore cannot be disclosed.	
	102-8	Information on employees and other workers	Total number of employees by employment contract (permanent and temporary), by gender: Permanent, F: 181 Permanent, M: 357 Whether a significant portion of the organization's activities are performed by works who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees: As an agricultural cooperative and CPG company, we rely on agricultural workers to harvest crop in the hop fields and seasonal employees to fulfill harvest requirements. Any significant variations in the numbers reported in Disclosures 102-8-a,102-8-b and 102-8-c (such as seasonal variations in the tourism or agricultural industries): N/A An explanation of how the data have been compiled, including any assumptions made: Temporary is defined by the following employment types: Seasonal, Intern, Temporary. Part-Time is defined by the following employment types: Part-Time, Seasonal, Intern, Temporary.	

	GENERAL DISCLOSURE	GENERAL TITLE	CROSS-REFERENCE, ANSWER, OR ADDITIONAL INFORMATION	ADDITIONAL REFERENCE
ORGANIZATIONAL PROFILE	102-9	Supply chain	As a farmer-owned and farmer-led organization since 1988, YCH includes approximately 58 family hop farms throughout the Pacific Northwest, specifically Washington, Oregon, and Idaho. These growers provide high-quality hops and benefit directly from the organizations growth and success. Over the years, as demand for YCH products has grown, we have added production capacity with respected co-manufacturing partners to meet the needs of our customers beyond the Pacific Northwest. Our growth supports more than 300 YCH employees, our grower-owners, allied farms and has also enabled us to invest millions of dollars back into our communities to help them thrive. So, while we are growing beyond the Yakima Valley geographic borders, we are doing so in a way that enables us to bring more high-quality hop varieties to more people, responsibly. Our Supply Chain Team has a broad range of responsibilities to deliver our products, on time and in full, to the correct location to meet customer demand. To accomplish this, the Supply Chain Team works tirelessly with our growers to ensure sustainable sourcing practices of our hop varieties , and management of supplier and external manufacturer relationships. It also calls for demand planning, supply planning, warehousing, logistics, shipment management, as well as supplier relationship and performance management.	
	102-10	Significant changes to the organization and its supply chain	We did not make any significant changes to our organization's size, structure, ownership or supply chain in 2023.	
	102-11	Precautionary Principle or approach	Yakima Chief Hops approach to risk management includes the adoption of the precautionary principle: where there may be threats of serious or irreversible impact but a lack of full scientific certainty, we will not use this as a reason for postponing cost effective measures to prevent negative or harmful environmental or social impacts. We apply the proactive principles through our food safety management system. We continuously strive to improve our performance through internal audits and customer audits.	
	102-12	External initiatives	For a complete list of all our certifications can be found on our company website: https://www.yakimachief.com/certifications/	
	102-13	Membership of associations	Hop Resource Council, Washington Hop Commission, Oregon Hop Commission, Hop Growers of America, Brewers Association, Pink Boots Society, Yakima Chief Ranches, WA Wild, International Hop Growers Convention. Additionally, we are committed to providing leadership and working collaboratively to solve complex social issues within our communities. We work directly with local government and nonprofit partners to understand community need, anticipate and address potential barriers to progress, and—working together—we strive to adopt meaningful solutions. Where possible, we provide industry leadership and expertise for our partners. This includes advocating for issues material to our business at a local, regional and state level.	
STRATEGY	102-14	Statement from senior decision-maker	Please refer to our introduction section.	
ETHICS	102-16	Values, principles, standards, and norms of behavior	Mission: To connect family farms with the world's finest brewers, providing the highest quality hop products and uncompromising service for the ultimate benefit of our customers, employees and growers. Vision: Our vision is to be the global supplier of choice. We want our passion for preserving the planet, treating people with respect and dignity, and our commitment to healthy communities to be reflected in every beer brewed with our hops.	

