



# Sokol Blosser

## 2021 IMPACT REPORT



Certified



Corporation



April 22, 2022

2021 was a big milestone year for us as it marked our 50th anniversary. 50 years! Wow! We have come so far, yet we still have so far to go.

Fifty years ago when my parents, Susan & Bill, planted our first grapevines, they thought of themselves as environmentalists, doing the right thing for the environment before the concept of sustainability became mainstream. Over the past 50 years though, as the definition of sustainability continued to evolve, their commitment, and thus my commitment, to it deepened.

Susan wrote our first Sustainability Report nearly 15 years ago that focused on our successes and setbacks related to our impact on the environment. Then, in 2014, we started including more than just our impact on the environment as our definition of sustainability expanded beyond just being good to the earth. We realized we needed to look at the entire impact we made in our community because the impact we make being a sustainable company and a good corporate citizen plays a critical role in how we measure our success at Sokol Blosser. Simply put: our ultimate success is using our business as a force for good across all aspects of people, planet and profit. Our long-term viability and success as a company is dependent on how we treat our staff and the community around us, how we care for the environment on a local and global scale, and running a profitable, well governed business. Running our business through these lenses aligns with our passion which is connecting people to each other through our story.

The way I talk about it with our team is that not only do we make good shit, but we truly do give a shit. So, after 50 years in business, I present to you our 2021 Impact Report which covers all the ways we care.

Sincerely,

*Alison*

Alison Sokol Blosser  
Second Generation Winegrower  
CEO & CO-President



## INTRODUCTION

We have developed goals in each of the three categories - people, planet and profit - that we will strive for and measure our progress each year. Some of these goals are long term pursuits, and we will slowly chip away at them over time and perhaps never reach them in our lifetime. The importance of the goal and measurement cannot be overlooked, as it aligns our business interests and daily activities toward becoming a better, more sustainable company in the long run.

As recognition of our commitment to making an impact and to provide a framework to do more, we became B Corp certified on April 15, 2015. We went through recertification in 2017 and improved our score by 32 points, increasing from 80 to 112 out of a possible 200 points. Then in our April 2021 recertification, we increased our score by another 22 percent compared to our prior recertification. In 2017, 2018 and 2019, Sokol Blosser was honored *Best for the World: Changemakers* list. This award honors positive impact and behavior change among Certified B Corporations, awarded to B Corps with the largest increase in score between initial certification and recertification. Additionally, we are a 3-time winner of the "*Best for The World: Environment*" recognition.

## PEOPLE

The first aspect of the triple bottom line is people. We support and encourage our employees as well as care for the community in which we do business. We have four primary goals in this area, which are listed below along with the results from 2019.

### Employee retention rates year-over-year

Considering that we are in the hospitality industry, where turnover rates tend to be exceptionally high, we felt that a better reference point for us is average employee tenure. 13% of our employees have been with the company for 10 or more years, 22% of employees have been with the company for five or more years and 26% of employees have been with the company for two or more years. Current staff within their first year of employment is 39% for the year ending 2021. Our goal is to increase tenure percentages every year for those who have been with the company more than two years.

### Offer a comprehensive and generous benefits program for employees

We continue to offer a comprehensive and generous benefits program that includes:

- 90% of premiums of our standard insurance plan with a \$1,500 deductible are paid by the company for medical, dental and vision.
- 80% of premiums of a buy up insurance plan with a \$500 deductible are paid by the company for medical, dental and vision.
- 100% of premiums are paid by the company for short-term disability and life insurance. A small premium for a long-term disability program is in place for all full-time employees.

- We offer enrollment in a 401(k) plan with a 4% match, which vests immediately.
- We offer generous paid time off, with hourly workers earning 13 days in their first year of employment and up to 28 days each year after six years of employment. Salaried workers participate in an unlimited PTO plan. In addition to PTO, we offer full-time employees 20 hours and part-time employees eight hours of paid time off to volunteer for a charity or school of their choosing. Currently, we offer seven paid holidays.

We also offer additional benefits, such as an employee allocation of free wine, discounted wine purchases, professional development programs, and fun staff events.

### **Support local charities**

Part of supporting our community is supporting non-profit organizations that help make our community a better place to live. In 2021, we gave a total value of \$40,749 through in-kind donations, cash donations, and certificates for VIP tastings. This was a 16% increase from our 2020 donations. Additionally, we offer our staff paid volunteer hours to support their favorite charities. Our staff volunteered 111 hours in 2021 and 54 hours in 2020, a 106% increase. We participated in Earth Day Oregon by donating 6% of net tasting room and online sales on April 22, 2021 to SOLVE and the Oregon Environmental Council.

