



SUSTAINABILITY REPORT



2024



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“Over the last 30 years, we have built an organic farming and food system in our community. Straus Family Creamery is an essential part of this local food system, making high quality organic dairy products for local residents and organic consumers around the country. Together with our dairy farming network, we are also serving as a global example of on-farm environmental stewardship and climate positive practices. In this next era of our business, we aim to advance our carbon-neutral farming model and create resilience in organic dairy farming operations as we identify and support the next generation of organic dairy farmers.”

*- Albert Staus
Founder & Executive Board Chair*





INTRODUCTION

**As Straus Family Creamery enters a new era,
our purpose is more essential than ever.**

In 2021, Straus Family Creamery decided to continue growing our positive impact by building a new dairy manufacturing facility in the heart of our San Francisco North Bay regional milkshed. For 27 years, Straus Family Creamery manufactured products at our original creamery in rural West Marin. For the last three years, we've produced organic products at our new creamery in the City of Rohnert Park in Sonoma County. This new creamery was designed and built to enable Straus Family Creamery to grow its mission impact, and milk supply, for decades to come. The new creamery is located closer to the neighborhoods where the vast majority of our workforce lives, along the Sonoma County Highway 101 corridor, creating greater work-life balance opportunities for employees. As we continue to grow our local network of dairy farm suppliers, we protect the future of organic farming and food production in our community. In the last year alone, we've contracted milk from three additional local organic dairy farms.

At Straus, we continue to pursue sustainable impact at every turn. Despite being a relatively small organic dairy company, we believe that through leadership, education, and solution-sharing we can have an outsized contribution to a sustainable and climate positive future in the global food economy. Over the last three years, we have overcome immense challenges in building a new production facility and navigating through an unprecedented organic animal feed crisis. This report describes the outcomes of that work and highlights our unwavering support for organic dairy farmers.



MISSION

To sustain family farms in Marin and Sonoma Counties by providing high quality, minimally processed organic dairy products.

To support family farming and revitalize rural communities everywhere through advocacy and education.

Straus Family Creamery's mission-related work has been critical over the past three years. In the fall of 2022, Straus management realized that the organic dairy farming sector both nationally and in California, in particular, was entering into a period of immense economic hardship. Drought, flooding, and international trade challenges resulted in major on-farm cost increases (20%+) for animal feed. This challenge was exacerbated by rapid inflation of energy and farm services costs. As a result, organic dairy farmers faced cost of production rates that were unsustainable. In California, the cost of production for organic milk increased above \$42 per hundred pounds of milk (CWT), while the national pay price average was almost \$10 below that figure at \$31.41/CWT. During 2022 and 2023, the average California organic dairy farm lost around \$500,000 and over 10% of California's organic dairy farms went out of business. The crisis was tremendous and tragic.

In response, Straus Family Creamery led the local organic market in raising pay prices to its network farms by 8%. We also formed regional and national organic dairy coalitions to advocate for emergency relief funds from state and federal governments. Our efforts were successful. In partnership with other brands and organic dairy allies, we helped the USDA bring forward a \$100 million organic dairy relief package to help save organic dairy farms across the U.S. In 2024, as we slowly come out of this difficult economic period we are proud that our efforts helped keep organic dairy farms in business for a better and more sustainable future.

Our Local Dairy Supplier Network

13 FAMILY FARMS

Number of local family farms that directly supply Straus Family Creamery.

275 COWS

Average milking herd size.

8,892 ORGANIC ACRES

Total certified organic acreage stewarded by network dairy farmers.

20 MILES

Average distance from farms to creamery.

