



Benefit Corporation Annual Report **2020**

FROM
MAINE,
WITH
LOVE.



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Allagash.com
@allagashbrewing

A NOTE FROM ROB

This past year, we began to fully embrace a mindset within our brewery: “from Maine, with love.” To us, it encapsulates who we are, and what we strive to do. It says that no matter the circumstances, we’re here to support our employees, enrich our community, care for our environment, and continue to brew high-quality beer.

COVID-19 not only tested our dedication to those principles, it gave us the space and the urgent need for us to redefine what our brewery could, and should, be. To put that “need for change” into concrete terms, our brewery also lost around 70% of our volume overnight, with the necessary shut-down of bars and restaurants across the country. Like all other businesses, we had to adapt.

Our first order of business was to reconfigure our entire brewery to keep all of our employees healthy. All employees who could work from home did; a COVID-19 task force was put in place to craft new policies like mask reimbursements, workspace reconfiguration, and a robust contact tracing program, to make sure brewery-based employees could work as safely as possible. For customers, we launched a touchless beer pickup and delivery service to the Portland area through “Allagash on the Fly,” which offered curbside pickup, walk-up, and finally a Drive-Thru service for the long Maine winter.

Beyond their physical health, we wanted to support our employees' mental health during this difficult time. So our HR department created a partnership with WellSpace, a local provider of mental health and wellness services, to combat the pressures that COVID-19, isolation, and parenting added to the difficulty of everyday life. Our connection with WellSpace reserves 10 hours of treatment each week exclusively for Allagash employees, paid for by Allagash. To further alleviate feelings of isolation, our team also created the “Get to Know a Coworker” program. Each week, participating employees are paired up randomly for a half-hour virtual conversation—fully paid by Allagash. By the end of 2020, our employees spent over 1,000 hours getting to know each other.

The result of all of our efforts is something we couldn't be more proud of. We didn't have to lay off or furlough any of our employees. We pivoted our business to focus on packaged beer, and released more Allagash beers in cans and bottles than any other year in our history. And through all that, we maintained our promise of giving back 1% of our revenues to local organizations. On the next page, you'll find a breakdown of all of the innovative ways our staff upheld our pledge of support to our community.

While 2020 tested us as people and as a company, I couldn't be more proud of what we were able to accomplish. And, I am feeling incredibly excited for what the future holds for our brewery.

Sincerely,

Rob

Founder & Brewer - Allagash Brewing Company



OVERVIEW OF GIVING BACK IN 2020

10,000 CANS	of beer donated to first responders in April of 2020.	300 BARRELS	Number of oak barrels we sold to local Allagash fans in October, 2020.
21,173 GALLONS	of beer, during the early days of the pandemic, that we donated to local distillers to be made into hospital-grade hand sanitizer.	\$6,625	Amount of money from those barrel sales that we donated to our local elementary school to help them purchase huggable stuffed tigers (to help children with social distancing) and laptops.
7000 CARTONS	Number of cardboard cartons we donated to Falmouth Food Pantry for storing food.	FOURTEEN ORGANIZATIONS	Number of different organizations we supported during our “25 Days of Giving” event—commemorating our 25th anniversary as a brewery—in June.
100 HOURS	Approximate number of hours our staff spent helping to pack food into those cartons.	\$8,754	Amount of money raised for local nonprofits during our 25 days of Giving.
19,240 POUNDS	of local fruit we used for brewing in 2020.	\$200	Dollar amount of philanthropic giving that Allagash offers as a yearly match for every employee.
824 HOURS	Total number of volunteer time off hours our staff used in 2020.	\$310,000	Full dollar amount that we were able to give back to our community during all of 2020.

OUR VALUES

Our core values define how we act today and the plans we make for the future. We defined these six values early on in our brewery’s existence, and look to them often. During the COVID-19 pandemic, hewing close to these values proved to be more important than ever.

- **INNOVATION**
Continually pushing the limits of beer and ourselves.
- **QUALITY**
Never compromising the quality of our craft.
- **GROWTH**
Growing responsibly as a company and as individuals.
- **FAMILY**
Creating a fun, supportive, and collaborative environment for all.
- **PASSION**
Loving beer and doing what we love.
- **CARING**
Being an environmentally and socially responsible community member.





GOVERNANCE

We're an independent, family-owned brewery. Across our operations, we want our health as a company, and the key decisions we make, to be an open topic of conversation. As we've grown, Allagash has always been a place where all employees are encouraged to speak up with their perspective. That philosophy served us well in keeping our employees safe and healthy, mentally and physically, during 2020.

- Weekly updates from all departments on notable news around the brewery
- Increased our number of Virtual All-Staff meetings to five
- Six State of the Brewery messages from Rob, our founder, to keep employees informed

EMPLOYEES

This year more than ever, our commitment to our employees was at the foundation of how we managed to weather this pandemic. Below is a snapshot of a few of the ways that we honored our commitment to our employees.

