



Sustainability Highlight Report 2024

# SEEDS OF INNOVATION, HARVESTING THE FUTURE

RESPONSIBILITY SPREADS WORLDWIDE



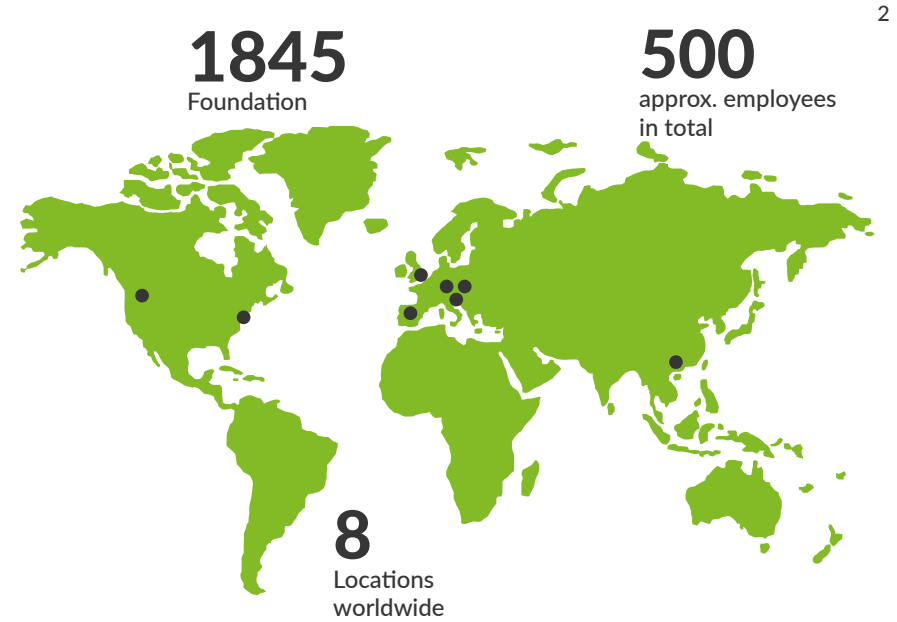
## FROM LOCAL ROOTS. TO GLOBAL REACH.

We are a family-owned hop legacy

The HOPSTEINER Group traces its roots back to Laupheim, where a small hop trading business was founded. Over the past 180 years, it has grown into one of the world's largest hop trading companies with its own hop yards and processing facilities. To serve the U.S. market, S. S. Steiner, Inc. was established in 1885 in New York. It became the central hub of the company, remaining its headquarters to this day. HOPSTEINER's continued success is built on the consistency and commitment of a sixth-generation family business. Today, the Group maintains a presence in all major hop-growing regions. Key producer countries include Germany, the United States, China, Czechia, and Slovenia. Simon H. Steiner, Hopfen, GmbH (SHS), is a wholly owned

subsidiary of S. S. Steiner Inc. and is based in Mainburg, Germany. From there, it manages marketing and processing activities in close coordination with its parent company.

SHS operates several affiliates across Europe: Hallertauer Hopfenveredelungsgesellschaft mbH (HHV, Mainburg), Hopsteiner España, S.A. (HSE, Spain), Žatec Hop Company a.s. (ZHC, Czechia), and Inbarco d.o.o. (INB, Slovenia). In Spain, regionally grown hops are processed into pellets and primarily marketed to local breweries. The subsidiaries in Czechia and Slovenia act solely as trading companies. This ensures high-quality sourcing, flawless processing, and proper storage of hops – efficiently and regionally.

