



BarthHaas®



CULTIVATING THE FUTURE



FOCUS ON WHAT REALLY MATTERS



UN GLOBAL COMPACT
Communication of Progress
2022

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This report is a comprehensive collection of information from all members of the BarthHaas Group. Here is a guide to help you identify each company throughout the report.



DEAR FRIENDS AND BUSINESS PARTNERS OF OUR COMPANY,

I am very pleased to announce that the BarthHaas Group is, and will remain, proud supporters of the ten principles of the United Nations Global Compact in the areas Human Rights, Labour, Environment and Anti-Corruption. In our second Communication on Progress, we give an overview of active ways we have embodied the UN Global Compact and incorporated it's principles into our business strategy, culture, and operations at all our locations worldwide. We are committed to continually reporting on our progress in upholding these values and sharing this information with our stakeholders.

Yours sincerely,

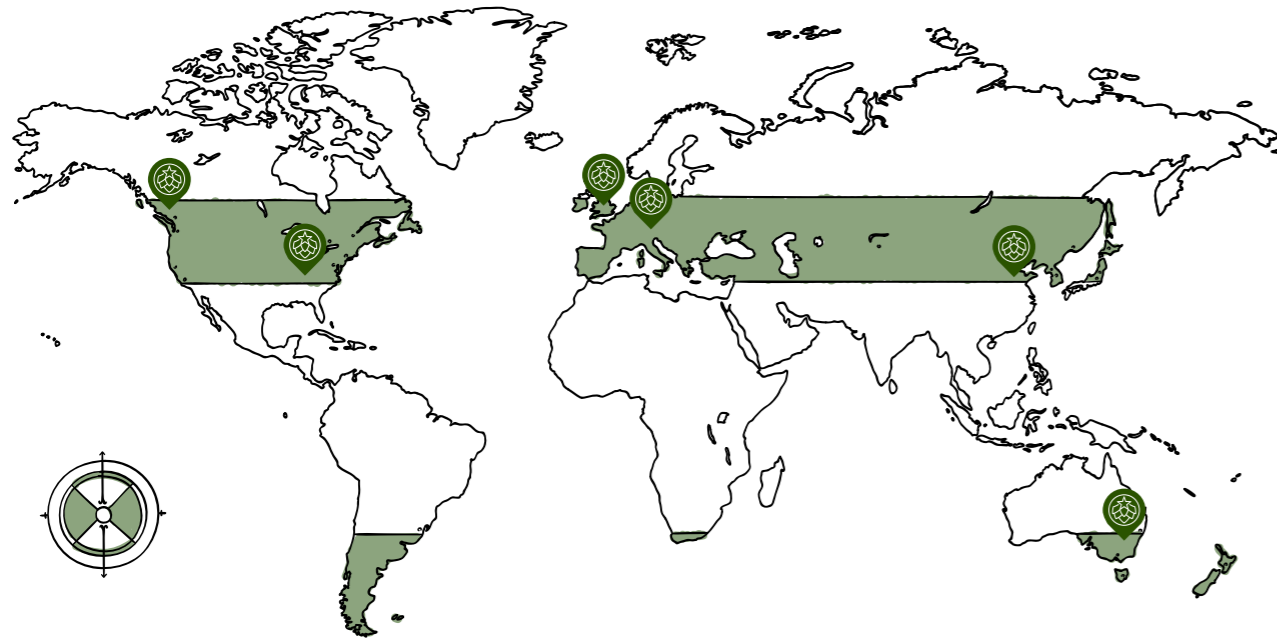
Peter Hintermeier
 CEO



IDENTITY & OVERVIEW

Wherever hops grow, you'll find BarthHaas. Our flourishing family-run businesses form a powerful and innovative network for the finest hops.

We have partners all over the globe and work together to provide our customers with the highest-quality products in an ethical and environmentally responsible manner.



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UN GLOBAL COMPACT & SDGS

BarthHaas have been signatories of the UN Global Compact since 2020. With this commitment, we pledge to act responsibly as a company and fight against inequality, environmental degradation, and extreme poverty. We will operate with the sustainable development goals as an integral part of our strategy, now and moving forward.



WE ARE PROUD
SUPPORTERS OF THE



ABOUT THE UN GLOBAL COMPACT

The UNGC Communication on Progress updates our stakeholders on progress made to implement the ten principles of the Global Compact, and support broad UN development goals. The ten principles have been broken down into four distinct categories: **Human Rights, Labor, Environmental and Anti-Corruption**

Through this report, we hope to provide our stakeholders with more transparency and insight into our company's commitment to the UN Global Compact.



