



2018

COMPREHENSIVE GRI DATA

MANAGEMENT

GRI 102: General Disclosures 2016

102-1 Name of organization

Tillamook County Creamery Association (TCCA)

102-2 Activities, brands, products, and services

TCCA is a farmer-owned cooperative producing dairy products including cheese, ice cream, lactose and whey in two facilities located in Tillamook and Boardman, Oregon. Other dairy products – including ice cream, yogurt, butter, and sour cream – are produced and packaged for TCCA by contract manufacturers.

102-3 Location of headquarters

Our headquarters is in Tillamook, Oregon.

102-4 Location of operations

TCCA's operations are in the United States.

102-5 Ownership and legal form

We are a farmer-owned cooperative.

102-6 Markets served

The majority of our customers are in the A1:D228 States. We are expanding into international markets, including Asia. We reach our customers through the following channels:

- Retail: Grocery, Mass, Club and Natural Retailers
- Food Service: Airlines, Restaurants, Deli & Specialty
- Hospitality and Entertainment
- E-Commerce

102-7 Scale of the organization

- Total number of employees: 917
- Total number of operations: We have three facilities in Tillamook, Portland and Boardman.
- Net sales: This information classifies as legal information, confidential to TCCA, and therefore cannot be disclosed.
- Total capitalization: This information classifies as legal information, confidential to TCCA, and therefore cannot be disclosed.
- Quantity of products or services provided: In 2018, we produced 34,240,812 lbs of cheese at our Tillamook and Boardman facilities.

102-8 Information on employees and other workers

Total number of employees by employment contract (permanent and temporary), by gender:

- Permanent, M: 565
- Permanent, F: 332
- Temporary, M: 9
- Temporary, F: 11

INDICATOR INDICATOR DESCRIPTION

Total number of employees by employment contract (permanent and temporary), by region:

Site: Perm/Temp

- Tillamook: 543/20
- Boardman: 228/0
- Portland: 106/0
- Remote: 20/0

Total number of employees by employment type (full-time and part-time), by gender:

- Full-time, M: 542
- Full-time, F: 305
- Part-time, M: 32
- Part-time, F: 38

Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees: As an agricultural cooperative and CPG company, we rely on agricultural workers to produce ingredients used in our products.

Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in the tourism or agricultural industries): N/A

An explanation of how the data have been compiled, including any assumptions made:

- Temporary is defined by the following employment types: Seasonal, Intern, Temporary
- Part Time is defined by the following employment types: Part Time, Part Time Union, Seasonal, Intern, Temporary

102-9 Supply Chain

TCCA has been a farmer-owned and farmer-led cooperative since 1909. The approximately 80 farming families in Tillamook County, who are cooperative members, are a part of our high-quality milk supply. They also own and lead the company, and benefit directly from its growth and success. All of TCCA's earnings are either distributed to the farmer-owners, reinvested in our business or contributed to our communities. Growing our brand is the way we have been able to sustain our farmer-owners and the farming way of life in Tillamook County for generations. To support our growth and expansion, our supply chain network and partnerships have increased in complexity in recent years, and strong partnerships are the way we have been able to sustain our farmer-owners. That growth has not only provided more opportunities for our 900+ employees and even more employees that work on our owners' and partners' farms, it has also enabled us to invest millions of dollars back into our communities to help them thrive. So, while we are growing beyond Tillamook's geographic borders, we are doing so in a responsible way that enables us to bring more high-quality dairy products to more people in the Northwest and beyond.

Our Supply Chain Team has responsibility for the following:

- Purchasing of packaging, ingredients, parts and supplies;
- Demand planning for all products;
- Supply planning for all products;
- Warehousing for block cheese, finished goods (frozen and non-frozen), ingredients and packaging;
- Logistics and shipment management of all finished goods (through internal fleet, third-party carriers and hubs which are cross dock locations); and,
- Management of all contract manufacturers (including sourcing new contract manufacturers, performance of existing contract manufacturers, capacity, issue resolution, contracts and agreements).