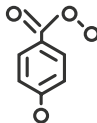


# NATURE'S BOLDEST INGREDIENT. HOP IS GREEN GOLD.

We constantly refine and develop hop products

Distributing our hop products to more than 140 countries, our international customer base ranges from global corporations to medium-sized and small businesses worldwide. It has always been our top priority to provide them with hops and innovative products of the highest quality. Our comprehensive portfolio primarily serves the brewing industry, where most of our customers are active. We offer three product groups for use in the brewhouse or downstream in beer production: Hops and Pellets (Leaf Hops, Pellets, Concentrates,

Special Pellets and Fractionates), Bittering Extracts (Kettle Extracts, Kettle Iso-Products and Downstream Extracts) and Flavoring Products (Isomerized Products and Fractionates). Beyond brewing, new fields of application have emerged in biotechnology, the food and feed industry, medicine, and cosmetics. Our innovations include several special hop oils and aroma extracts. They act as flavorings in the food and feed industry. We are committed to every customer, tailoring our solutions to their needs.



## SalvoPlus®

This pure, water-based liquid hop flavor is free from solvents and emulsifiers, containing only essential hop oils and beta acids derived from CO<sub>2</sub> hop extract. The product was specially developed for improved aroma application in both the hot side and cold side of the brewing process. Compared to pellets, SalvoPlus is particularly effective and delivers a significantly higher yield of hop aroma compounds. At the same time, beer losses are greatly reduced, since no plant material is introduced.



## LLZ™

Made from a proprietary blend of hop oils, the product captures a bright citrus-like flavor in a semi-clear, water-soluble addition that elevates any beverage experience. It features a lemon-lime flavor that is 100% hop-derived, with no vegetative material. LLZ™ can be applied effortlessly, in brewing and beyond.

## BUILT ON HERITAGE. DRIVEN BY INNOVATION.

We turn field into future

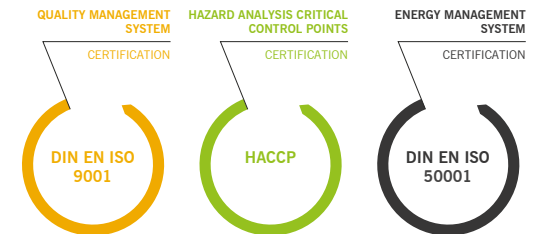
As we live and breathe hops, we also play a key role in their research and development. Two external factors considerably affect our business activities: climate change and legally imposed restrictions on pesticide use, which increase the risk of disease and pest damage. We counter these challenges by investing in research, expert advice on growing and crop protection, and our innovative plant breeding program. These new varieties cope with drought stress without significant yield losses. In addition, they show strong resistance – or at least good tolerance – to plant diseases and pests, requiring fewer pesticides and less water. Our goal is to innovate and create added value throughout the entire value chain.



### Nobella

The variety is a new aroma hop with a distinctive herbal-citrus profile. Nobella shows natural resistance to mildews as well as high yield potential and reliable alpha contents.

We take responsibility for the purity of our products and for their compliance with food safety regulations. By closely linking the preparation of raw materials and their processing, we guarantee products of the highest quality for our customers. Our quality management system encompasses the entire hop supply chain – from the hop growers through processing and storage to final delivery – ensuring traceability, sustainability, and consistent quality at every stage. We continually test for pesticide residues in line with our HACCP concept. Our refrigerated storage facilities for both raw hops and hop products effectively prevent quality degradation, ensuring product integrity throughout the supply chain. 100% of processed products undergo final analysis. The Proof is in the Pour™.





# SUSTAINABLY HOPPED. CULTIVATING TOMORROW.

We plant ESG aspects at every stage

As part of a leading global group in the hop industry, we are fully aware of the important role we play. The roots of sustainability at Hopsteiner run deep and are firmly embedded in our corporate culture. We ensure that the foundation of our business – the natural product hops – remains available in high quality for the long term. Therefore we breed, produce, trade, advise, and research entirely in the interest of sustainability. We believe that tradition and innovation are inextricably linked, and the future viability of our company rests on research. Our sustainability strategy is integrated into our processes and actions. It comprises our mission statement, key stakeholders, material topics, and defined

objectives. We have also developed a Code of Conduct that provides practical guidance for employees and suppliers. In doing so, we establish a consistent understanding of values in our actions, embedding responsible behavior across environmental, social, and governance (ESG) matters.

