

# NORTH COAST<sup>®</sup> — BREWING CO. —

I N D E P E N D E N T   S I N C E   1 9 8 8

MAKING THE WORLD A BETTER PLACE

*One Pint at a Time*



*Outside dining at the Pub under a beautiful moon.*

## 2021 SUSTAINABILITY REPORT





OUR  
MISSION:  
“MAKING  
THE WORLD  
A BETTER  
PLACE, ONE  
PINT AT  
A TIME”



CEO/CFO Jennifer Owen on our brewhouse deck.

## A LETTER FROM OUR CEO

As the CEO and CFO of North Coast Brewing Co., I know that what makes us a solid company has been part of our story since the beginning. We focus on crafting great beer in a responsible way that is good for our people and the planet.

The great beer part of our story is more obvious because you can taste it. We don't follow every fad. Instead, we make consistently delicious beer that brings people back, time and again. Some breweries set their sights on pushing the boundaries of what beer is. The challenge we've chosen is brewing classic styles that continue to win awards. Last year our Le Merle won the 2021 European Beer Star Gold Medal at the International Breweries Competition under the category of “New-style Saison.”



What's less commonly known is that all of our kegged and bottled beer is brewed right here in our compact plant on Main Street in Fort Bragg, California. We are an independent brewery. We produce consistent, superior quality, and high volume from a very small space - in collaboration with an amazing team of employees who love where they live and work.

And we do it all at the leading edge of environmental stewardship. Our core beer brands are verified by the Non-GMO Project because we believe you have a right to know what's in your food. We helped set this industry standard and are thrilled to see this commitment spreading.

What's clear from our 5+ years of sustainability report data is that the more beer we produce, the more resource efficient we are. As we rebound from the pandemic and our production ramps back up, we've been able to improve our resource efficiency. This means that we're equally proud of how we brew our beer and how our beer tastes.

Throughout this report, you'll have the chance to respond to several calls to action, from sequestering carbon at home to reducing water use. Of course, you can always do your part to create good jobs and help the environment by drinking any of North Coast Brewing Co.'s exceptional brews!

With gratitude,  
Jennifer Owen



Our day-to-day is so B Corp friendly that it's become our mantra. When making decisions, we ask, “Is this the B Corp way?” Being a B Corp empowers us to measure how every beer we make impacts our local community and the world around us.

Why is B Corp certification meaningful for you, our fellow beer aficionados? How we run our company addresses a lot of the problems faced by society today. We provide customers the opportunity to vote with their dollars and to make purchases that resonate with their values.

B Corp is so essential to our identity as a company that we recertified in 2021! It's a huge effort to recertify, and it highlights our ongoing commitment to the betterment of our world and community. Everyone - from our brewers and pub staff to our sales and admin teams - really believes in this path and is excited to be part of a global movement.



*B Lab is the independent third party nonprofit that awards B Corp certification. See our B Corp profile at [www.bcorporation.net](http://www.bcorporation.net).*



CEO/CFO Jennifer Owen joins co-brewmaster Chuck Martins in sampling one of the Belgian ales.



# WATER

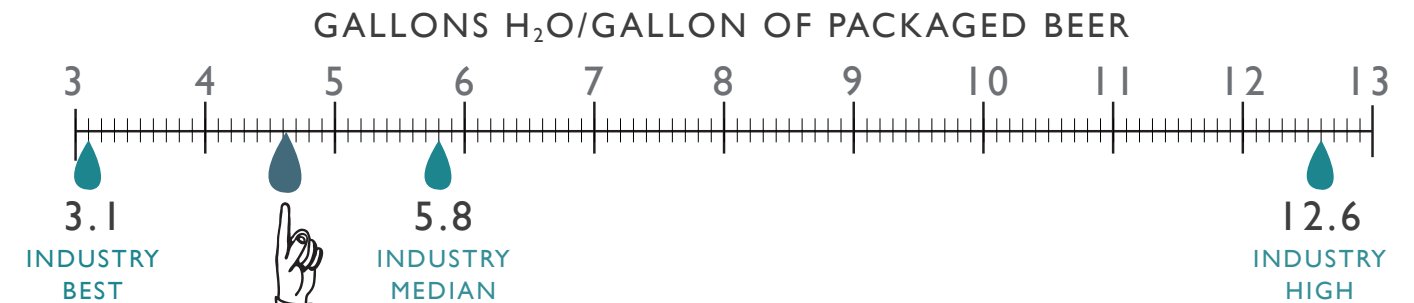
When you think of North Coast Brewing Co., you think of the ocean. From Foggy Day IPA to Red Seal Ale, the dramatic beauty of the California coastline has been our inspiration. Of course, this inspiration doesn't stop with our branding. A deep respect for our local waters, in both words and action, sets our company apart.