	GENERAL DISCLOSURE	GENERAL TITLE	CROSS-REFERENCE, ANSWER, OR ADDITIONAL INFORMATION	ADDITIONAL REFERENCE
GOVERNANCE STRUCTURE	102-18	Governance structure	YCH is a grower-owned and grower-led organization. Our board of directors and executive leadership team are regulations that direct the management and operation of YCH. Under the direction and discretion of the board, the CEO has the general charge of the business operations of YCH, including implementation of our Chief Commitments dedicated to our stewardship. Management is responsible for implementing the direction, policies, rules and regulations adopted by the board. YCH's sustainability program, including management of climate-related issues, is overseen by our Corporate Social Responsibility Team. The team is an extension of the company's cross-functional mentality and is made up of senior leaders from across the business, including HR, Marketing, Sales, Supply Chain, Finance. The committee is also responsible for communicating our sustainability priorities, including our position on climate change, to our stakeholders in order to continually integrate sustainability and climate change management into our business model.	
STAKEHOLDER ENGAGEMENT	102-40	List of stakeholder groups	Yakima Chief Hops stakeholder groups include: Grower-owners, allied-growers, employees, consumers, customers, suppliers, local communities and neighbors	
	102-41	Collective bargaining agreements	None of our employees based in the United States are unionized or subject to collective bargaining agreements. Employees based in some other countries may, from time to time, be represented by works councils or unions or subject to collective bargaining agreements.	SDG 8
	102-42	Identifying and selecting stakeholders	Stewardship at YCH means that we set out to maximize our net-positive impact and help our entire value chain do the same. We take a systems approach with a triple-bottom-line discipline to run our business, where financial capital, human capital and natural capital are given balanced consideration, and a comprehensive and long-term outlook guides our actions. Our stakeholders are both people and organizations impacted by our business decisions, and include: academics, board members, community members, competitors, consumers, industry leaders and nonprofit partners. Our stewardship framework is centered on commitments to our six key stakeholders that encompass the issues most important to our business. These six commitments are: Thriving Farms, Healthy Hops, Inspired Consumers through product excellence, Prosperous Planet, Empowered Employees, and Enriched Communities. Together they represent the values that we share and our ongoing work to support key stakeholder groups: Grower-owners, allied-growers, consumers, customers, suppliers, employees, local communities, and neighbors.	
	102-43	Approach to stakeholder engagement	We engage with employees through data collection forms distributed to all global locations, enabling us to analyze year-over-year differences, evaluate progress towards our publicly stated goals, and identify opportunities to reduce our environmental impact. We also use this information to evaluate and manage asset-level risks and understand our potential vulnerability to changing regulations. On an ongoing basis, we engage our stakeholders to drive stewardship progress across our value chain on issues such as greenhouse gas and water management.	SDG 17

	GENERAL DISCLOSURE	GENERAL TITLE	CROSS-REFERENCE, ANSWER, OR ADDITIONAL INFORMATION	ADDITIONAL REFERENCE
STAKEHOLDER ENGAGEMENT	102-44	Key topics and concerns raised	<p>YCH's material issues have been organized into commitments to our six key stakeholders. These are topics embedded into our six Chief Commitments:</p> <p>Thriving Farms is our commitment to our growers. The most common topics raised by this stakeholder group are long-term economic viability, succession planning, political advocacy and good agricultural practices. Healthy Hops is our commitment to sustainable agricultural practices. The most common topics raised on behalf of this stakeholder are ensuring sustainable farming practices are implemented to promote healthy growing environments for our hops.</p> <p>Protecting Our Planet is our commitment to the environment. The most common topics raised on behalf of this stakeholder are climate change, water quality, food waste, soil health, nutrient management, air emissions, and conservation and regenerative agriculture. Inspired Consumers through product excellence. The most common topics raised by this stakeholder group are quality and safety, wholesomeness, responsible sourcing, trust and transparency.</p> <p>Empowering Employees is our commitment to our workforce. The most common topics raised by this stakeholder group are safety, culture, attraction and retention of talent, and inclusion, diversity and equity.</p> <p>Growing Community is our commitment to the communities where we operate. The most common topics raised by this stakeholder group are community health and identify, rural resilience, food security, workforce housing, healthy children, thought leadership and collaboration.</p>	
	102-45	Entities included in the consolidated financial statements	This information classifies as legal information, confidential to YCH, and therefore cannot be disclosed.	
REPORTING PRACTICE	102-46	Defining report content and topic Boundaries	We follow GRI's Materiality principle: ""aspects that reflect an organization's significant economic, environmental and social impacts, or substantively influence the assessments and decisions of stakeholders."" We define our topic boundaries as commitments materials to YCH in context of our business model, sustainability impacts and stakeholder relationships.	
	102-47	List of material topics	YCH's material topics covered in our CSR strategy and reporting are listed below, classified under respective stewardship commitments 'Chief Commitments'. They are also elaborated upon in our 2020 CSR Report: Thriving Farms: Economic Performance, Health Hops: Sustainable Agricultural Practices, Inspired Consumers through product excellence: responsible sourcing of materials, food safety and product quality; packaging, Protecting Our Planet: Energy, emissions and climate change; water and effluents; waste, Empowered Employees: Our culture, occupational health and safety, Growing Our Community: Community Enrichment.	
	102-48	Restatements of information	None.	
	102-49	Changes in reporting	There have been no significant changes to material topics or topic boundaries.	
	102-50	Reporting period	The reporting period covers January 1, 2022 through December 31, 2023. This report includes data from 2022 and 2023 and is presented as a cumulative report for that time frame.	
	102-51	Date of most recent report	Our fiscal year 2021 CSR report was published in May 2022.	