## VALUES

Our guiding principles reflect the values we stand for: being competent in the performance of our services, respectful in our communications, solution-oriented in our dealings with others, and reliable in our business activities.

## MISSION

We breed, refine and market hops. We supply high-quality hop products to customers all over the world. For our customers, growers, and suppliers, we are a reliable, long-term partner with specialist competences – from hop yards to beer.

## VISION

We are one of the world's leading hop traders and experts in hop aromas. The variety portfolio includes hops bred by us and ensures our ability to supply, even under changed climatic conditions. We continually develop our comprehensive selection of hop products further – with innovation, quality, passion, and a positive attitude.



# WHAT MATTERS MOST. THAT GUIDES US.

We focus on materiality in our sustainability engagement

Our sustainability team is led by members of the Executive Management, the Operational Manager of HHV, and the Head of Quality Management and Sustainability. The extended team consists of colleagues from all departments. It also includes representatives from the respective subsidiaries in Germany, Spain, Czechia, and Slovenia. They continuously provide and maintain the required data and information. Together, we are all aware that our decisions and actions affect others. These are our internal and external stakeholders, which include customers, employees, associations, banks, suppliers, shareholders, and legislators. We have identified their interests and addressed them with appropriate solutions. In this context, we examined both

Hopsteiner's direct material impacts and the indirect impacts along the supply chain on environmental, social, and governance (ESG) aspects (inside-out perspective). We assessed them by likelihood of occurrence, effect or severity, and expected time horizon. Then, the group determined financial materiality through a risk screening. From this outside-in perspective, we analyzed acute and chronic physical risks as well as transitional risks. We took into account financial damage or impact classes and probability of occurrence.

This consolidation allows us to focus our sustainability strategy on the key aspects while sharpening the information we report and communicate.



## ENVIRONMENTAL

- E1 Climate change 14.9
- E2 Pollution 17.5
- E3 Water and marine resources 15
- E4 Biodiversity and ecosystems 15
- E5 Resource use and circular economy 10.25



## SOCIAL

- S1 Own workforce 16.3
- S2 Workers in the value chain 13.5
- S4 Consumers and end-users 18.6



## GOVERNANCE

- G1 Business conduct 15.1

For all three dimensions, an Expected Damage Value (EDV) was calculated on a scale from 1 (minimum) to 25 (maximum), using a specialized software tool.

# SETTING GOALS. THAT DRIVE US.

We define targets for a sustainable future



## ENVIRONMENTAL

Objective	Contributes to	Deadline
Expanding growing areas using self-bred, climate-resilient, and more sustainable varieties	Climate change, Pollution, Water and marine resources, Biodiversity and ecosystems	2029
Reducing emissions in accordance with the EU Green Deal and the German Climate Protection Act	Climate change, Pollution, Biodiversity and ecosystems	2030
Identifying alternatives to short plastic ties used by some growers to secure training wires	Pollution	2027
Ensuring compliance with guidelines and established limits in the use of plant protection products	Pollution, Biodiversity and ecosystems	2025
Supporting the planning costs for a large-scale irrigation project in the Hallertau through our membership in the German Hop Industry Association (DHWV)	Water and marine resources	2030
Exploring more sustainable packaging materials	Resource use and circular economy	on-going

## SOCIAL

Objective	Contributes to	Deadline
Reducing work-related injuries / Preventing occupational illnesses	Own workforce	2027
Allocating dedicated funds to support the German hop industry's sustainability system managed by Hopfenring e.V.	Workers in the value chain	2027
Adhering to all applicable national and EU food regulations	Consumers and end-users	2025



We established sustainability goals with clear time horizons and specific measures. These binding objectives enhance our ability to effectively manage the material topics within our sustainability management.