30 YEARS

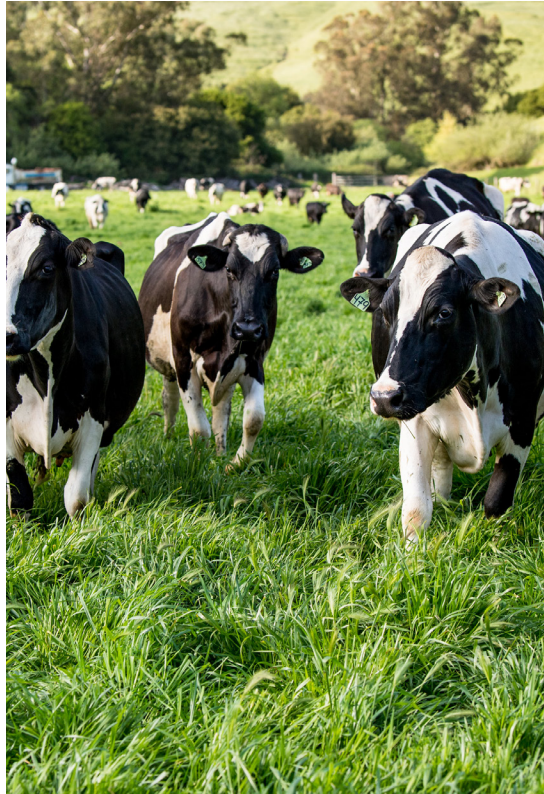
Time that Straus Family Creamery has been in business to support local, organic farming.

1 MILKSHED

All milk supply is from the Northern SF Bay Area Region.

Organic Dairy Farmers are at the Center of Our Mission

Straus Family Creamery is a California benefit corp., a business structure that makes us legally accountable for upholding our mission. For us, that means building collaborative relationships with our partner farmers and paying them a milk price that reflects the true cost of production for high-quality, organic milk. In 2023, we paid our network farms an average of \$35.87/CWT for organic milk, compared to a 2021 national organic pay price average of \$31.41/CWT (USDA NASS). The 2023 12-month average mailbox pay price for our network farms (government indemnity payments included) was \$38.61/CWT.





OPERATIONS

Building a new dairy food manufacturing facility to replace North America's first 100% certified organic creamery was a massive undertaking. In early 2021, Straus moved its entire dairy processing operation from rural West Marin to the City of Rohnert Park over a 60-day period. This 25-mile journey represented the greatest investment in Straus Family Creamery's 30-year history. The new creamery is capable of doubling or tripling the production capacity of our original creamery. This new production capacity has and will enable Straus to partner with more local organic dairy farms. This major project, however; came with unexpected challenges and exciting benefits from a sustainability perspective.

Straus' overall and relative climate emissions have decreased since 2020 due to increased efficiencies of the new creamery's equipment and processes. Furthermore, diesel trucking emissions have decreased because our new creamery is more centrally located to our network of dairy farms. In the future, transitioning to an electric milk trucking fleet will enable a significant decrease in climate emissions from diesel fuel. Also, moving toward a more electrified steam-generating system, away from natural gas steam generation, will significantly decrease climate emissions more than any other climate project. Electric heat pump technology and heat recovery equipment will enable future climate innovation in this space. For now, we wait for nascent technology to further develop and costs to further decrease before pursuing these exciting opportunities.

The immense challenge of maintaining product quality standards in our new processing facility sidelined key sustainability initiatives for a short period. In the next two years, we intend to reintroduce a water efficiency program and TRUE zero-waste management standards at our creamery in Rohnert Park.

Operational Environmental Impacts



MILK PROCESSED +10% since moving from old creamery

2023		2020	
61,744,670 lbs	7,179,613 gal	56,032,656 lbs	6,515,425 gal

WATER +109% (per gal processed) since moving from old creamery

2023		2020	
per CWT milk		per CWT milk	
23,721,146 gal	38 gal	10,306,736 gal	18 gal

NATURAL GAS +3% over 2022 (per milk gallon processed)

2023		GHGs	
per CWT milk			
200,368 thrm	0.33 thrm	1,062 MT CO _{2e}	

ELECTRICITY +2% over 2022 (per milk gallon processed)

2023		GHGs	
per CWT milk			
3,776,009 kWh	6.1 kWh	192 MT CO _{2e}	

VEHICLE FUEL +3% over 2022 (per milk gallon processed)