	GENERAL DISCLOSURE	GENERAL TITLE	CROSS-REFERENCE, ANSWER, OR ADDITIONAL INFORMATION	ADDITIONAL REFERENCE
REPORTING PRACTICE	102-52	Reporting cycle	We intend to publish a CSR Report each year.	
	102-53	Contact point for questions regarding the report	Contact Us: 306 Division Street Yakima, Washington 98902 Phone: 1-800-457-3200 Email: hops@yakimachief.com	
	102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: core option.	
	102-55	GRI content index	YCH is in accordance with GRI core. Please refer to the GRI Content Index.	
	102-56	External assurance	We are not currently seeking external assurance	
MANAGEMENT APPROACH	103-1	Explanation of the material topic and its Boundary	YCH's material topics covered in our CSR strategy and reporting are listed below, classified under respective stewardship commitments 'Chief Commitments'. They are also elaborated upon in our 2023 CSR Report: Thriving Farms: Economic Performance, Health Hops: Sustainable Agricultural Practices, Inspired Consumers through product excellence: responsible sourcing of materials, food safety and product quality; packaging, Protecting Our Planet: Energy, emissions and climate change; water and effluents; waste, Empowered Employees: Our culture, occupational health and safety, Growing Our Community: Community Enrichment. Additional explanations of our material topics can be found on our company website: https://www.yakimachief.com/corporate-social-responsibility/	
	103-2	The management approach and its components	Please refer to the introduction section of the report on YCH's commitment to our management approach to our CSR strategy and overall stewardship.	
	103-3	Evaluation of the management approach	Our stewardship framework is centered on commitments to our six key stakeholders that encompass the issues most important to our business. These six commitments are: Thriving Farms, Healthy Hops, Inspired Consumers through product excellence, Prosperous Planet, Empowered Employees, and Enriched Communities. Together they represent the values that we share and our ongoing work to support key stakeholder groups: Grower-owners, allied-growers, consumers, customers, suppliers, employees, local communities, and neighbors.	
ECONOMIC	201-1	Direct economic value generated and distributed	Financial Distributions: 75% Return to growers, 9% Employee wages & benefits, 14% operating expenses, 1% returns to providers of capital. Additional information can be found on our company's website: https://www.yakimachief.com/corporate-social-responsibility/	SDG 8
	201-4	Financial assistance received from government	YCH did not receive any financial assistance from the government.	
	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Yakima Chief Hops provides competitive wages for our region.	SDG 8
	205-1	Operations assessed for risks related to corruption	YCH participates in annual third-party financial audit where our internal controls are reviewed to make sure we have proper segregation of duties reducing the risk of fraud or embezzlement. As part of YCH's overarching risk assessment protocol all production lines, warehouses, etc. can be audited by different organizations.	
	205-3	Confirmed incidents of corruption and actions taken	YCH has not encountered any incidents of corruption.	