## GOVERNANCE

Objective	Contributes to	Deadline
Decentralized management of customer communication data through the implementation of a Customer Relationship Management system in combination with a new Enterprise Resource Planning system	Business conduct	2025
Increasing digital contract closures in the grower portal	Business conduct	2030
No reports of suspected violations received through the whistleblower protection system	Business conduct	2025
Enhancing interaction and satisfaction through expanded networking in the grower portal	Business conduct	2030
No cases of non-compliance with laws and regulations or of corruption	Business conduct	2027

# FROM AWARENESS. TO ACCOUNTABILITY.



We recognize our impact and act accordingly

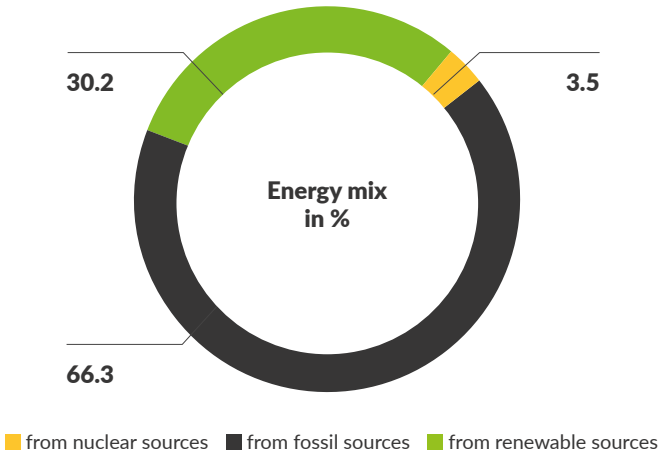
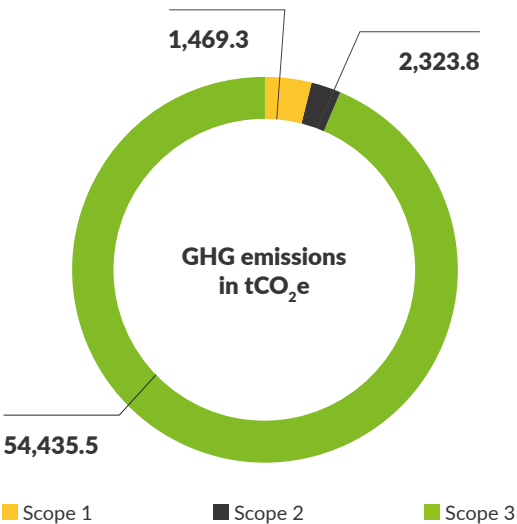
Our business model is heavily affected by climate change. Conversely, we are also committed to minimizing our own impact. To identify the main sources of greenhouse gas emissions, we calculated our Corporate Carbon Footprint (CCF). Product Carbon Footprints (PCFs) were also determined for Hopsteiner's product groups to quantify the associated emissions. At least 75% and up to 95% of them originate in the upstream value chain – nearly all from the raw material hops. As a result, there is a high dependence on developments in hop cultivation and the demand for specific varieties. The main challenges lie in energy-intensive production processes and the high cost of carbon-neutral energy sources. Thus, we aim to improve energy efficiency, utilize renewable

energy sources – for example, from photovoltaic systems and our own heating plant – and optimize our operational processes. Our HHV and HSE sites maintain certifications in energy management according to DIN EN ISO 50001. In addition, our Spanish subsidiary also operates an environmental management system in accordance with DIN EN ISO 14001. We support the Paris Agreement. The emission reduction strategy is aligned with the EU Green Deal and the German Federal Climate Change Act. While the overarching goal is to achieve climate neutrality by 2045, the milestone for 2030 is to cut GHG emissions in Scope 1 and 2 by 50% compared to the base year 2021. For Scope 3, targets will be set in the following year.