Currently, our milk supply is sourced through a combination of:

- Direct sourcing through TCCA cooperative members;
- Direct sourcing through non-member contract supply agreements; and,
- Indirect sourcing through our contract manufacturing partnerships.

INDICATOR INDICATOR DESCRIPTION

Our products are produced through a combination of:

- Internal manufacturing activities at our two production facilities located in Tillamook and Boardman, Oregon; and
- Partnerships with contract manufacturers located mainly in western and mid-western U.S.

Other ingredients, materials and services used to make TCCA products are sourced from suppliers or subcontractors throughout the United States.

102-10 Significant changes to the organization and its supply chain

We did not make any significant changes to our organization’s size, structure, ownership or supply chain in 2018.

102-11 Precautionary Principle or approach

We apply the precautionary principle through our food safety management system: we strive to continuously improve our performance through internal audits, customer audits, regulatory inspections and maintain excellence to an annual globally-recognized audit standard, Safe Quality Foods (SQF) code . This audit is conducted by an auditing body that has been approved by an international certification body.

We are committed to using science-based principles in the production of safe, legal food products to meet or exceed our customers’ expectations. These principles are used for identifying biological, chemical, and physical risks and developing controls to prevent them. HARPC (Hazard Analysis Risk-Based Preventive Controls) is a featured principle of FSMA (Food Safety Modernization Act), and it builds from HACCP (Hazard Analysis Critical Control Points), which are a foundation of TCCA’s Food Safety Plans. Industry best practices are employed to control identified risks.

And, our Stewardship Charter ensures that we maximize our net-positive impact throughout the entire value chain beyond just our own farmer-owners and facilities. We identify and reduce our negative environmental impacts, where feasible. This includes, but is not limited to, soil conservation and regeneration, water conservation and quality, waste minimization and landfill diversion, energy sourcing and consumption, and greenhouse and air emissions tracking.

102-12 External initiatives

As of the date of this report, external initiatives include:

- American Society for Quality
- BUILD Dairy
- CARE Capital Campaign
- Center for Dairy Research
- Dairy Sustainability Framework Global Criteria
- Innovation Center for U.S. Dairy Stewardship Commitment
- Institute of Food Technologists
- Oregon Agricultural Heritage Program
- Oregon Business Plan
- Oregon Dairy Industries
- Oregon Farm to School Network
- Oregon Food Bank Food Secure Tillamook County
- Oregon OSHA
- Oregon State University
- National Milk Producers Federation FARM program
- No Kid Hungry Chef’s Cycle
- Northwest Environmental Business Council
- Safe Quality Food

INDICATOR INDICATOR DESCRIPTION

- Tidegate Partnership
- Tillamook Bay Community College
- Tillamook County Farm and Wetland Pilot Planning Process
- United Nations Sustainable Development Goals

102-13 Membership of associations

As of the date of this report, we are a member of the following industry associations:

- Advancing Women in Leadership
- Adventist Health Tillamook
- American Association of Bovine Practitioners
- American Cheese Society
- American Society for Quality
- Food Northwest
- Global Cheese Technology Forum
- Greenbiz Executive Network
- Innovation Center for U.S. Dairy
- International Dairy Foods Association
- Economic Development Council of Tillamook County
- Oregon Agricultural Heritage Trust Leadership Team
- Oregon Business Plan
- Oregon Business Council
- Oregon Cheese Guild
- Oregon Community Foundation
- Oregon Dairy Farmers Association
- Oregon Farm Bureau Livestock Committee
- Oregon Food Bank
- Oregon Veterinary Medical Association Board of Directors
- National Milk Producers Federation
- Newtrient, Inc.
- National Milk Producers Federation FARM Animal Welfare Committee
- Partners in Diversity
- Port of Portland
- Port of Tillamook Bay
- Salmonberry Trail Intergovernmental Agency
- Sustainable Purchasing Leadership Council (SPLC)