We direct our charitable contributions to support the local community where our stakeholders live and work, and in 2021 we donated over 125 cases of wine. Charities and non-profit organizations supported through paid employee volunteer time, board of director service and/or in-kind and cash donations included:

- Yamhill Enrichment Society
- Yamhill Community Action Partnership (YCAP)
- Portland State University
- Women in Wine: Fermenting Change in Oregon
- Edison High School
- AHIVOY
- McMinnville Area Habitat for Humanity

- Dundee Hills Winegrowers Association
- Providence Children's Health Foundation
- Girls Inc.
- Feral Cat Coalition
- Harper's Playground
- Oregon Food Bank
- Marion Polk Food Share
- Virginia Garcia Memorial Health Center
- Chehalem Cultural Center
- Latino Network
- SOLVE
- Oregon Environmental Council
- And numerous other environmental, arts, and education charities



### Value and promote a diverse work environment

Annually, we conduct voluntary diversity surveys in order to track and report on the ethnic makeup of those employees who wish to disclose it. Our 2021 workforce was made up of 92% white (not Hispanic or Latino), 5% Hispanic or Latino, 4% Native Hawaiian or Pacific Islander and 4% two or more races. We know we do not have the most diverse workforce, and it is something we desire to change. In 2021, we started working on a DEI strategic plan to develop tactics to ensure our company is first and foremost inclusive so that we can then attract and retain more diversity.

We are proud of the strong female leadership at Sokol Blosser, which started with our co-founder, Susan Sokol Blosser. Our executive team is made up of 60% females and 40% males, and our board of directors is made up of 50% females and 50% males. Our overall employee breakdown is 55% females and 45% males.

## PLANET

Being good stewards of the land to leave it in as good or better shape for the next generation is a key part of being sustainable at Sokol Blosser. We have made many strides in this area over the past twenty years, namely:

- USDA Organic certification for our vineyard in 2005
- U.S. Green Building Council LEED-certified barrel cellar in 2002; we were the first winery in the world to achieve this certification
- Salmon Safe Certified
- Onsite 25kW solar panel system
- Renewable wind power purchased from PGE
- 50% biodiesel in vineyard tractors and trucks
- Member of the Prescott Western Bluebird Recovery Project
- Brochures and copy paper are made from as much post-consumer waste recycled content as possible. When working with printers, we always request for the most sustainable options – both in paper and ink – and weigh out the decision based on what's sustainable for the environment and balance it with sustainable decisions for the business.
- Packaging is heavily integrated with our sustainability efforts. These include: lighter glass weight for Evolution wine bottles, wine labels printed on paper utilizing recycled/post-consumer waste, composite natural corks, kraft case boxes, FSC-certified wood boxes, FSC-certified paper for 2-bottle bags, and reusable 4-bottle and 6-bottle bags.
- Electric vehicle charging station onsite

We have many goals as it relates to caring for our planet. Some of these goals are quite lofty and may take a generation to reach.



## Energy usage

Short-term, we want to reduce energy use by 5% per year through conservation, education about actual energy usage, and converting to more energy efficient appliances and lighting. Long-term, we want to achieve net zero energy.

- In 2021, we increased our total energy usage by 5% compared to the previous year. This is largely because our energy usage in 2020 declined substantially due to limited operations during the pandemic, so our energy usage in 2021 showed gains, primarily in the hospitality and office facilities. Our total kWh usage in 2021 was 404,961 compared to 385,444 in 2020. However, 2019 may be a better comparison since 2020 was such an anomaly for our onsite operations. We used 400,688 kWh in 2019, so 2021 was less than a 1% increase over 2019 usage.
- Tasting Room: 94,960 kWh energy used; this is an 17,200 kWh or 22% increase. We are unsure why there is such a large increase for our Tasting Room facility. In 2019, we used 85,800 kWh and had more visitors and more events.
- Offices/Winery: 102,160 kWh energy used; this is a 26,480 kWh or 35% increase. We used 100,241 kWh in 2019, so this is similar to our pre-pandemic usage.
- Refrigeration/ Barrel Cellar: 178,560 kWh energy used; this is an 26,000 kWh or 13% decrease. This is a fantastic decrease that we're proud of.
- Vineyard: 5,775 kWh energy used; this is a 152 kWh or 3% decrease.
- Orchard House: 5,835 kWh energy used; this is a 1,725 kWh or a 23% decrease. The house got less use than it did in 2020.
- Harvest House/ Ship Shop: 15,756 kWh energy used; this is a 1,799 kWh or 13% increase. Our shipping increased substantially in 2021 due to the shift in sales strategy during the pandemic.
- Kalita: 1,915 kWh energy used from September-December. This is a new property that we purchased in August 2021.
- Solar Panels: we generated 27,551 kWh energy with our onsite Photovoltaic (PV) system; this is an increase of 70%, or 11,379 kWh from 2020. The solar panels were cleaned and adjusted in 2021, which contributed to the increased performance. This is excluded from the kWh above.

