

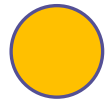
# BarthHaas Group Risk Management

Last Update on  
June 8th, 2022

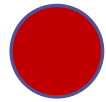
## Business Disruption Impact Dashboard traffic lights



Green light: Business practices have been sufficiently enacted to avoid significant issues and disruptions.



Yellow light: We are monitoring a possible issue.



Red light: An issue has been identified. We are working on the specific case.

# BarthHaas Group Risk Management

## Business Disruption Impact Dashboard: BarthHaas Germany



BarthHaas®

Status	Operational Risks	Status	Legal and IT Risks
	<p><b>Sourcing &amp; Harvest</b></p> <ul style="list-style-type: none"> <li>• Most probably increase of operating cost due to the Ukraine crisis (e.g. Diesel, fertilizer, etc.)</li> <li>• Possibly shortage of auxiliary materials, wires, etc.</li> </ul>		<p><b>Changes in regulation &amp; Legal</b></p> <ul style="list-style-type: none"> <li>• The new EU agricultural market law was implemented.</li> </ul>
	<p><b>Processing &amp; Warehousing</b></p> <ul style="list-style-type: none"> <li>• Most probably increase of operating cost due the Ukraine crisis (e.g. energy cost, etc.)</li> <li>• Processing currently not severely impacted. Covid-19 continuous to be an issue.</li> <li>• Warehouse capacity is sufficient.</li> </ul>		<p><b>Compliance</b></p> <ul style="list-style-type: none"> <li>• We actively monitor all regulatory standards of our customers' countries to comply with the local laws.</li> </ul>
	<p><b>Logistics &amp; International Trade</b></p> <ul style="list-style-type: none"> <li>• Still tight container availability (especially reefer) and delays are to be expected</li> <li>• The entire consequences of the Russian - Ukraine war and possible sanctions remain uncertain at this time</li> <li>• We work closely with our partners to offer the best possible service</li> </ul>		<p><b>Data &amp; IT Security</b></p> <ul style="list-style-type: none"> <li>• We minimize the risk of cyber attacks through staff training (awareness for attacks).</li> <li>• We have implemented various protective measures.</li> </ul>
	<p><b>Business Continuity Planning</b></p> <ul style="list-style-type: none"> <li>• Our risk management has measures in place of for all relevant risks to ensure process and business continuity.</li> <li>• We are constantly in close contact with our suppliers</li> <li>• Gas shutdowns couldn't be handled</li> </ul>		<p><b>Product Safety</b></p> <ul style="list-style-type: none"> <li>• Our hops and products are extensively analyzed based on our HACCP concept. This ensures the best possible quality. Further information is available on our website.</li> </ul>







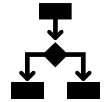

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# BarthHaas Group Risk Management

## Business Disruption Impact Dashboard: John I. Haas



Status	Operational Risks	Status	Legal and IT Risks
	 <p><b>Sourcing &amp; Harvest</b></p> <ul style="list-style-type: none"> <li>• Grower associations actively monitoring any regulatory developments</li> <li>• Growers individually have labor/management contingency plans</li> <li>• Growers individually have hygiene/sanitation/distancing/quarantine protocols in place for farm crews and closely monitor employee health</li> </ul>		 <p><b>Changes in regulation &amp; Legal</b></p> <ul style="list-style-type: none"> <li>• No notable changes to local regulations.</li> </ul>
	 <p><b>Processing &amp; Warehousing</b></p> <ul style="list-style-type: none"> <li>• Increases in operating costs due to inflation.</li> <li>• Processing currently normal. All plants will finish out the season without issue.</li> <li>• Warehouse capacity is sufficient.</li> </ul>		 <p><b>Compliance</b></p> <ul style="list-style-type: none"> <li>• We actively monitor all regulatory standards of our customers' countries to comply with the local laws.</li> <li>• Haas complies with all U.S. legal and tax requirements</li> </ul>
	 <p><b>Logistics &amp; International Trade</b></p> <ul style="list-style-type: none"> <li>• Ocean container availability and delays are to be expected</li> <li>• Port congestion continues, disrupting sailing schedules of ETA and ETD.</li> <li>• Unpredictable reliability of drivers to service container transport at the ports.</li> <li>• USA West Coast Port employee labor contract will expire 1-July-2022. Negotiations commence 12-May-2022</li> <li>• Russia/Ukraine war has transport and trade implications not fully understood at this time.</li> </ul>		 <p><b>Data &amp; IT Security</b></p> <ul style="list-style-type: none"> <li>• Additional IT-related Business Continuity planning is documented, regularly reviewed and tested.</li> <li>• Employees are trained to identify potential cyber-attacks through regular awareness training.</li> </ul>
	 <p><b>Business Continuity Planning</b></p> <ul style="list-style-type: none"> <li>• Emergency response and business continuity plans are documented, regularly reviewed and tested.</li> <li>• Monitoring closely situations surrounding COVID-19 response.</li> </ul>		 <p><b>Product Safety</b></p> <ul style="list-style-type: none"> <li>• Our hops and products are analyzed following our HACCP program.</li> <li>• We are Food Safety System and ISO9001 Certified, demonstrating we prioritize food safety and are dedicated to continuous improvement.</li> </ul>