HIGHLIGHTS



COVID-19 SAFETY MEASURES

Continued observation of infection control measures introduced to reduce risks of contracting COVID-19 at work. These include provision of sanitizer, provision of lateral flow test kits, screening between desks, flexible working arrangements and provision of information.



AGILE WORKING POLICY

Adoption of an Agile Working Policy post-COVID to enable employees to continue to benefit from the flexibility of remote working, balanced with sufficient on-site interaction with colleagues to ensure good communication and team bonding.



HUMANS RIGHTS PRINCIPLES

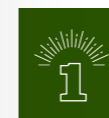
1
PRINCIPLE
Businesses should support and respect the protection of internationally proclaimed human rights; and

2
PRINCIPLE
make sure that they are not complicit in human rights abuses

OUR PROGRESS

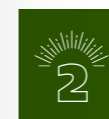
The BarthHaas Group upholds high standards for human rights and aims to ensure that employees and suppliers uphold these standards as well. We support the Universal Declaration of Human Rights in our business activities and have emphasized our commitment in our Code of Conduct, which is shared with our stakeholders. We comply with all federal and local work, health, and safety regulations in the countries we operate in. Additionally, we have zero tolerance for workplace harassment and expect the same of our suppliers. We will continue to monitor the human rights situation in our industry and act as needed in case of any violation.

We strive to provide our employees with safe working environment. The COVID-19 pandemic introduced brand new challenges to workplace safety, however we put measures in place to reduce the risks associated with coming to work. This included an array of new work-from-home policies, mental health support, and sanitary provisions. Additionally, we have introduced new measures in our production facilities that reduce exposure to potentially harmful substances.



WE ENSURE WORKERS ARE PROVIDED SAFE, SUITABLE AND SANITARY WORK FACILITIES THROUGH:

- Our visual management system to encourage employees' daily safety inspection of their workplace and renewed focus on incident and near-miss reporting.
- Provision of working platforms for employee health.
- Recruitment of "listening ears" to supplement mental health first aiders in early identification of issues affecting employees' wellbeing.
- Protecting workers from workplace harassment, including physical, verbal, sexual or psychological harassment, abuse or threats.



TAKE MEASURES TO ELIMINATE INGREDIENTS, DESIGNS, DEFECTS OR SIDE-EFFECTS THAT COULD HARM OR THREATEN HUMAN LIFE AND HEALTH DURING MANUFACTURING, USAGE OR DISPOSAL OF PRODUCTS:

- Development and introduction of new products that reduce users' exposure to dust and harmful solvent, and eliminate consumers' exposure to undesirable and synthetic additives.
- Review of legionella management arrangements and resulting actions taken to further reduce risks.



OUTCOMES

As result of these actions, we have had no reports of human rights violations in the past year. These initiatives have yielded an increase in health and safety improvement actions and we will continue to monitor and evaluate performance in the area of human rights through anonymous annual employee surveys about job satisfaction and regular workshops.

LABOR PRINCIPLES



3
PRINCIPLE
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

4
PRINCIPLE
the elimination of all forms of forced and compulsory labour;

5
PRINCIPLE
the effective abolition of child labour; and

6
PRINCIPLE
the elimination of discrimination in respect of employment Company

OUR PROGRESS

Keeping the workplace safe is the most important responsibility of an employer. For this reason, we have made it a priority to be proactive and provide a workplace free of any identifiable hazards. Each respective company has an employee handbook and a code of conduct which outlines the rights of our employees in respect to collective bargaining. Employee handbooks also outlines employee compensation, rights, and responsibilities.

We adhere to local laws and regulations regarding worker's rights in each of our operating countries, ensuring safe and fair work environments. We do not condone any sort of discrimination in our workplace and impose corrective

actions in cases of discrimination in our company. We provide equal employment opportunities to all qualified individuals regardless of race, color, creed, religion, national origin, sex, age, disability, veteran status, genetic information, family medical history, sexual orientation, gender identity, or other status protected by law. We have zero-tolerance for harassment for us and our suppliers. Additionally, we do not tolerate discriminatory behavior by our suppliers. BarthHaas monitors and evaluates the satisfaction of employees through yearly employee satisfaction surveys and reviews. We also report on diversity factors, including gender, age and nationality of our employees. Below are some of the specific measures we take to ensure a healthy and fair working environment for our employees.



HIGHLIGHTS



ECOVADIS SILVER RATING

This past year we received a silver rating from EcoVadis reflecting our good performance in environmental management, labor & human rights, and ethics and sustainable procurement practices.