Additionally, for the energy that we cannot produce onsite, 69% was renewable energy purchased through PGE's Clean Wind and Green Energy Programs. In 2017, we purchased 158,424 kWh through the Clean Wind Program offsetting 250,163 lbs. of CO<sub>2</sub>, which equates to 279,156 miles not driven or 30 trees planted annually. We have participated in PGE's Clean Wind program for nine years.

Additionally, we have an onsite electrical vehicle charger which saw 123 charging sessions. This displaced 268.83 gallons of fuel and offset 5215.4 lbs. of CO<sub>2</sub>. This is less usage than we saw in 2019 pre-pandemic, however we had fewer visitors and fewer events in 2021 than we did in 2019.

### **Eliminate hazardous waste sent to the landfill**

We want to completely eliminate hazardous waste through recycling and lower the amount of waste we send to the landfill.

In 2016, we implemented a battery and lightbulb recycling program. We provide containers on-site where employees can recycle batteries and lightbulbs they use at the office and at home. We send these containers to a third party to be properly recycled, which keeps the hazardous waste out of landfills. We continued collecting batteries and lightbulbs in 2021 and will send them to be recycled once the containers are filled. Our goal is to eliminate 100% of hazardous battery and lightbulb waste by recycling these items.

### **Reduce water usage**

Production is still trying to learn how to monitor water usage and generate useful usable data. Since 2019 we have been monitoring the quantity of waste water produced. From April 2021 through March 2022 we pumped out 886,029 gallons of waste water into the field. This was a seemingly significant increase from our 2019 and 2020 production. We are not certain why this increased occurred. We know that at one point during harvest, our high water usage time of year, the waste water sprinklers were plugged so it is possible that the pump was working overtime but was not actually able to pump the waste water therefore giving essentially a false reading. We will now keep better track on a monthly basis of the pump volume so that we can hopefully catch these issues earlier on and adjust for them. We will also keep a better log of high action in the cellar so we can associate the waste water production more tightly to actions in the cellar. We realize now that we should also be monitoring the quantity of water pumped from the well so hopefully we can tie the numbers between water used and waste water produced more closely and be able to point more accurately to high use procedures.

In total 886,029 gallons of waste water was pumped out of the winery during the year. Highlighting specifically the quantity of cases bottled on the property, 66,500 cases, and tons processed on the property, 870 tons, our total waste water gallons generated per gallon of wine produced in 2021 equals to 0.80gal/gal\*. In 2020, that figure was 0.35gal/gal and in 2019, that figure was 0.65gal/gal.

These numbers can be further broken down by fermentation vessel, style of wine, white or red ferment, still wine bottled or base wine put into tirage, and client winemaking, just to start with. We will continue to investigate best methodologies for evaluating water usage and waste in an effort to improve efficiencies in the production department and throughout the company.

\*average 2.3775gallons wine per case; average 160gallons of wine per ton of fruit processed.



### Engage in good practices that help to protect our environment

As certified organic farmers, we constantly look for new ways to take care of our land in a more sustainable way. We want to source all organic fruit that we farm ourselves (or control the farming of) for our Sokol Blosser wines. We helped a vineyard that we farm and manage in the Eola-Amity Hills, Blossom Ridge, undergo a transition to organic farming several years ago. That vineyard achieved organic certification in December 2017. In August 2021, we purchased a new vineyard, Kalita Vineyard, in the Yamhill-Carlton District. Kalita had been farmed sustainably, and we immediately enrolled it into the organic certification program. It will undergo a three-year transition before it will be certified organic.

Sokol Blosser has worked with the Prescott Western Bluebird Recovery Project for over 20 years. Susan Sokol Blosser and Russ Rosner are “bluebird monitors.” We maintain 11 birdhouses located around the winery and vineyard. In 2021, resident bluebirds had successful nest building, egg laying, and chick raising in only six of them (violet-green swallows used most of the others). After a difficult start to the season due to the interference of invasive house sparrows (also known as English sparrows), it turned out to be a pretty good and successful year. House sparrows will either claim the boxes and lay their eggs or invade and destroy nests in boxes with bluebirds, killing the parents and the young. We did a fair amount of intervention to prevent this from happening.