	GENERAL DISCLOSURE	GENERAL TITLE	CROSS-REFERENCE, ANSWER, OR ADDITIONAL INFORMATION	ADDITIONAL REFERENCE
ENVIRONMENTAL	301-1	Materials used by weight or volume	38,217,392 pounds of hops used during fiscal year 2023.	
	301-2	Recycled input materials used	Percentage of recycled general waste - 0.83.	SDG 12
	302-1	Energy consumption within the organization	Total fuel consumption within the organization from non-renewable sources: 0 kwh Total fuel consumption within the organization from renewable sources: 478,507 kwh Total electricity consumption: 13,292,553 kwh Total heating consumption: 6,270,168 kwh Total cooling consumption: 0 kwh Total steam consumption: 0 kwh Total electricity sold: 0 kwh Total cooling sold: 0 kwh Total steam sold: 0 kwh Total energy consumption: 19,562,721 kwh Standards, methodologies, assumptions and/or calculation tools used: We use billing information to calculate fuel consumption. We use a third-party developed, custom calculation tool to measure energy use.	SDG 7 & 9
	302-2	Energy consumption outside the organization	Farm-level energy consumption: 1,629 Metric Tons of GHG	SDG 7
	302-3	Energy Intensity	Energy Intensity Ratio: 0.31 kwh/RHE	
	302-4	Reduction of energy consumption	Total reductions in energy consumption from solar panels: 478,507 kwh	SDG 7
	303-1	Water withdrawn by source	The importance of water conservation and efficiency cannot be overstated, especially as drought conditions continue to threaten the areas where we source our hops. From an agricultural perspective, our growers draw water from rivers, streams, and other tributaries to provide adequate volumes of water to their fields. With the advent of drip irrigation, our growers are now able to deliver water directly to the roots of their crop, allowing for water to be used effectively and efficiently. On average drip irrigation saves approximately 70 percent of total water usage as compared to conventional sprinkler irrigation.	SDG 14
	303-2	Management of water discharge related impacts	Yakima Chief Hops maintains compliance with all local, state, and regional regulatory requirements as it pertains to effluent discharge.	SDG 12 & 14
	303-4	Water discharge	YCH discharged: 10,113,691 gallons of water to the onsite retention pond during 2023v	SDG 14
	303-5	Water consumption	Total water consumption: 10,113,691 gallons	SDG 14
	305-1	Direct (Scope 1) GHG emissions	Gross Direct Scope 1 GHG Emission: 3,301 Metric Tons CO2	SDG 7 & 13
	305-2	Energy indirect (Scope 2) GHG emissions	Gross Indirect Scope 2 GHG Emissions: 7,440 Metric Tons CO2	SDG 7 & 13
	305-3	Other indirect (Scope 3) GHG emissions	Gross Indirect Scope 3 GHG Emissions: 134,364 Metric Tons CO2 Standards, methodologies, assumptions, and/or calculation tools used: Our Scope 3 GHG emissions have been computed in accordance with the Greenhouse Gas (GHG) Protocol, developed by the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD) in partnership with Quantis. As per the GHG Protocol, the Intergovernmental Panel on Climate Change's (IPCC 2013) recommendations for Greenhouse Gas global warming potentials (GWP) are applied to compute the Climate Change impact.	SDG 7 & 13

	GENERAL DISCLOSURE	GENERAL TITLE	CROSS-REFERENCE, ANSWER, OR ADDITIONAL INFORMATION	ADDITIONAL REFERENCE
ENVIRONMENTAL	305-4	GHG Emissions Intensity	GHG Emissions Intensity Ratio: 0.19 lbs. CO2/RHE	
	305-5	Reduction of GHG emissions	CO2 Recovery System GHG Reductions: 2,362 Metric Tons of CO2 Solar Panel System GHG Reductions: 335 Metric Tons of CO2	SDG 7 & 13
	306-1	Waste generation and significant waste-related impacts	Yakima Chief Hops is mindful of our waste generation throughout our value chain and has identified areas in mitigate the volume of waste produced. Utilizing circular practices, YCH recaptures CO2 utilized in our CO2 extraction process to bring back into products. All spent hop pellets are sent to local dairy farms to be used as cattle feed, totaling approximately 2,000 Metric Tons a year. Additionally, all cardboard and scrap metal collected onsite is also recycled.	SDG 6
	306-2	Waste by type and disposal method	Total weight of hazardous waste: 8,710 lbs. (all hazardous waste is handled by a certified waste handling company and hauled off for proper disposal.)	SDG 12
	306-3	Significant Spills	Yakima Chief Hops has had no significant spills.	
SOCIAL	401-1	New employee hires and employee turnover	Total number of new employees for 2023: 27 new employees. Employee turnover rate: 17.21%	SDG 8
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Yakima Chief Hops offers a comprehensive benefits package which includes: health management plans, dental, vision service plan, basic life/AD&D insurance, long term disability, employee assistance program, 401(k) retirement plan, vacation packages, and 10 recognized holidays.	SDG 8
	401-3	Parental Leave	YCH provides all FTE the opportunity to take paid family and medical leave based on the location available and the respected government programs offered in that area.	
	402-1	Minimum notice periods regarding operational changes	30 days. There are no collective bargaining agreements at YCH.	SDG 12
	403-1	Occupational health and safety management system	Yakima Chief Hops has a developed a safety and health program internally made up of department managers across the entire organization. Each month individuals meet to discuss safety issues and deploy other risk mitigating efforts within the organization.	
	403-2	Hazard identification, risk assessment, and incident investigation	Yakima Chief Hops global safety program includes robust mechanisms for workers to report hazards and hazardous situations without fear of reprisal, ensuring a culture of transparency and accountability. Additionally, clear policies and processes empower workers to remove themselves from potentially harmful situations, with protections against any form of retaliation. Our comprehensive incident investigation processes prioritize the identification of hazards, risk assessment, and the implementation of corrective actions, fostering continuous improvement in our occupational health and safety management system.	
	403-4	Worker participation, consultation, and communication on occupational health and safety	Yakima Chief Hops has a developed a safety and health program internally made up of department managers across the entire organization. Each month individuals meet to discuss safety issues and deploy other risk mitigating efforts within the organization.	
	403-5	Worker training on occupational health and safety	Yakima Chief Hops has a developed a safety and health program internally made up of department managers across the entire organization. Within the program, safety training opportunities are provided.	SDG 4 & 8