58,228.6



TOTAL  
EMISSIONS 2024  
IN METRIC TONS CO<sub>2</sub>e  
(LOCATION-BASED)





# PRESERVING NATURE. SUSTAINING BUSINESS.



We source responsibly, while thinking circularly

Our commitment to the environment not only contributes to climate protection, but also to various issues such as pollution, water, biodiversity and ecosystems, as well as to resource use and circular economy. Hopsteiner's business concept is based on responsible business practices, sustainable cultivation, and prudent use of resources. Due to the dependence on the natural product hops, we are in turn heavily reliant on various ecosystem services, including water supply, rainfall patterns, soil quality, and pollination. That's why we advocate careful selection and handling of raw materials and resources at every stage of our product processing. Our suppliers benefit from our climate-adapted hop varieties, which require less water and pesticide use, resulting in higher yields.

Moreover, we support them with intensive guidance on cultivation and plant protection, and engage in dialogue about precise irrigation management. Our company's water and energy consumption is determined by the harvest and the products in demand. We continuously optimize our utilization of auxiliary and operating materials through efficient production processes and work to further reduce their use. Our circular economy concept focuses on the increased application of secondary (recycled) resources and renewable materials in packaging and processing. In our facilities, we apply the hierarchy in line with the Waste Framework Directive (WFD) – prioritizing prevention, preparation for reuse, recycling, other forms of recovery, and disposal.



# 21,019 m<sup>3</sup>



TOTAL WATER  
CONSUMPTION

MORE THAN

# 3/4



RENEWABLE PACKAGING  
MATERIALS BY TOTAL WEIGHT

# 199.2



METRIC TONS TOTAL WEIGHT  
OF WASTE GENERATED

# VALUING EMPLOYEES. UPHOLDING RIGHTS.



We ensure safety to foster growth

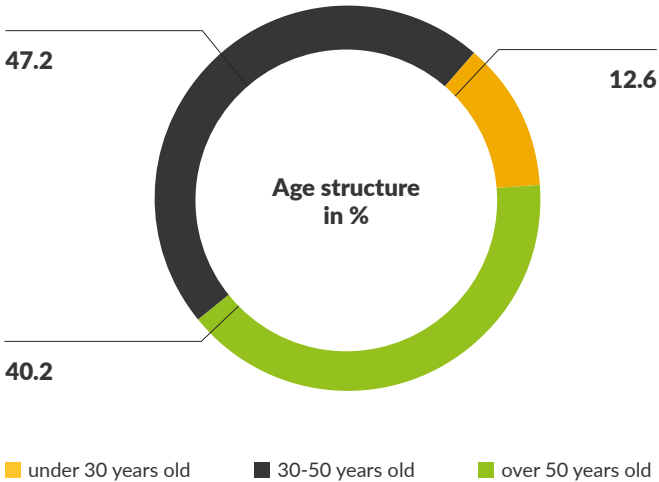
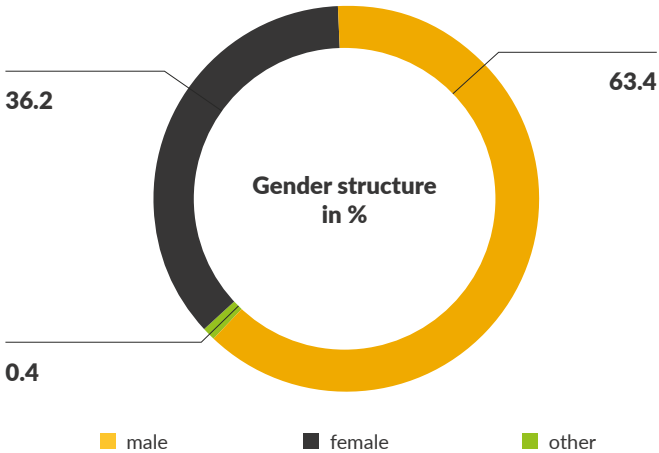
Our Code of Conduct applies to all activities along the value chain, regardless of location or stakeholder group. It is based on respect for employee rights, equal opportunity and treatment, and human rights. As an employer, we offer an appreciative, family-friendly environment, fair pay, requirement-oriented workspace design, and flexible working hours. Our company is notable for long tenure and low turnover. To achieve a smooth transition for experienced colleagues approaching retirement, we arrange for their successors to start learning alongside them at an early stage. Our workforce is actively involved in planning and developing business activities. Flat hierarchies and short, direct communication paths encourage the exchange of ideas. As our performance depends heavily