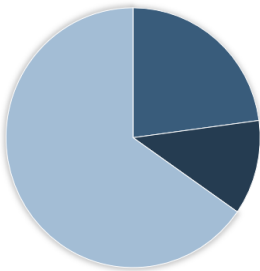
2023		GHGs	
per CWT milk			
36,313 gal	0.06 gal	372 MT CO _{2e}	

GHG EMISSIONS -15% since moving from old creamery

2023		2020	
per gal processed		per gal processed	
1,626 MT CO _{2e}	0.5 lbs CO _{2e}	1,727 MT CO _{2e}	0.59 lbs CO _{2e}

Measured operational environmental impacts are from Straus Family Creamery's direct operations at our creamery, warehouse, offices, and milk trucking fleet. In future years, we will track refrigerant emissions to better understand our full operational scope 1 & 2 climate impact. Milk processing has increased by 10% since moving from our West Marin-based creamery. While operational climate impacts have decreased by 15% due to newfound operating efficiency, our water consumption has increased by over 100% due to increased equipment and processing complexity at our new creamery.

Scope 1 & 2 GHG Emissions



■ Vehicle Fuels ■ Electricity ■ Natural Gas



PEOPLE

At Straus Family Creamery, we believe that people are our most valuable resource. Emerging from the global pandemic as an essential food manufacturing business brought us a newfound appreciation for our workforce. In this new era of hybrid schedules, our management team has sought to grow the collaborative culture that has defined work life at Straus Family Creamery for decades by instituting Monday and Wednesday collaboration days in our corporate offices. We've also made decisions to increase the accessibility of our delicious organic dairy products for all Straus employees. Access to healthy and quality organic food is essential at Straus and we're pleased to provide both free and low-cost products to our 138 amazing employees.

One major benefit of our new creamery is a safer working environment for our operations staff. Our new processing facility has much more space to ensure safe operations. In 2023, our recordable incident rate was less than 50% of the historical incident rate at our former creamery and also well below the industry standard for dairy manufacturing. The safer confines of our new creamery are further reinforced by our full-time Safety Manager, who ensures proper training and compliance to help keep our workforce safe and healthy.

Prioritizing communication and all-staff experiences has been a critical objective for Straus management as we've navigated out of the pandemic, moved into a new manufacturing facility, added a Board of Directors, and witnessed the retirement of long-standing executive leaders. To ensure that 'togetherness' remained a key part of Straus culture we've held bi-monthly town hall meetings, prioritized semi-annual all-staff outdoor celebrations, and even reinstated the employee-favorite family bowling night!

Supporting Our Workforce



HEALTH + WELLNESS
Fully sponsored healthcare and dental insurance for all employees.

FINANCIAL STABILITY
401k with employer match up to 4% and HoneyBee Financial budget coaching and 0% micro-loans.



2023 SAFETY RECORD
37 total incidents and 1 incident per 8,805 hours worked.

2023 Workforce Statistics

GENDER | All Employees |
 65% Male
 35% Female

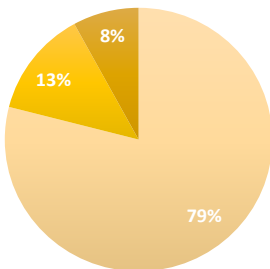
GENDER | Management |
 67% Male
 33% Female

ETHNICITY | All Employees
 77% Latino
 17% White
 4% Asian
 2% Black

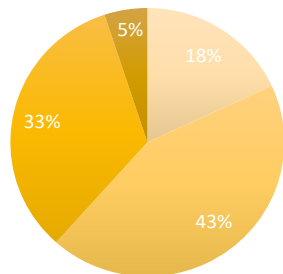
ETHNICITY | Management
 43% Latino
 43% White
 14% Asian

138

Total Number of Employees Working at Straus Family Creamery in 2023.



- Operations
- Sales & Marketing
- Finance, Admin, Management



- Gen Z
- Gen X
- Millennial
- Baby Boomer



SOURCING

At Straus Family Creamery, we take pride in sourcing organic milk from local family farmers. We also rely on complex, global supply chains to procure the other ingredients and packaging materials used to make our products. We rely on two guiding strategies, the Sustainable Sourcing Framework, and the Sustainable Packaging Roadmap, to guide our sourcing strategy so that we remain focused on reducing the social and environmental impacts of our supply chain. As possible, we seek to create beneficial outcomes through our procurement decisions and partnerships.