	GENERAL DISCLOSURE	GENERAL TITLE	CROSS-REFERENCE, ANSWER, OR ADDITIONAL INFORMATION	ADDITIONAL REFERENCE
SOCIAL	403-6	Promotion of worker health	Yakima Chief Hops wellness program includes: health and wellness coverage, vision, dental, basic life/ Ad&D insurance, long term disability, employee assistance program, and allocated dollars for employees to use at their wellness facility of their choice up to a dollar value deemed by Yakima Chief Hops Human Resources Department.	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Yakima Chief Hops has a safety committee made up of various departments to discuss safety topics that effect all departments. This is designed to educate employees, foster a culture that values safety, and provide time to conduct corrective action measures of accidents or near misses within the companies operations.	
	404-1	Avg. hours of training/year per employee	40 hours on average awarded towards training per year, per employee. Total hours of training provided for Yakima Chief Hops employees was 1,079 hours. (361 hours - female, 717 hours male)	SDG 4 & 8
	404-2	Programs for upgrading employees skills and transition assistance programs	Recognizing the mutual benefits derived from personal growth and increased work competence, Yakima Chief Hops (YCH) provides financial assistance to employees interested in furthering their formal education. This program is particularly relevant as it relates to the employee's ability to perform their current role and/or advance within the company. Below is a summary of the Education and Tuition Assistance Program (ETAP).	SDG 4 & 8
	404-3	Percentage of employees receiving regular performance and career development reviews	100% of full-time employees received performance reviews.	SDG 4 & 8
	405-1	Diversity of governance bodies and employees	Gender - Male: 66%, Female: 34% Age Group: Under 30 years old: 170, 30 to 50 years old: 277, over 50 years old: 67 Board of Directors: Gender - Male: 82%, Female: 18%	SDG 8
	408-1	Operations and suppliers at significant risk for incidents of child labor	Yakima Chief Hops does not employ nor do we work with any suppliers who employ underaged child workforce.	SDG 8
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Yakima Chief Hops does not employ nor do we work with any suppliers who participate in forced or compulsory labor in their operations.	SDG 8
	410-1	Security personnel trained in human rights polices	YCH does not employ security personnel.	
	411-1	Incidents of violations involving rights of indigenous peoples	None.	
	412-1	Operations that have been subjected to human rights reviews or impact assessments	None.	
	413-1	Operations with local community engagement, impact assessments, and development programs	Yakima Chief Hops strives to be assets to all our communities in which we work, serve, and play through various community development programs.	SDG 11

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SOCIAL	413-2	Operations with significant actual and potential negative impacts on local communities	YCH has not received any official complaints of negative impacts from the community. Both campuses are located in industrial areas with limited residential populations. both our facilities and farm suppliers have some potential to negatively impact the community (air quality, fertilizer/pesticide run-off, traffic, etc.) if not managed properly.	SDG 11
	414-2	Negative social impacts in the supply chain and actions taken	None.	
	417-3	Incidents of non-compliance concerning marketing communications	None.	
	419-1	Non-compliance with laws and regulations in the social and economic area	There have been no monetary fines or sanctions against our organization. Our facilities have been in compliance with all regulatory agencies (federal, state, regional, and local).	





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