INDICATOR INDICATOR DESCRIPTION

- Tillamook Bay Community College
- Tillamook Bay Community College Foundation
- Tillamook County Housing Commission
- Tillamook County Wellness Task Force
- Tillamook Forest Heritage Trust
- Tillamook High School Agricultural Committee
- Visit Tillamook Coast

Additionally, we are committed to providing leadership and working collaboratively to solve complex social issues within our communities. We work directly with over 100 local government and non-profit partners to understand community need, anticipate and address potential barriers to progress, and – working together – we strive to adopt meaningful solutions. Where possible, we provide industry leadership and expertise for our partners. This includes advocating for issues material to our business at a local, regional and state level.

102-14 Statement from senior decision-maker

Please refer to [2018 Stewardship Report](#), Message from our Chairman

102-16 Values, principles, standards, and norms of behavior

Please refer to our [Stewardship Charter](#)

102-18 Governance structure

TCCA is a farmer-owned, farmer-led cooperative. Our board of directors is responsible for directing the affairs of TCCA, including the drafting of necessary policies, rules and regulations that direct the management and operation of TCCA. The board elects a Chairman and Vice Chairman, as well as the CEO. Under the direction and discretion of the board, the CEO has the general charge of the business operations of TCCA, including implementation of our Stewardship Charter commitments. Management is responsible for implementing the direction, policies, rules and regulations adopted by the board.

102-40 List of stakeholder groups

TCCA's stakeholder groups include:

- Farmer-owners
- Employees
- Consumers
- Customers
- Suppliers
- Non-governmental organizations (NGOs)
- Local communities and neighbors

102-41 Collective bargaining agreements

24.75% of employees are covered by collective bargaining agreements.

102-42 Identifying and selecting stakeholders

Stewardship at TCCA means maximizing our net-positive impact and helping our entire value chain do the same. We take a systems approach with a triple-bottom-line discipline to run our business, where financial capital, human capital and natural capital are given balanced consideration, and a comprehensive and long-term outlook guides our actions.

In 2016, we conducted a three-pronged materiality assessment led by consultants at Quantis. The assessment involved stakeholder interviews, stakeholder surveys and quantitative environmental analysis. We worked with Quantis to select partners, or interviewees, who were considered stakeholders. These were people and organizations impacted by our business decisions: academics, board members, community members, competitors, consumers, industry leaders and non-profit partners.

Quantis then conducted 34 internal and external stakeholder interviews to discuss issues of most importance to TCCA and to its external stakeholders. The interviews were followed by stakeholder surveys, during which time interviewees rated the importance of sustainability issues material to TCCA and our stakeholders. The third segment of the materiality assessment involved quantitative analysis of TCCA's environmental impact to understand where most impacts were occurring in TCCA's value chain.

INDICATOR INDICATOR DESCRIPTION

The materiality assessment provided insights about TCCA's impact and areas of focus. Applying the materiality assessment results and findings, in 2017, we established a board-approved, third-party reviewed Stewardship Charter that defines our vision and our overall Stewardship framework.

Our Stewardship framework is centered on commitments to our six key stakeholders, which encompass the issues most important to our business. These six commitments are:

- Thriving Farms
- Healthful Cows
- Product Excellence
- Sustained Natural Resources
- Fulfilled Employees
- Enriched Communities

Together, they represent the values that we share and our ongoing work to support six key stakeholder groups:

- Farmer-owners
- Employees
- Consumers
- Customers
- Suppliers
- Local communities and neighbors

102-43 Approach to stakeholder engagement

As described in GRI 102-42, our materiality assessment involved stakeholder interviews, stakeholder surveys and a quantitative analysis to identify issues material to TCCA. This process resulted in formalization of our Stewardship Charter.

We use our Stewardship Charter as the anchor of our Stewardship Management System; that is, we have policies, procedures, documentation, and measurement that cascade from the Stewardship Charter and guide our decision making. Adopting a management system like this is intentional as it ensures that we embed our Stewardship commitments across all business functions, and not just within our Stewardship Team. It also holds us accountable at every decision and step, to our stakeholders – farmers, consumers, suppliers, employees, customers, and neighbors.