All of our pristine brewing water comes from the coastal watershed. In fact, storm drains adjacent to the brewery discharge directly into the ocean, which is less than a mile away. NCBC has no direct control over the upper end of the watershed, but we ensure that our operations do not adversely affect downstream waters.

For example, we diligently inspect our facilities to ensure there are no leaks in our water lines. Also, we modified the drain at the lowest point on brewery property to discharge to the municipal wastewater treatment plant instead of directly into the blue Pacific.

Since 2015, the California State Water Resources Control Board has certified that our facility activities meet its water quality requirements to the highest level attainable, which is "No Exposure." We have addressed and mitigated all potential brewery sources of "contaminants" (anything that isn't stormwater) from entering the stormwater system.

## OUR 2021 WATER USE VS. INDUSTRY BENCHMARK



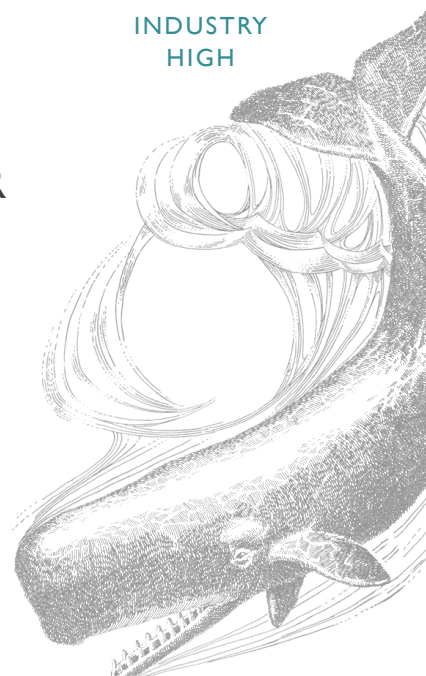
THIS IS US!

**4.62 GALLONS H<sub>2</sub>O/GALLON OF BEER**  
PACKAGED IN OUR FORT BRAGG BREWERY

That's a 4.35% reduction from 2020!

This number includes all aspects of beer production, including packaging and facility maintenance.

Source: Brewers Association 2018 Sustainability Benchmarking Report



## THIS BEER DOES MORE

North Coast Brewing Co. is just a stone's throw from the Pacific Ocean, home of the Steller sea lion. Just offshore, Northern Pacific gray whales pass by on their annual migration. Both of these species have seen hard times recently. The western population of Steller sea lions remains on the endangered species list while the migratory population of gray whales has been experiencing an unusual mortality event for the past three years. To make a difference, a portion of the proceeds from every bottle and keg of North Coast Steller IPA is earmarked for marine mammal research and rescue through donations to the North Coast Brewing Co. Marine Mammal Research Fund, in partnership with The Ocean Foundation.



UBC  
Marine  
Mammal  
Research  
Unit



The Marine  
Mammal Center



*A stormy day on our beautiful Mendocino Coast.*



# LAND

Beer production is often associated with stainless steel fermenters, the sweet, yeasty aroma of malt, and the two to four weeks it takes to produce a perfect batch. We also think about dirt.

