

Benefit Corporation Annual Report **2021**



FROM
MAINE,
WITH
LOVE.





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Allagash.com
@allagashbrewing

A NOTE FROM ROB

This past year has reaffirmed a core principle here at Allagash: the necessity and benefits of being dedicated to the wellbeing of our employees. Through our carefully considered pay structure, expansive paid time off programs, flexible work schedules, physical and mental health coverage, and all of the perks we provide, we strive to ensure that all of our employees enjoy a high quality of life. And that includes the knowledge that this job can help provide support and stability, despite these tumultuous times, so our employees can plan for the future: whether that's a vacation in the next month, or larger life decisions like starting a family. Sharing benefits like these equally across all full-time positions at the company has created a shared experience of working at Allagash, helping our entire staff feel more unified and aligned. And, from all evidence, this philosophy of support has been a success; once again our employees have voted us as one of Maine's Best Places to Work, and we're healthier than ever as a company.

We were also able to make big strides on the front of sustainability, by buying local. On December 1st, at around 9:30AM, we used our millionth pound of Maine-grown and -processed grain in 2021 alone. Back in 2016, when we made the pledge to brew with one million pounds of Maine grain, per year, by 2021, we were using around 65,000 lbs per year. The official end-of-year number for 2021, if you'd like to know, was 1,093,526 lbs. And we view this as a milestone, but by no means an end point. We're fired up to continue working with the farmer and maltster friends we've made here in Maine to keep that number growing.

Thanks to our continuing dedication to efficiency, we're now using around 3.1 gallons of water per gallon of beer, which is less than half of the industry average. We're also including our community in our recycling

efforts, thanks to our Recycling Co-Op. What started in 2020 with 7 participants, now includes about 20 groups like local breweries, beer stores, and even a local solar company. Working together, we collected 70 tons of bulk recyclables in 2021.

On the front of philanthropy, we donated over \$400,000 to local organizations and nonprofits in 2021. Add to that our tasting room donation program—where any money left by tasting room guests above their bill is donated to a local charity of the month—which generated another \$100,000.

We also took time to look inward. Over 2021, with a group of fifteen employees of various departments and tenures at the company, we revised our mission and core values. In essence, we wanted these values to achieve two goals. The first was to codify the unspoken values that we currently live and breathe. The second was to ensure that, as our company continues to grow, it does so thoughtfully, responsibly, and in a way that would make us proud to be a part of. You'll see those updated values on the next page.

I'll close by saying thanks so much to all of you, the folks who enjoy our beer. Thank you for continuing to share your stories of how our beer adds a little more brightness to your lives. Because we certainly never get tired of hearing about the joy we can bring to you, especially given the unpredictability of the time, and place, we're all living in.

Sincerely,

Rob

Founder & Brewer - Allagash Brewing Company



OUR MISSION AND CORE VALUES

This past year, we gathered a team of employees from throughout the company to reflect on and refresh our company's purpose and values. The process took around four and a half months, and included meetings, many iterations and drafts, sharing our progress with various departments and coworkers to get their feedback.

We invited everyone at the company to share their thoughts throughout the process. These values guide everything from the smallest to the most important decisions that we make as a company. And with this updating of the beliefs that form the basis of our mission, we're feeling excited to see what the future holds for us.

BREW WITH INTEGRITY, BUILD COMMUNITY

CARING	For our environment, our community and one another
GROWTH	Growing responsibly as a company and as individuals
QUALITY	Never compromising the quality of our craft
SAFETY	Creating an inclusive workplace that prioritizes the physical, emotional, and mental health of employees
INNOVATION	Stay curious and seek better ways to do things





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 transparent and open for conversation. We work to create an atmosphere where all employees are encouraged to speak up with their perspective, in the attempt to take full advantage of the diverse perspectives of the people we employ.

- Weekly, we send out a comprehensive internal email update from all departments on notable news around the brewery.
- In 2021 we held four virtual All-Staff meetings to update on the state of the brewery and future plans.
- Any employee is able to propose a new beer idea through our Pilot Beer system. In 2021 we brewed 97 beers from these submissions.
- We included fifteen employees in a group to update our purpose core values. We also asked the entire company for feedback at multiple points during the process.
- We offer ethical investment options for employee 401K investments including funds dedicated to environmental sustainability technologies and women's leadership.

EMPLOYEES

With the ongoing pandemic, we increased our emphasis on supporting our employees. Any employee regularly working twenty or more hours per week is eligible for our full suite of benefits, including: employer paid health, dental, disability, and life insurance; 401k matching; generous paid time off, paid COVID sick leave and child care leave (even after government benefits expired), parental leave, bereavement leave, holidays, and more; fully covered mental health benefits through our partnership with Wellspace; and a robust suite of perks and activities at the brewery.

- Many departments are now taking advantage of hybrid work models, both working from home and the brewery, to maximize our effectiveness and work-life balance.
- All employees serving customers in our tasting room are paid livable wages and full benefits year round—in lieu of a tipped model. Any money that guests kindly leave above and beyond their tabs, we direct to organizations that support our community.
- We renewed our partnership with Wellspace@Work, a local clinical practice with experienced mental health practitioners, to provide employees with confidential, timely counseling services at no cost to them.
- Our lowest starting wage is 18.00/hour, \$5/hr above city minimum wage and 5% above MIT Living Wage calculation for a single adult in Cumberland County.
- We hired a Safety Manager to oversee and continuously improve safety across the organization.
- To support our employees well-being, we have a complimentary 24/7 onsite gym; an outdoor “gear library” including surfboards, stand-up paddleboard, canoe, snow shoes, and more; and our Perks & Recreation team which plans events for staff like cross country skiing, birding, wreath making, chili cook-offs, and movie nights.
- We contributed over \$385,000 in matching funds to our employees’ 401(k), all of which vests immediately.