On an ongoing basis, we engage our stakeholders to drive Stewardship progress across our value chain (see External Initiatives and Association Memberships, above) on issues such as greenhouse gas and air.

102-44 Key topics and concerns raised

TCCA's material issues have been organized into commitments to our six key stakeholders and are summarized in our Stewardship Charter. These are the topics that we hear from each of the six stakeholder groups:

- Thriving Farms is our commitment to farmers. The most common topics raised by this stakeholder group are long-term economic viability, succession planning, political advocacy, and good agricultural practices.
- Healthful cows is our commitment to our herd. The most common topics raised on behalf of this stakeholder are antibiotic stewardship and animal welfare, including food and water, comfort and shelter, proper handling and stable environment, disease and injury prevention, and fear, pain, stress, and suffering minimization.
- Product Excellence is our commitment to consumers. The most common topics raised by this stakeholder group are quality and safety, wholesomeness, responsible sourcing, trust, and transparency.
- Sustained Natural Resources is our commitment to the environment. The most common topics raised on behalf of this stakeholder are climate change, water quality, food waste, soil health, nutrient management, air emissions, and conservation and regenerative agriculture.
- Fulfilled Employees is our commitment to our workforce. The most common topics raised by this stakeholder group are safety, culture, attraction and retention of talent, and inclusion, diversity, and equity.
- Enriched Communities is our commitment to the communities where we operate. The most common topics raised by this stakeholder group are community health and identity, rural resilience, food security, workforce housing, healthful children, thought leadership, and collaboration.

INDICATOR INDICATOR DESCRIPTION

The material issues also are elaborated upon in our 2018 Stewardship Report and Issue Briefs, including attributed quotes from stakeholder participants in the the materiality assessment:

- Thriving Farms: Economic Performance
- Healthful Cows: Animal Welfare
- Product Excellence: Procurement Practices; Food Safety and Product Quality
- Sustained Natural Resources: Energy, Emissions and Climate Change; Water and Effluents; Waste
- Fulfilled Employees: Our Culture; Occupational Health and Safety
- Enriched Communities: Community Enrichment

102-45 Entities included in the consolidated financial statements

This information classifies as legal information, confidential to TCCA, and therefore cannot be disclosed.

102-46 Defining report content and topic Boundaries

We follow GRI's materiality principle: "aspects that reflect an organization's significant economic, environmental and social impacts, or substantively influence the assessments and decisions of stakeholders". We define our topic boundaries as commitments material to TCCA in context of our business model, sustainability impacts and stakeholder relationships.

102-47 List of material topics

TCCA's material topics covered in our stewardship strategy and reporting are listed below, classified under respective Stewardship commitments. They are also elaborated upon in our 2018 Stewardship Report and Issue Briefs:

- Thriving Farms: Economic Performance
- Healthful Cows: Animal Welfare
- Product Excellence: Procurement Practices; Food Safety and Product Quality
- Sustained Natural Resources: Energy, Emissions and Climate Change; Water and Effluents; Waste
- Fulfilled Employees: Our Culture; Occupational Health and Safety
- Enriched Communities: Community Enrichment

102-48 Restatements of information

This is TCCA's first Stewardship Report. We have not made any restatements.

102-49 Changes in reporting

This is TCCA's first Stewardship Report. We have not made any changes in reporting.

102-50 Reporting period

The reporting period covers January 1, 2018– December 31, 2018.

102-51 Date of most recent report

N/A

102-52 Reporting cycle

We intend to publish a Stewardship Report each year.

102-53 Contact point for questions regarding the report

Please direct questions to <https://www.tillamook.com/contact-us.html>.

INDICATOR INDICATOR DESCRIPTION**102-54 Claims of reporting in accordance with the GRI Standards**

This report has been prepared in accordance with the GRI Standards: Core option.