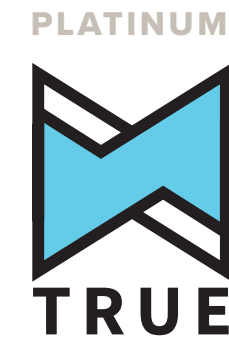
North Coast Brewing Co. has partnered with Fortunate Farms, an inter-generational family farm that grows heirloom vegetables and flowers a few miles away from where we brew our beer. In addition to feeding people nutrient-dense, organic food, Fortune Farms and NCBC work together to sequester carbon and build beautiful soil. Last year, 3 million pounds of our spent grain, yeast and hops were composted and turned into carbon-rich humus. This soil produces vegetables for our local community, including our pub.

We care so deeply about soil health that we've invested in a 20+ year Carbon Farm Plan. This perennial plan has a 20-year timeline because it takes a long time to pull carbon from the atmosphere into the soil - especially in cultivated agricultural land, which is depleted in food production. This long-term approach means the innovations we make now will be standard practice for the next generation.

Another method for repurposing brewery waste includes incorporating used cellulose filter pads to help critically endangered native grasses to make a comeback. They are a plant-based filter media that were used for final filtration of the beer. They can be applied as a type of weed cloth to suppress invasive plant species like gorse. When competition from non-native invasives is held in check, critically endangered native grasses can make a comeback.



Composting in progress. Fortunate Farms owner, Gowan Batist, aerating a windrow.



Waste Diversion – We maintained our TRUE Zero Waste Platinum certification. We divert 98% of all of our solid waste away from the landfill and/or incineration.



We also care for the soil by working with vendors that share our values. Some of our wearable beer gear is created by Farm Fresh Clothing. They source 100% organic cotton, which is better for the soil, the farmers, and surrounding wildlife. Plus, they are California-made.



All of our core beer brands are verified by the Non-GMO Project because we believe you have a right to know what's in your food.



## JOIN US!

Here are some simple ways you can sequester carbon and improve soil health in your home:

- Plant bee friendly, low-water grass alternatives
- Build your own compost station or use local compost service
- Buy local food



# AIR

Reducing emissions is part of a collective, global journey toward a more sustainable future. To do our part, we invest in technology that makes production more efficient.

In 2021, we installed a cool, new-to-us technology called a decanting centrifuge. This update will help us positively impact emissions by reducing energy consumption on a number of fronts.

The centrifuge will reduce post-fermentation tank residence time because we do not have to wait for the surplus yeast to completely settle to the bottom of the fermenter before filtration. This can save 0.3 kWh of electricity per barrel per day in refrigeration.

In addition to the reduction in refrigeration energy, the beer that is recovered from the surplus yeast is returned to the fermenter, giving us a greater yield for the same quantity of inputs. Finally, because we have recovered up to 50% of the beer that was normally disposed of with the yeast, we whittle down the number of trips to the farm to compost the yeast slurry. This reduces vehicle fuel consumption and exhaust emissions.



*The decanting centrifuge installed in 2021.*

Scope 1 and 2 emissions are calculated from our owned or controlled sources. At NCBC, that means the fuel used by company vehicles, heat for water, and the electricity we purchase to run operations.

SCOPE 1 - Company-wide use of propane, gasoline and diesel  
452.56 metric tons of CO<sub>2</sub>e

+  
SCOPE 2 - Company-wide use of purchased electricity  
561.3 metric tons of CO<sub>2</sub>e

TOTAL ESTIMATED CARBON FOOTPRINT  
1013.89 metric tons of CO<sub>2</sub>e

We used the GHG emissions calculator provided by the Bonneville Environmental Foundation.



## WHAT DOES IT TAKE TO MAKE A BARREL OF BEER?

1 BARREL = 31 GALLONS = 2 STANDARD KEGS = 330.67 12oz. BOTTLES



14.3 kWh ELECTRICITY  
VS. INDUSTRY MEDIAN 28 kWh\*  
(a 15.38% reduction from 2020)

Our solar array produced 13.8% of the energy used in our brewery

7.59 POUNDS CO<sub>2</sub>  
VS. INDUSTRY MEDIAN 8 POUNDS CO<sub>2</sub>\*  
(a 4.29% reduction from 2020)

1.58 GALLONS PROPANE  
(a 12.7% reduction from 2020)

ALL DATA INCLUDES THE PACKAGING PROCESS

\*Source: Brewers Association 2018 Sustainability Benchmarking Report



# PEOPLE

It takes a unique person to thrive on the Mendocino Coast. On the surface, our cool, rugged landscape gives a sense of remoteness to those who visit. But the proximity to this wild beauty is also why people love living in this resilient community. No one makes this more apparent than the people who work at North Coast Brewing Co.