WORKING TOGETHER

- During the pandemic, we did not lay off or furlough a single employee. We managed this with the help of a complete budget reorganization, a PPP loan, and decisive action by our leadership team to rethink how we brought beer to our fans.



- We partnered with WellSpace, a local organization focused on mental health, to provide employees with individual consultations, free of charge.



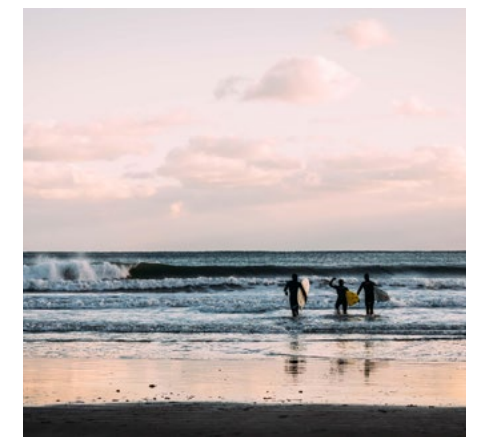
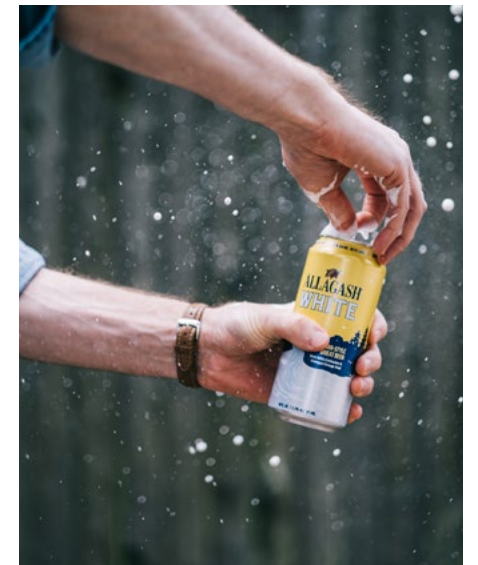
- We offer 2 surfboards, 1 canoe, snow shoes, wet suits, and more, in our Gear Library, helping our employees stay active in a safe way.



- Any employee can propose a beer idea for our pilot system—which could (and many times has) then gone on to become a widely distributed Allagash beer.



- Our fitness center is free and open 24/7 to all employees.



COMMUNITY

We owe much of our success to our community, who has supported us from the beginning. And during this difficult year, we knew that we had to continue supporting them. Through giving, purchasing local ingredients, and using our voice to support causes we believe in, we managed to remain a positive force in our community.



We donated a total of
\$18,000
to organizations working to promote racial equity and justice in our community.

We brewed our beer with
728,000 lbs
of Maine-grown grain in 2020. Despite a decline in total volume of beer brewed, we still made forward progress on our pledge to brew with 1 million pounds of Maine-grown grain, per year, by 2021.

In lieu of taking tips, our Tasting Room staff directed over
\$34,580
of our guests generosity to nonprofits in 2020.



ENVIRONMENT

We rely on our environment for the ingredients in our beer, the future of our livelihood, and the quality of life on our planet. Needless to say, we take the importance of environmental stewardship seriously. And we're constantly working to lessen the environmental impact of our brewing operation. Here are just a few of the ways that we're working to lessen our impact on the planet.

99.8%
We're able to divert 99.8% of our brewery waste from the landfill

3.8
We use 3.8 gallons of water per gallon of beer produced, which is half of the industry average

\$10,000
For every barrel of beer we brew, we're donating ten cents to Sebago Clean Waters, a local organization dedicated to protecting the Sebago Lake Watershed. In 2020, that equaled \$10,000.

CO-OP

We took the first steps in founding and coordinating a Recycling Co-Op among local breweries to accumulate and properly recycle hard-to-recycle brewing-specific items like grain bags, PakTech carriers, shrink wrap, caps, corks, and cardboard.



We're a founding member of the Glass Recycling Coalition—dedicated to creating systems for the proper recycling of glass bottles.

2,500
As a PakTach carrier pickup location we helped to recycle over **2,500 pounds** of carriers in 2020.

WHAT'S NEXT

In 2020, we proved to ourselves that, despite adverse circumstances, we could not only adapt, but thrive. The hard decisions and harder work we completed during the past year has shown us that even a global pandemic can't stop us from being one of the best employers, a leader in recycling initiatives, a reliable producer for our customers, and a resource for all other breweries looking to follow suit. We sincerely thank you for taking the time to learn more about what we're doing here at our brewery up in Portland, Maine.

Sincerely,
Your friends at Allagash

If you have any questions about how we do business, or would like to help us become a better company, please contact us using the info below.

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To see what we're up to, follow us on Instagram, Facebook, and Twitter
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