102-55 GRI content indexPlease refer to [2018 Stewardship Report](#), GRI Content Index**102-56 External assurance**

We do not currently seek external assurance for this report.

COMMUNITY ENRICHMENT**GRI 413: Local communities 2016****413-1 Operations with local community engagement, impact assessments, and development programs**

All TCCA sites (Tillamook, Portland, Boardman), or 100%, support a mission of community resilience, with a focus on agricultural advocacy, food security and healthful children. Each site is designated a percentage of budget to invest in the community. In 2018, we invested a total of 2.7% of profits into the community. In 2019, we aim to grow investments to a total of 5% of profits.

ENERGY, EMISSIONS AND CLIMATE CHANGE**GRI 302: Energy 2016****302-1 Energy consumption within the organization**

Total fuel consumption within the organization from non-renewable sources: 118,681,957 kWh

Total fuel consumption within the organization from renewable sources: 0 kWh

Total electricity consumption: 97,068,677 kWh

Total heating consumption: 0 kWh

Total cooling consumption: 0 kWh

Total steam consumption: 205,067,957 MJ

Total electricity sold: 0 kWh

Total heating sold: 0 kWh

Total cooling sold: 0 kWh

Total steam sold: 0 kWh

Total energy consumption: 215,750,634 kWh

Standards, methodologies, assumptions, and/or calculation tools used: We use billing information to calculate fuel consumption. We use a third-party-developed, custom calculation tool to measure energy use, the National Institute of Standards and Technology.

Source of the conversion factors used: GREET Transportation Fuel Cycle Analysis Model, GREET 1.8b, developed by Argonne National Laboratory, Argonne, IL, released May 8, 2008. <http://www.transportation.anl.gov/software/GREET/index.html>**GRI 305: Emissions 2016****305-1 Direct (Scope 1) GHG emissions**Gross direct (scope 1) GHG emissions in metric tons of CO₂e: 24,000 MT CO₂-eq.Gases included in the calculation: Carbon dioxide (CO₂), Methane (CH₄), Nitrous oxide (N₂O)

INDICATOR INDICATOR DESCRIPTION

Biogenic CO₂ emissions: 0 metric tons CO₂e

Base year for the calculation: 2018

Source of emission factors: Greenhouse Gas (GHG) Protocol. Emission Factors from Cross-Sector Tools. Version April 2014. Table 10. CO₂ Emission Factors by Fuel, <http://www.ghgprotocol.org/calculation-tools/all-tools>, IPCC (2007) Intergovernmental Panel on Climate Change's Fourth Assessment Report. http://www.ipcc.ch/publications_and_data/ar4/wg1/en/ch2s2-10-2.html, and IMPACT 2002+ EI v3.3 (IPCC 2013, 100a)

Consolidation approach for emissions: Operational Control

Standards, methodologies, assumptions, and/or calculation tools used: Our Scope 1 GHG emissions have been computed in accordance with the Greenhouse Gas (GHG) Protocol, developed by World Resources Institute (WRI) and World Business Council on Sustainable Development (WBCSD) <https://ghgprotocol.org/>. As per the GHG Protocol, the Intergovernmental Panel on Climate Change's (IPCC 2013) recommendations for Greenhouse Gas global warming potentials (GWP) are applied to compute the Climate Change impact.

305-2 Energy indirect (Scope 2) GHG emissions

Gross direct (scope 2) GHG emissions in metric tons of CO₂e: 29,000 MT CO₂-eq.