Our employees are among the people who grew up here or moved here and fell in love. They come together to make something special at NCBC, which is important to the town and local economy, and they stick around. The average employee tenure at our brewery is more than nine years.

NCBC employees are loyal, in part, because of the commitment by management to treat their employees fairly and with respect. As part of our B Corp values, we are continually looking for ways to improve our employees work experience. To that end, we added another company holiday, Juneteenth, to our paid holiday list in 2021. We are also transparent about who owns >5% of the company (see Board of Directors below) which gives employees insight into who is making the decisions that affect their working lives.

## NCBC BOARD OF DIRECTORS



**MARK RUEDRICH**  
Founder | President



**DOUG MOODY**



**TOM ALLEN**

“We’re proud of the many accomplishments of our team throughout 2021, who continued to prioritize social and environmental responsibility and successfully carry out our commitments as a benefit corporation.” – Mark Ruedrich, Board President



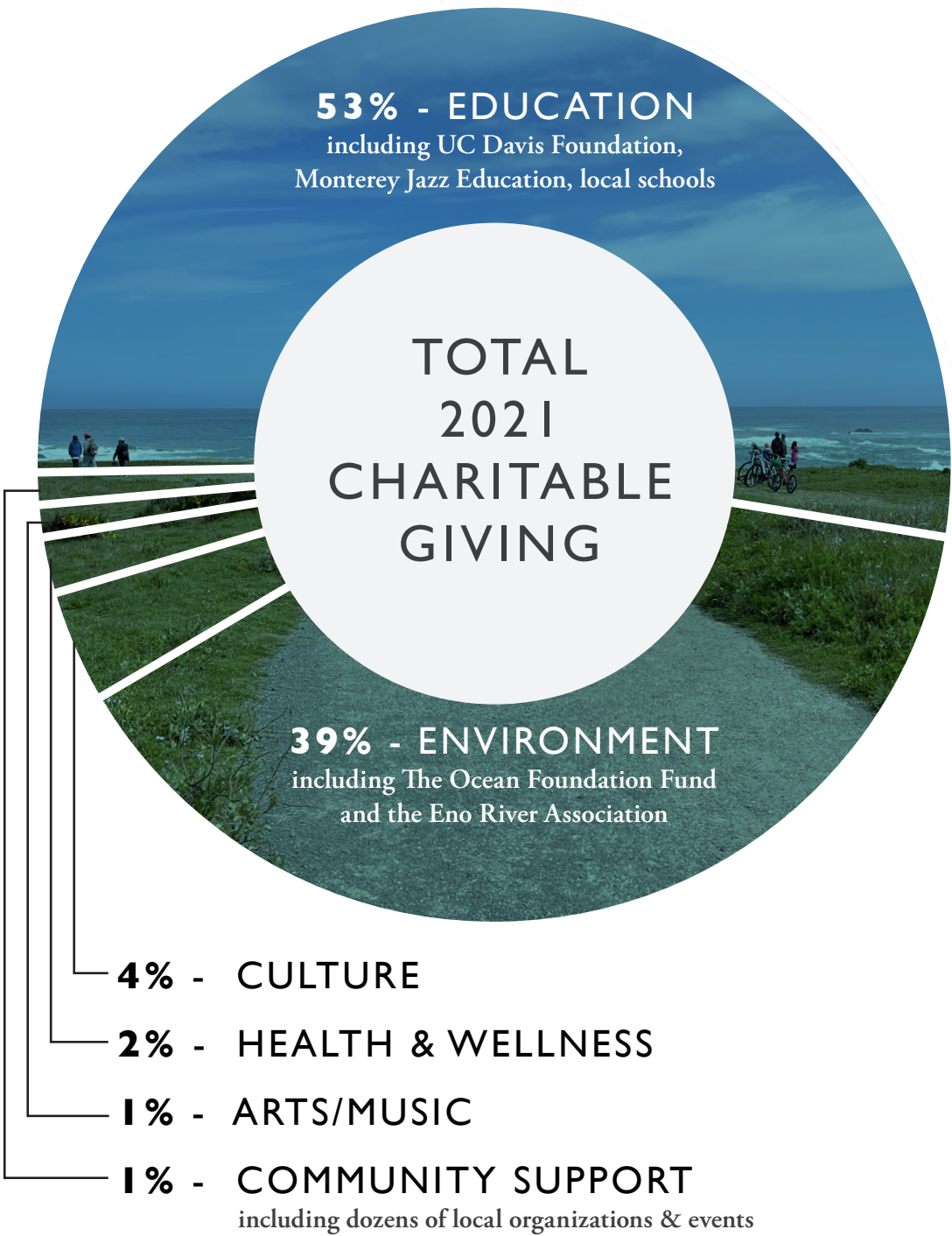
Top: North Coast Brewing Co. employees and family members clean the beach. Bottom left: Greater East Bay sales manager Bobby Favela supporting the Surfrider Foundation. Right: Director of Marketing Debra DeGraw donates her time as a Board Member for the Mendocino Coast Humane Society.





