

2017 CORPORATE RESPONSIBILITY REPORT

This report represents our third public sustainability report. The content of this report reflects operations associated with the production of hops, blueberries, apples and cherries from our fiscal year 2017; October 1, 2016 through September 30, 2017. The scope of this report is the internal operations of Roy Farms.

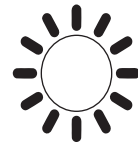
CONSUMPTION PER POUND OF PRODUCT.



ENERGY
9,692,313
JOULES



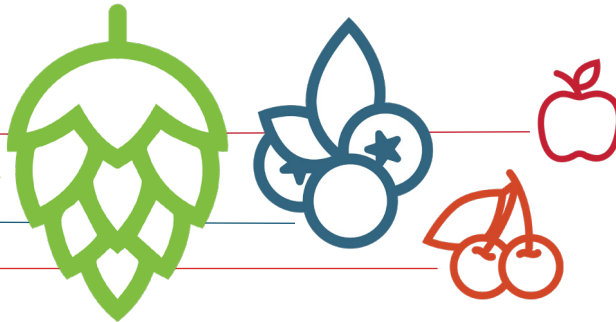
WATER
277 GAL



SOLAR
0.01 KWH

CONSUMPTION BY POUND OF PRODUCT PRODUCED.

51%
31%
18%
0.36%



1,053
PEAK
TEMPORARY
employees



397
employees
on average

586
PEAK TOTAL
employees

226
FULL TIME
employees

408 + MALE
178 + FEMALE
586 TOTAL

100%
employees
trained

100%

OF FARM
MANAGEMENT
IS FROM LOCAL
COMMUNITY

EMPLOYEES.

20 annual training
hours per employee

4 annual human rights
training hours per
employee

ratio of entry - level wage
to minimum wage...

\$ 12:13.38

DISCRIMINATION INCIDENTS.

1

All incidents are taken seriously at Roy Farms. We invest a tremendous amount of time developing and implementing employee welfare programs, which include training and two-way communication on discrimination and harassment.

Complaints are filed and appropriately dealt with internally and corrective actions are taken to prevent re-occurrences. This validates the effectiveness of our programs. This also gives employees confidence, and reassures that their voice is important and is being heard.

ANTI-CORRUPTION.

100% of operations assessed for corruption risks

CORRUPTION RISKS IDENTIFIED... **zero**

100% of governance body members, employees, business partners trained on anti-corruption policies

INCIDENTS OF CORRUPTION... **zero**

COMPLIANCE.

incidents on non-compliance with regulations resulting in a fine or penalty...

1

** Labor & Industries issued a fine for a missing belt guard.*

INCIDENTS OF NON-COMPLIANCE WITH REGULATIONS RESULTING IN A WARNING...

zero

incidents of non-compliance with voluntary codes...

less than 5%

PROCUREMENT.

90% of suppliers screened using environmental, labor and social criteria

ENERGY CONSUMPTION.

Roy Farms' generated 135,386 kWh of renewable solar energy in one year which is equivalent to:



THE EMISSIONS OF SWITCHING 3,372 INCANDESCENT LAMPS TO LEDS.

- non-renewable diesel fuel - **90,675.83 GAL**

- non-renewable propane fuel - **130,562.15 GAL**

- heating & cooling - (natural gas)

627,999 THERMS

Roy Farms' use of 60,579 gallons of gasoline is equivalent to:

THE EMISSIONS OF 7.1 TANKER TRUCKS' WORTH OF GASOLINE

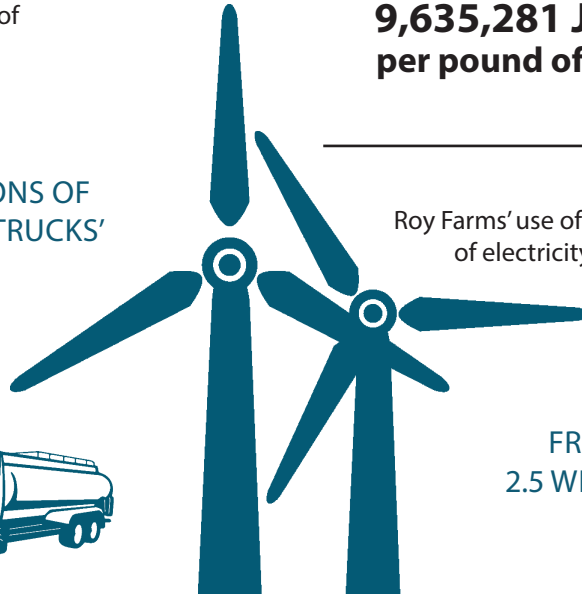


- total energy consumption - **146,022,683,503,000 JOULES**

- energy intensity - **9,635,281 JOULES per pound of product**

Roy Farms' use of 13,494,443 kWh of electricity is equivalent to:

THE ANNUAL EMISSIONS FROM RUNNING 2.5 WIND TURBINES FOR A YEAR



INTERVIEW WITH PRESIDENT.

As we reflect on what we accomplished, I also look to the future as Roy Farms continues its journey of reaching our highest potential. The goal of highest potential is not something we take lightly. We are actively permeating this philosophy throughout the organization. I believe it is important to be rooted in the present, while not resting on net-zero impact or just good enough. To me, potential encompasses, and even surpasses, the lexicon used

when discussing sustainability. Potential, as we define it, includes human potential, the potential of the planet, profitability, and then builds on these concepts. I want us to move the needle and not just be sustainable. This is what we strive for. In this, and in our upcoming reports, we will refine how Roy Farms measures potential and what we are doing to achieve it. Thanks for being a part of the conversation and the solution.



Michael Roy, President

GROWN BY **ROY FARMS**