on their competence, we systematically provide additional qualifications and training opportunities for our employees. Safety is our primary concern in day-to-day operations. We therefore strictly adhere to legal standards for working conditions, working hours, and occupational health and safety. Designated employees are responsible for this area, supported by external advisors when needed. Various measures to minimize work-related injuries and ill health are grounded in thorough risk assessments. For the long-term well-being of our colleagues, we provide preventive medical check-ups by our company physician, ensure ergonomic workstations, and invest in easing processes. Information is shared through training sessions, bulletin boards, and direct instruction.

4



NUMBER OF RECORD-  
ABLE WORK-RELATED  
ACCIDENTS / INJURIES





# STRONG PARTNERSHIPS. PROSPERING TOGETHER.



We are committed to integrity in business conduct

Hopsteiner is firmly rooted in its communities as a major employer and supporter of the hop-growing regions in which it operates. We maintain close dialogue and ongoing contact with the socially relevant groups. To anchor our values, principles, standards, and norms of behavior, we established a mission statement and adapted our Code of Conduct. This applies equally to employees and suppliers. Naturally, we comply with applicable laws and guidelines. We have also set up an internal reporting tool for whistleblower protection in cases of suspected violations. Business activities across all areas are reviewed and evaluated for their relevance to responsible business conduct. This includes our procurement practices, production processes, marketing and sales activities, and

interactions with stakeholders. The purchasing of materials, auxiliary and operating supplies is carried out through providers that we validate within our quality management system. Sustainable hop cultivation is essential – economically, ecologically, and socially. Through our industry associations, we advocate for an agriculture-friendly political environment. We strive for long-term, stable partnerships with our growers, ensuring fair and timely compensation. Our grower portal provides a dedicated platform for exchange, including the option to conclude contracts digitally. To find collaborative solutions, even in challenging situations, we prioritize early and open communication. We always work hand in hand to serve our customers reliably.



0  
NO CASES, CONVICTIONS, OR FINES FOR  
VIOLATIONS OF ANTI-CORRUPTION AND  
ANTI-BRIBERY REGULATIONS



NO DIRECT INFLUENCE ON OR  
DONATIONS TO POLITICS



65  
PERCENT OF HOP FARMS IN  
GERMANY OPERATE SUSTAINABLY  
AND ARE AUDITED REGULARLY

This highlight report presents the most important information and figures from our 2024 sustainability report, prepared in accordance with the European Sustainability Reporting Standards (ESRS). The requirements were disclosed transparently, on a consolidated and voluntary basis, for Simon H. Steiner, Hopfen, GmbH and its subsidiaries Hallertauer Hopfenveredelungsgesellschaft mbH (HHV, Mainburg), Hopsteiner España, S.A. (HSE, Spain), Žatec Hop Company a.s. (ZHC, Czechia), and Inbarco d.o.o. (INB, Slovenia).

In doing so, we make our corporate responsibility visible across the areas of environment, social, and governance. The insights are presented either concisely or in detail, depending on stakeholder needs. Communication is a fundamental part of our self-image.



**LINK TO THE FULL ESRS  
SUSTAINABILITY REPORT**



**PUBLISHER**  
Simon H. Steiner, Hopfen, GmbH  
Auhofstraße 18  
84048 Mainburg  
Germany

Tel. +49 (0) 8751 8605-0  
info@hopsteiner.de  
www.hopsteiner.com

**CONCEPT, TEXT, AND DESIGN**  
HEINRICH GmbH - Communication Agency (GPRA)  
www.heinrich-kommunikation.de

**PHOTOS**  
Simon H. Steiner, Hopfen, GmbH  
Hallertauer Hopfenveredelungsgesellschaft mbH  
©Iaroslav Danylchenko - stock.adobe.com