We are pleased that all of our ingredient suppliers have signed the ingredient sourcing ethics agreement. Furthermore, our suppliers of ethically high-risk ingredients have also completed our commodity-specific survey which helps us understand the sustainability risks and opportunities for our sourced ingredients. This work is critical for developing sustainable partnerships with suppliers that help drive social and environmental improvements for agricultural workers around the world. Toward that end, we will pursue an increase of fair trade certification for high-risk commodity ingredients over the next five years.

The Sustainable Packaging Roadmap evaluates the environmental footprint of Straus Family Creamery's packaging using a lifecycle approach. The Roadmap identifies viable improvements to help Straus Family Creamery reach our ultimate goal of eliminating petroleum-based plastic from our packaging and supporting systemic change to reduce the food industry's dependence on these materials. As our packaging providers increasingly innovate with new sustainable materials, we are confident that our vision for a truly circular material economy can be realized soon and we hope to be a driving force behind that change.

Building a Sustainable Supply Chain



INGREDIENTS

- 36** Ingredients used to make Straus Family Creamery products.
- 99%** Percentage of ingredients (by weight) that are certified USDA organic and non-GMO.*
- 5** Core ingredients we use the most: milk, sugar, cocoa, vanilla, and eggs.
- 21** Straus ingredient suppliers that signed our Sustainable Sourcing

*Some ingredients, such as salt, are ineligible for organic

Sustainable Sourcing Framework

Now in its 4th year of existence, the sustainable sourcing ingredient framework continues to guide our strategy for driving positive food system transformation beyond just dairy farming. From sugar, to vanilla, to cocoa powder, we know that our purchasing standards and decisions truly matter for farmers, harvesters, and consumers.

***1.5 MILLION lbs**

***the weight of non-dairy organic ingredients purchased by Straus Family Creamery in 2023.**



PACKAGING

- 3.2 million** Total pounds of packaging material purchased in 2023.
- 82%** Disposable packaging materials recyclable or compostable in SF Bay Area region of California.
- 2.7 million** Glass bottles returned for reuse by Straus customers last year.
- 69%** Overall bottle return rate for Straus glass bottles in 2023.



CLIMATE

Dairy farming has an outsized impact on climate change because cows are ruminant animals that naturally produce methane, a potent greenhouse gas. Although cows are part of the climate challenge, they are also an important part of the solution. Straus Family Creamery has a bold plan to make organic dairy farming carbon-neutral. (Yes, it's possible!) We collaborate with Albert Straus' dairy farm to test innovative technologies and ideas that further strengthen our carbon-neutral model for organic dairy operations. A central tenet of this model is that any climate practice must be both ecologically sustainable and economically viable for family farms. To achieve this standard, the model integrates regenerative land management practices with innovative technologies for reducing greenhouse gas emissions. Our goal is to achieve carbon neutrality across our network of 13 dairy farms by 2030.

To measure our progress we are tracking the 10 critical measures that every network farm will need to implement to achieve this 2030 target. We're also using the Cool Farm Tool and custom carbon farm plans developed by Resource Conservation Districts to get a detailed analysis of each farm's climate emissions and reduction opportunities. We aim to ensure that every recommended on-farm climate practice will achieve a financial break-even or positive return on investment for our network of dairy farms.

In 2023, our new Dairy Sustainability Incentive Program paid out \$250,000 in incentives to our network of dairy farms for their active participation in carbon farm planning and regenerative practice implementation. Our incentive program's first year was a tremendous success!

A Climate Positive Dairy Model



The Solution Begins with Organic Agriculture

Organic, pasture-based dairy farming enhances water quality and biodiversity. The cycling of on-farm natural resources, especially composted manure, is a core organic practice that helps sequester carbon and create rich healthy soils.