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# BarthHaas Group Risk Management

## Business Disruption Impact Dashboard: Hop Products Australia



Status	Operational Risks	Status	Legal and IT Risks
	<p><b>Sourcing &amp; Harvest</b></p> <ul style="list-style-type: none"> <li>Harvest of crop 2022 now complete.</li> <li>Critical inputs for crop 2023 identified and addressed</li> <li>Cost pressure expected on energy and fertiliser</li> </ul>		<p><b>Changes in regulation &amp; Legal</b></p> <ul style="list-style-type: none"> <li>No notable changes to local regulations</li> </ul>
	<p><b>Processing &amp; Warehousing</b></p> <ul style="list-style-type: none"> <li>Crop 2022 pelleting is complete with finished product moving to cool store</li> <li>Contracts with warehouse providers have given temporary relief from cost increases</li> </ul>		<p><b>Compliance</b></p> <ul style="list-style-type: none"> <li>Through the BarthHaas Group we actively monitor all regulatory standards of our customers' countries to comply with the local laws.</li> <li>HPA complies with all Australian legal and tax requirements</li> </ul>
	<p><b>Logistics &amp; International Trade</b></p> <ul style="list-style-type: none"> <li>Continued disruption to primary USA-AUS route has delayed US Crop 21 inbound shipments. Disruption to brewers has been managed</li> <li>Crop 22 export schedules to key EU and USA markets continue to be disrupted, although shipments are still progressing</li> </ul>		<p><b>Data &amp; IT Security</b></p> <ul style="list-style-type: none"> <li>Ongoing investment in resourcing of IT continues to strengthen in-house capability and data security</li> <li>System security hardware upgraded to better guard against digital attacks</li> <li>Business systems security and staff awareness tested via external provider</li> </ul>
	<p><b>Business Continuity Planning</b></p> <ul style="list-style-type: none"> <li>Review of critical inputs for crop 2023 and beyond</li> <li>Business Risk Appetite and appropriate controls reviewed and agreed by HPA Board of Directors</li> </ul>		<p><b>Product Safety</b></p> <ul style="list-style-type: none"> <li>Currently HACCP certified</li> <li>ISO9001 and HACCP audits undertaken for Crop 2022</li> </ul>

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# BarthHaas Group Risk Management

## Business Disruption Impact Dashboard: BarthHaas UK



BarthHaas®

Status	Operational Risks	Status	Legal and IT Risks
	<p><b>Sourcing &amp; Harvest</b></p> <ul style="list-style-type: none"> <li>No direct impact, all hops are sourced via BarthHaas global supply chain.</li> </ul>		<p><b>Changes in regulation &amp; Legal</b></p> <ul style="list-style-type: none"> <li>Extended lead-time &amp; documentation due to post-Brexit trading arrangements between UK/EU.</li> <li>Additional changes expected July 2022 have been rescheduled to "late 2023". UK/DE colleagues will continue to monitor to ensure readiness.</li> </ul>
	<p><b>Processing &amp; Warehousing</b></p> <ul style="list-style-type: none"> <li>Rising costs of energy, packaging and other ancillary materials are being monitored in the context of significant inflationary pressure on UK economy.</li> </ul>		<p><b>Compliance</b></p> <ul style="list-style-type: none"> <li>Regulatory and audit requirements are understood and implemented.</li> </ul>
	<p><b>Logistics &amp; International Trade</b></p> <ul style="list-style-type: none"> <li>Severe disruption to deliveries affecting customers located in Russia/Ukraine due to ongoing conflict.</li> <li>Limited global ocean freight capacity, especially for temp controlled 'reefer' containers causing some delays.</li> <li>Rising fuel costs are causing carriers to apply surcharges.</li> </ul>		<p><b>Data &amp; IT Security</b></p> <ul style="list-style-type: none"> <li>Additional IT-related Business Continuity planning is documented, regularly reviewed and tested.</li> </ul>
	<p><b>Business Continuity Planning</b></p> <ul style="list-style-type: none"> <li>Emergency response and business continuity plans are documented, regularly reviewed and tested.</li> <li>None are currently activated.</li> </ul>		<p><b>Product Safety</b></p> <ul style="list-style-type: none"> <li>Manufacturing operations are conducted according to ISO9001 Quality Management and ISO22000 Food Safety Management standards.</li> <li>Compliance is regularly and independently verified.</li> </ul>

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