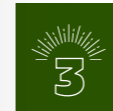
EMPLOYEE SATISFACTION SURVEY

We conducted an employee satisfaction survey each quarter to measure our performance as a supplier and to collect feedback from our employees.



ASBESTOS REMOVAL

This past year we removed over 12 metric tons of asbestos from a decommissioned farm building on site.



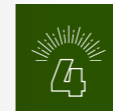
ENSURE THAT THE COMPANY DOES NOT PARTICIPATE IN ANY FORM OF FORCED OR BONDED LABOUR:

- We adhere to the working laws and employment conditions of each respective country we are active in.



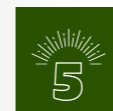
ENSURE THAT US AND OUR SUPPLIERS ADHERE TO LOCAL REGULATIONS AND PROVIDE GOOD, FAIR WORKING CONDITIONS:

- We have accident & injury reporting, including a safety committee that decides how to proceed with corrective actions.



COMPLY WITH MINIMUM WAGE STANDARDS:

- Annual salary review by employee to ensure fair pay at or above market rates for clearly defined roles & responsibilities.
- Annual employee reviews to evaluate performance.



ENSURE THAT EMPLOYMENT-RELATED DECISIONS ARE BASED ON RELEVANT AND OBJECTIVE CRITERIA:

- Follow ACAS guidelines at all time.
- Standardised: recruitment processes; appraisals; job evaluation; salary structures.
- Online training around diversity in the workplace and maintaining a respectful work environment.
- Annual bullying and harassment trainings are required for all employees.
- We provide reasonable accommodations, if needed, in adherence with the Americans with Disabilities Act.



OUTCOMES

We are striving to make our workplace as safe for our employees as we possibly can. The systems we have in place have prevented significant injuries and help us to maintain a respectful working environment. We know however that there is always room to improve, and we will continue to monitor and improve upon our policies with time.

Flip to the next page to see our data around workplace safety and equality.



EMPLOYEE DEMOGRAPHICS

Our company's advancements rely on the achievements of our customers, employees, and communities. We attribute our company's success to the unique contribution of every member of our global team. We accomplish our goals when our employees flourish, business thrives, and the community prospers. For this reason, we continue to contribute to the health and wellbeing of our people.

395
MALE
STAFF



176
FEMALE
STAFF

70/30
MALE/FEMALE
STAFF RATIO

HPA
STAFF FROM 26
COUNTRIES

BARTHHAAS EU
STAFF FROM 15
COUNTRIES

JIH
STAFF FROM 11
COUNTRIES

WORK-RELATED INJURIES



HPA
9
INJURIES

BARTHHAAS EU
3
INJURIES

JIH
22
INJURIES

AGE DISTRIBUTION



	30 and under	30-50	50+
MALE	69 %	68 %	71 %
FEMALE	31 %	32 %	29 %

'Employees and applicants are assessed according to the principle of equal opportunity. We are committed to creating an environment of mutual respect, encouragement, and teamwork.'



ENVIRONMENTAL PRINCIPLES

7

PRINCIPLE

Businesses should support a precautionary approach to environmental challenges;

8

PRINCIPLE

undertake initiatives to promote greater environmental responsibility;

9

PRINCIPLE

encourage the development and diffusion of environmentally friendly technologies

OUR PROGRESS

As a company that works directly with agricultural products, BarthHaas believes in having a strong policy and plan for environmental protection. We have conducted an extensive greenhouse gas emissions inventory following the guidelines of the Greenhouse Gas Protocol and work with our suppliers on various projects that prepare them for the effects of climate change and stronger environmental regulations. We have also set a goal to reduce our scope 1 & 2 greenhouse gas emissions by 50% by 2030.

We most recently published a sustainability report in 2021, outlining our strategy as a group according to the GRI Corporate Standards. In addition to our energy projects, we have improved our waste and water management systems across the board, trying to use less raw materials and recycle or recover energy from waste whenever possible.

www.barthhaas.com/sustainability_report_2021



HIGHLIGHTS



SUSTAINABLE PACKAGING

We are exploring sustainable packaging options which use recycled material or using materials that are easier to recycle.



REDUCING CHEMICAL WASTE

We've started running inhouse Near-infrared spectroscopy (NIR) trial to reduce chemical usage and increase efficiency.



GREENER PARTNERSHIPS

We've undertaken a joint venture with one of the company's largest customers to combine resources and pursue activities that reduce emissions and waste.