Gases included in the calculation: Carbon dioxide (CO₂), Methane (CH₄), Nitrous oxide (N₂O)

Biogenic CO₂ emissions: 0 metric tons CO₂e

Base year for the calculation: 2018

Source of emission factors: Bonneville Power Association (2013) Measuring the Carbon Content of BPA's Power Supply. <https://www.bpa.gov/news/pubs/FactSheets/fs-201303-Measuring-the-carbon-content.pdf>, Center for Resource Solutions (2017) 2017 Green-e Residual Mix Factors. <https://www.green-e.org/docs/energy/Residual%20Mix%202017.pdf>, State of Oregon Department of Environment Quality (2012-2016) Calculating the Carbon Intensity of Electricity used in the CFP. <https://www.oregon.gov/deq/FilterDocs/cfp-electrutil.pdf>, US EPA (2014) eGRID 9th edition. Version 1.0. State file. (Year 2010 data). "State annual CO₂ equivalent total output emission rate (lb/MWh)". <http://www.epa.gov/cleanenergy/energy-resources/egrid/>

Consolidation approach for emissions: Operational Control

Standards, methodologies, assumptions, and/or calculation tools used: Our Scope 2 GHG emissions have been computed in accordance with the Greenhouse Gas (GHG) Protocol, developed by World Resources Institute (WRI) and World Business Council on Sustainable Development (WBCSD) <https://ghgprotocol.org/>. As per the GHG Protocol, the Intergovernmental Panel on Climate Change's (IPCC 2013) recommendations for Greenhouse Gas global warming potentials (GWP) are applied to compute the Climate Change impact.

305-3 Other indirect (Scope 3) GHG emissions

Gross direct (scope 3) GHG emissions in metric tons of CO₂e: 1,685,000 MT CO₂-eq.

Gases included in the calculation: Carbon dioxide (CO₂), Methane (CH₄), Nitrous oxide (N₂O)

Biogenic CO₂ emissions: We have not yet been able to separate biogenic emissions data from fossil emissions data due to a lack of resolution in the emission factors used. We are working to address this in coming years.

Base year for the calculation: 2018

Source of emission factors: Ben and Jerry's (2014) A Life Cycle Analysis Study of Some of Our Flavors. <http://www.benjerry.com/values/issues-we-care-about/climate-justice/life-cycle-analysis>, Innovation Center for U.S. Dairy (2012) U.S. Dairy's Environmental Footprint, A summary of findings, 2008-2012. <http://www.usdairy.com/sustainability/environmental-research>, Quantis internal database. US Input Output Database v2002. System Expansion. As provided in SimaPro v 8.03. <http://www.eiolca.net/>

Consolidation approach for emissions: Operational Control

Standards, methodologies, assumptions, and/or calculation tools used: Our Scope 3 GHG emissions have been computed in accordance with the Greenhouse Gas (GHG) Protocol, developed by World Resources Institute (WRI) and World Business Council on Sustainable Development (WBCSD) <https://ghgprotocol.org/>. As per the GHG Protocol, the Intergovernmental Panel on Climate Change's (IPCC 2013) recommendations for Greenhouse Gas global warming potentials (GWP) are applied to compute the Climate Change impact.

WASTE

GRI 306: Effluents and Waste 2016

306-2 Waste by type and disposal method

Total weight of hazardous waste: 4,475 lbs.
Hazardous waste, reuse: 0 lbs.
Hazardous waste, recycling: 2,832 lbs.
Hazardous waste, composting: 0 lbs.
Hazardous waste: recovery, including energy recovery: 1,460 lbs.
Hazardous waste, incineration (mass burn): 183 lbs.
Hazardous waste, deep well injection: 0 lbs.
Hazardous waste, landfill: 0 lbs.
Hazardous waste, on-site storage: 0 lbs.
Hazardous waste, other: 0 lbs.
Total weight of non-hazardous waste: 23,248,855 lbs.
Non-Hazardous waste, reuse: 626,362 lbs.
Non-hazardous waste, recycling: 1,569,297 lbs.
Non-hazardous waste, composting: 6,152 lbs.
Non-hazardous waste: recovery, including energy recovery: 1,367,760 lbs.
Non-hazardous waste, incineration (mass burn): 0 lbs.
Non-hazardous waste, deep well injection: 0 lbs.
Non-hazardous waste, landfill: 19,679,285 lbs.
Non-hazardous waste, on-site storage: 0 lbs.
Non-hazardous waste, other: 0 lbs.
We directly confirm our disposal of hazardous and non-hazardous waste with our waste hauling contractors.