COMMUNITY

Beyond the money that we were able to give this year, we were able to deepen our relationships with local partners, nonprofits, and organizations that are making our community a better place.



In 2021, we achieved our goal of brewing with one million pounds of Maine-grown grain.
We ended the year at

1,093,526 lbs

Thanks to customers rounding up and leaving money above and beyond their tabs in our tasting room, we directed

\$107,813

of our guests' generosity to nonprofits in 2021.

We donated

\$400,000

to local non-profit organizations through our Allagash Philanthropy Program.

In collaboration with In Her Presence and Portland Adult Education—both organizations that serve immigrant communities here in Maine—we welcomed our first **two paid interns**, both of whom we ended up hiring full time.



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 impact of our brewing operation. Here are just a few of the ways that we've been able to reduce our environmental footprint.

99.8%

Thanks to recycling, sidestreaming, composting, and waste reduction programs, we're able to divert 99.8% of our brewery waste from the landfill.

3.1

We use 3.1 gallons of water per gallon of beer produced, which is half of the industry average—and is down from our previous low of 3.8 gallons.



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

CO-OP

Our Recycling Co-Op collects hard-to-recycle brewing-specific items like grain bags, PakTech carriers, shrink wrap, caps, corks, and cardboard. All told, with the help of the 20 groups that participate, we were able to recycle 70 tons of what would have otherwise been waste.

\$11,869

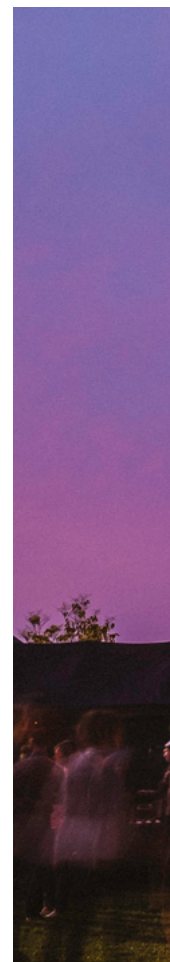
For every barrel of beer we brew, we're donating ten cents to Sebago Clean Waters, a local organization dedicated to protecting the Sebago Lake Watershed. In 2021, that equaled \$11,869.

EPR

We testified in favor of an EPR (extended producer responsibility) law for Maine, which ended up passing. Under this law, companies, like us, will pay into a fund based on the amount of packaging waste they produce; that money will then go to local municipalities to help them build out their recycling capabilities.

2021 BY THE NUMBERS

- 1,000,000** Pounds of Maine-grown grain we pledged to brew with, per year, by 2021.
- 65,000** Pounds of Maine-grown grain—in 2016 when we made the pledge—we were actually brewing with.
- 1,093,526** Pounds of Maine-grown grain we brewed with in 2021.
- DEC. 1ST** Date we hit the million-pound mark.
 - 1** Number of trumpet salutes one of our resident musicians, Oly, performed for the occasion.
 - 90** Number of R&D beer trials—to test different yeast, hops, and other brewing ingredients—we brewed this year.
 - 97** Number of pilot beers—which any brewery employee can submit an idea for—we brewed this year.
 - 104** Age of Cliff, an Allagash fan who celebrated his birthday drinking an Allagash White, in Allagash socks, in an Allagash chair.
 - 12** Number of pilot beers that we released to fans through our brewery-only From Maine, With Love series.
 - 12** Ounces of beer in a bottle of Allagash White.
 - 50** Ounces of beer in a bottle of From Maine, With Love #11.
- 16,635** Number of Bite into Maine's lobster rolls enjoyed by people visiting our brewery tasting room this past year.
- 10,618** Number of Bite into Maine's pretzels with beer cheese eaten by our guests this past year.
- 2,650** Pounds of beer cheese that equates to.
 - 1** Brewery of the Year awards we won, in our size category, at the Great American Beer Festival.
 - 20** Number of local businesses we're working with—through our Recycling Co-Op—to properly recycle items like PakTech carriers, plastic wrap, and cardboard.
- 112,800** Number of PakTech carriers we were able to properly recycle through our Co-Op and Tasting Room recycling program.
- 610** Number of Volunteer Time Off Hours taken by our 143 employees.
- \$34,580** Amount of money raised, through tasting room guests' generosity, for our tasting room charitable partners in 2020.
- \$107,812** Amount of money raised, through tasting room guests' generosity, for our tasting room charitable partners in 2021.





WHAT'S NEXT

Thanks to our new mission and values, we have a clear roadmap for what a successful future looks like. It means continuing to push our sustainability practices and reduce our impact on the environment. It means continuing to work closely with our philanthropic partners to make a positive impact in our community. It means continuing to use more Maine-grown grain in our beer. And it means continuing to show our employees how much we value them, their input into our beer-making process, and their ability to make our company better in so many ways. Thanks, as always, for enjoying our beer and allowing us to keep working toward being a better company every day.

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.

Email: info@allagash.com





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