3

MAINTENANCE OF PRODUCTION PROCESSES AND ENVIRONMENTAL PROTECTION SYSTEM (AIR POLLUTION CONTROL, WASTE, WATER TREATMENT SYSTEMS, ETC.):

- ISO 14001:2015 Certifications at John I. Haas, BarthHaas Germany, and BarthHaas UK.
- Initiate freight consolidation initiatives in collaboration with our customers to minimize the downstream carbon footprint.
- Improvement in waste and water management systems and reporting on those systems.
- We have purchased and installed a new air dryer to minimize energy consumption, increase energy efficiency, and food safety.

9

MINIMIZE THE USE AND ENSURE SAFE HANDLING AND STORAGE OF CHEMICAL AND OTHER DANGEROUS SUBSTANCES:

- Focus on correct (GHS) labelling of all chemical containers, including fill-outs, and education of employees in relation to hazard communication.
- Review of controls for explosive and flammable atmosphere risks.
- Install additional safety guards on all equipment as needed to increase employee protection.
- Continued to pursue indirect analytical technologies that reduce the need for hazardous chemicals.

9

ENSURE EMERGENCY PROCEDURES TO PREVENT AND ADDRESS ACCIDENTS AFFECTING THE ENVIRONMENT AND HUMAN HEALTH:

- Review and practice of emergency procedures in case of fires or related emergencies in the workplace.



RE-USE, RECYCLING, RECOVERY:

- Waste management system where waste is separated and either recycled or processed for energy recovers.
- Spent hops and hop pellets are processed in industrial composting and anaerobic digestion.
- Waste reduction through cardboard shredder for shipping materials.
- RIGK recycles a percentage of packaging foils used in Germany.
- Exploring sustainable packaging options which use recycled material or using materials that are easier to recycle.
- Reusing spent hop pellets as cattle feed or raw materials for new products so nothing goes to the landfill.



SUSTAINABLE AGRICULTURAL PRACTICES:

- We source over 50% of our raw hops from SAI certified sustainable growers.
- Intercropping and cover cropping trials wherever we grow crops.
- Plans to increase populations of native tree species on our managed lands.
- Improve overall energy efficiencies at our kilning sites.
- Implementation of precision agriculture management system to reduce chemical inputs and fuel use in farm vehicles.



OUTCOMES

Through these projects we have integrated environmental sustainability principles further into our organization and have had multiple positive outcomes:

- 41% reduction in emissions due to improving energy efficiencies in the kilning process (Tasmania).
- Initiated no plastic water bottle policy to reduce waste and installation of water filters to reduce demand for bottled water.
- Implementation of alternative disposal method for wastewater with high sulphate content to reduce cement degradation in the drainage system.
- Installation of a dry mixed waste compactor to increase the density of waste in containers resulting in reduced collection frequency.



'Our Strategy is based on long-standing sustainability principles - taking care of people, our planet, and our ability to stay prosperous in the future.'



ANTI-CORRUPTION PRINCIPLES

10

PRINCIPLE

Businesses should work against corruption in all its forms, including extortion and bribery

OUR PROGRESS

In the BarthHaas Code of Conduct, we explicitly state our zero-tolerance policy regarding corruption and bribery. We recognize our responsibility to conduct ourselves in business in a way that does not encourage personal dependencies or obligations of any kind. We are not to be influenced in our business decisions and conduct by any kind of gifts, incentives, or other benefits. We assess the risk of corruption when doing business.

Additionally, we behave with integrity in our business relationships, comply with applicable laws and relevant regulations against corruption, bribery, and fraud, and mitigate/review situations where there is a potential conflict of interest. We expect our suppliers and service providers to meet our ethical standards as well.



HIGHLIGHTS



ZERO-TOLERANCE

No incidences of bribery in the last fiscal year.



VERIFICATION

We've engaged external auditors to perform annual year-end financial audits, which include testing for fraud and testing of internal and technology controls.



10

ENSURE THAT INTERNAL PROCEDURES SUPPORT THE COMPANY'S ANTI-CORRUPTION COMMITMENT:

- Money laundering and bribery policy within the company handbook.
- Promote a culture of integrity, including promoting our commitment to anti-corruption in the employee handbook.
- Comply with all significant regulations and federal/state filing and reporting requirements.
- Enforce the proper system of internal controls to guard against fraud or theft of company assets.



OUTCOMES

Fortunately, bribery is not a large topic of discussion in the hop industry. However we will continue to monitor this within the industry and report when cases may arise.



'Our business could not exist without our employees and the society we operate in. Therefore, fair treatment of our team, promotion of good health and wellness, as well as supporting our local communities are all key components of our sustainability strategy.'



Imprint

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the report and its content:

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*A passion
for hops*

WHAT MATTERS
TO YOU?



BarthHaas®



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HPA

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