Methane Biodigester & Renewable Electricity

The biodigester on the Straus Dairy Farm takes in manure from the barns and captures methane biogas from it to generate electricity. The biodigester reduces manure methane emissions by 90% and offsets the additional emissions from grid electricity. This electricity then powers electric tractors! Biodigesters or other forms of manure lagoon methane emissions reduction is essential to dairy farm climate action.



Seaweed Supplements to Suppress Enteric Emissions

Enteric methane emissions (cow burps) are a major source of greenhouse gases. The 2021 Blue Ocean Barns & the Straus Dairy Farm commercial trial supplemented the cows' diet with a specific red seaweed, dramatically reducing enteric emissions by up to 90%! We are currently helping influence FDA regulatory approval of this important climate solution.



Regenerative Carbon Farming Practices Enhance Soil Health

Carbon farming is a set of land management practices that builds healthy soil and sequesters atmospheric carbon. Today, 9 of our network farms have completed or are actively working on a carbon farm plan with ecological farming experts! We hope all network farms will have a plan by 2026.



Climate Action Farm Incentives to Influence Progress

We financially incentivize network dairy farmers to adopt practices that reduce greenhouse emissions and track their progress through our dairy sustainability program. We partner with farmers to co-create climate solutions that benefit the environment and the farm operation. We then open-source these solutions so all farms can learn from our example and help transform the dairy industry's climate impact.



IMPACT

Overall B Impact Score



Straus Family Creamery, Inc.

For Fiscal Year End Date: 31 Dec 2023

147.3



Governance

QUESTIONS ANSWERED 31/31 OVERALL SCORE 15.8



Mission & Engagement

SCORE 2.5/4



Ethics & Transparency

SCORE 3.2/6



Mission Locked - Impact Business Model

SCORE 10.0/10



VIEW



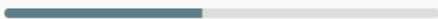
Workers

QUESTIONS ANSWERED 55/55 OVERALL SCORE 23.9



Financial Security

SCORE 7.6/17



Health, Wellness, & Safety

SCORE 7.6/10



Career Development

SCORE 2.3/3.5



Career Development (Hourly)

SCORE 0.7/1.5



Engagement & Satisfaction

SCORE 2.9/5



Engagement & Satisfaction (Hourly)

SCORE 1.4/3



MEASURING FOR ACCOUNTABILITY

Maintaining Integrity to our Mission and Sustainability Goals

We measure sustainability performance and progress with the B Impact Assessment tool. We use this tool to identify new opportunities to improve our sustainable business management approach. We share these results with key stakeholders and board members to drive a culture of continuous sustainable improvement through action and accountability.



Community

QUESTIONS ANSWERED 60/60 OVERALL SCORE 23.8



Diversity, Equity, & Inclusion SCORE 5.1/10



Economic Impact SCORE 3.9/10



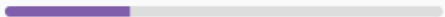
Civic Engagement & Giving SCORE 2.1/8



Supply Chain Management SCORE 1.9/12



Local Economic Development - Impact Business Model SCORE 8.5/30



[VIEW](#)



Environment

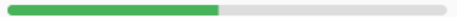
QUESTIONS ANSWERED 106/106 OVERALL SCORE 80.4



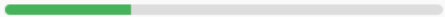
Environmental Management SCORE 6.1/10



Air & Climate SCORE 7.2/15



Water SCORE 2.2/8



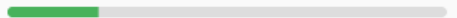
Land & Life SCORE 5.7/12



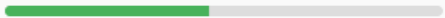
Environmentally Innovative Manufacturing Process - Impact Business Model SCORE 23.9/30



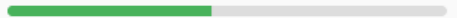
Resource Conservation - Impact Business Model SCORE 6.2/30



Land/wildlife Conservation - Impact Business Model SCORE 13.9/30



Toxin Reduction / Remediation - Impact Business Model SCORE 13.9/30



[VIEW](#)



Customers

QUESTIONS ANSWERED 11/11 OVERALL SCORE 3.3



Customer Stewardship SCORE 3.3/5





strausfamilycreamery.com