We had twelve successful bluebird nestings. Four of those were second nestings in the same boxes by the same pair of parents as the first nesting. There was a total of 55 eggs laid. Of those, 36 hatched and 26 survived to fledge. This was not quite as good as some years, but better than others.

There was no capturing and/or banding of either parents or chicks again this year. The Bluebird Recovery Project has decided it isn’t essential to do that and they are lacking the resources to continue with that part of the program. However, we remain active participants in the program to help grow the population of Western Bluebirds.





The spring of 2021 saw four new hives and bees happily foraging in the orchard blossoms. The hives were checked every ten days throughout the summer and fall by Susan Sokol Blosser, our resident Beekeeper. They were healthy and produced a good amount of brood and honey. At the end of the summer, five gallons of honey were extracted for the winery's culinary program, as well as several pounds of fresh honeycomb.

The health of the bees made us optimistic for overwintering but, in the end, there were not the substantial numbers needed to maintain the hive, despite having enough food. When we were able to open the hives, on a sunny day in January, we found the bees had died. 30% of hives in North America do not survive winters and many hives in our community were lost.

We will start again this spring, with more hives, and will work to give our bees what they need to be healthy throughout the year.

Oregon State University has started a Pollinator Steward program for bees which we will participate in, and they have applied for a USDA Specialty Crop Block Grant to partner with vineyards to promote pollinator health. We will be part of that as well.

In 2013, we planted a small fruit orchard below our vineyard shop, which started to bear fruit in 2015. Every year we harvest and use the fruit primarily in our culinary program. We have apples, pears and plums. In December the orchard was pruned and made ready for another season in 2022. Every year the trees get bigger, and we are hopeful that the coming year will be the same.

Upcoming in 2022 we will be planting a kitchen garden that will be located near the tasting room. This garden will be used for our culinary program, from the everyday items and special items that will be used in our Farm and Forage culinary program.



## PROFIT

Running a profitable business is perhaps the most important element to having a long-term viable and sustainable company. As a small, closely-held company owned by the Sokol Blosser family, we do not disclose our financial statements yet take great pride in being in business for the last 50 years. The company is governed by a Board of Directors which includes four family members and two non-family members. Running the company in such a way as to build it to stand the test of time is incredibly important to all stakeholders. In 2015, Sokol Blosser amended its corporate Articles of Incorporation to become a benefit company, as defined by Oregon Statute 60.750. Electing this status was and remains the best way to ensure that the values of our company are maintained over time and that the Board of Directors considers all stakeholders (current and retired employees, suppliers, customers, communities and societies in which the business operates, the environment, and the economy of the state, region and nation) in decision making, rather than solely on shareholders.

In 2021, we received an accolade related to our commitment to sustainability and employment. We were voted in the top 25 Best Green Company to Work for in Oregon by Oregon Business Magazine; this was the tenth year in a row that we were honored on this list.

Through Yelp, Google, and Trip Advisor our winery has more than 650 customer reviews with an average rating of 4.3. On Instagram we have over 12.3K followers and have enjoyed collaborating with Adelsheim, Hyland and Knudsen as we all celebrated our 50th anniversaries in 2021. Our winery also earned write-ups and accolades from notable wine reviewers and traditional media. Our wines have been well received and scored by notable wine publications:

### **2018 Orchard Block Pinot Noir**

92 points – Wine Spectator

93 points – James Suckling

### **2018 Big Tree Block Pinot Noir**

93 points – Wine & Spirits

### **2018 Old Vineyard Block Pinot Noir**

92 points – James Suckling

### **2018 Twelve Row Block Pinot Noir**

92 points – James Suckling

### **2018 Hyland Vineyard Pinot Noir**

90 points – Wine Spectator

90 points – Wine Enthusiast

### **2018 Dundee Hills Pinot Noir**

90 points – Wine Spectator

93 points – James Suckling

### **2020 Estate Rosé of Pinot Noir**

91 points – James Suckling

92 points – VinePair

### **2018 Dundee Hills Chardonnay**

90 points – Wine Spectator

90 points – Wine Enthusiast

93 points – James Suckling

91 points – VinePair

### **2016 Sparkling Rosé of Pinot**

**Noir** 91 points & Year's Best US Sparkling – Wine & Spirits

### **2019 Evolution Willamette Valley Pinot Noir**

89 & Tim Fish's Top Values – Wine Spectator

90 points – Wine Enthusiast

92 points – James Suckling

### **2020 Evolution Big Time Red**

91 points – James Suckling

### **2019 Evolution Lucky No 9 White**

90 points & Best Buy -- Wine Enthusiast

91 points – James Suckling

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