# COMMUNITY

In addition to decreasing emissions, working with great vendors, taking care of the environment and our people, we give in more traditional ways, too. More than 20% of our profits are invested back into the community every year.



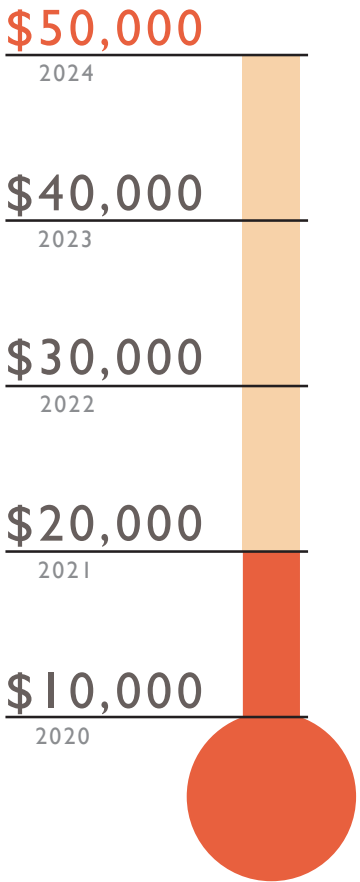
NCBC leadership continued its contributions to the Mark E. Ruedrich North Coast Brewing Diversity Scholarship endowment at the University of California – Davis’ Master Brewer program. The \$50,000 endowment was designed to be fully funded by NCBC over a five-year period (2020-2024). While waiting for the endowment to fully fund, UC Davis raised money to pay for one seat in the program in 2021. We joined with them to help promote this endeavor, and many of our employees participated with personal donations.

- In making this gift, we are providing student support based on the following criteria:
- Demonstrated commitment to diversity in the field of brewing.
  - Demonstrated experience and / or understanding of the barriers traditionally faced by Black, Indigenous and / or People of Color in the field of brewing.
  - Demonstrated potential for leadership in promoting cross-cultural understanding in the field of brewing.



Students getting hands-on experience in the UC Davis Master Brewer program. (Photo courtesy of the UC Davis Master Brewer program)

## ENDOWMENT FUND PROGRESS



**JOIN THE MOVEMENT!**

UC Davis is also fundraising to get this endowment funded sooner than 2024.

To contribute, visit <https://give.ucdavis.edu/UNEX/124687>





Our Brewmasters and Head Brewer raising a glass celebrating Le Merle's Gold Medal from the European Beer Star 2021 competition. Cheers to Le Merle!

**THANK YOU!**  
[northcoastbrewing.com](http://northcoastbrewing.com)

