



Benefit Report 2022-2023



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TO OUR INDUSTRY

We use the power of business to help improve social and environmental problems. Every year we evolve our practices to promote the well-being of our employees, suppliers, community, and environment. We believe that they are all equally important.

People

We continue to donate to groups both locally and within our industry.

Throughout 2023 as we experience growth, we have been able to utilize many local employment programs to employ temporary workers and a large portion of our permanent hires have stayed on permanently through these programs.

We move into 2024 by tapping into our newly found resources based on experienced hires who come from a background of sustainability and community benefit experience. We look forward to continuing to build a strong team of leaders for the world around us.

Planet

Our goal from last year's report was to continue to source from mainly our Platinum and Gold vendors and we were able to source over 70% of our needs from those vendors in 2022. We maintained our energy offsets.

Profit

As we moved through 2023, we continued to see stable growth in our dietary supplements, topical skin care, and pet supplement categories. The pattern of all communities turning to a more natural care approach has led to a stable and increasing volume in production. We look forward to seeing how this growth can be utilized to benefit, the people, planet and profit around us.

Looking Ahead

In 2024 and 2025, we will continue to progress on our sustainability journey. We have formed a Sustainability Team that meets regularly in order to formalize the culture of sustainability at Yellow Emperor. We aim to maintain our growth so that we can continue to support our people, community, and planet – the triple bottom line.

Out of the need to create new positions, we have also been able to hire in those roles employees that come from a background of experience in sustainability and community equity.

Many thanks,

Sarah Vito

Director of Business Development

PEOPLE

Community Support

- Local
 - The Black Food Sovereignty Coalition (BFSC) – We sponsored The Black Food Sovereignty Coalition (BFSC) who serves as a collaboration hub for Black and Brown communities to confront the systemic barriers that make food, place and economic opportunities inaccessible to us.
 - Food for Lane County – A few of our employees were lucky to get the chance to help repackage donated food into take-home meal bags for kids in low-income schools
- Industry
 - Sustainable Herbs Program – This program examines various supply chains in the herbal industry. They educate on best practices that can move the industry towards a more sustainable system.

PLANET

Throughout the past year, we have taken additional steps to understand and counteract our environmental carbon footprint.

Sustainable Purchasing

We categorize our vendors as Platinum, Gold, and Silver. The Platinum tier is comprised of vendors that are local, give back to the community, and take steps to reduce their environmental impacts. The Silver tier is comprised of vendors that are outside the West Coast and do not make any efforts towards sustainability. The Gold tier is comprised of vendors that are somewhere in between.

Within the past year, we increased our packaging purchasing from our Platinum tier of vendors from less than 8% to close to 13%. For herbs and ingredients, we increased our Gold purchasing from less than 50% to close to over 61%.

Third year Carbonfree®

For a third year in a row, we offset our shipping emissions through Carbonfund.org's Carbonfree® Business Partner Program. The focus of the offset projects are forestry, renewable energy, and energy efficiency.



New Building = New Efficiencies

We purchased and moved into a 44,000 square foot building in 2022! We were able to make this move because of our entire team's efforts from Sales to Production. Everyone is excited for the efficiencies gained in bringing our team together into one building again. For example, we no longer need to truck materials between multiple locations.

Completely renovated to the highest manufacturing standards, this new building will reduce our carbon footprint. There are LED lights throughout and new insulation. These improvements mean reduced utility use for us. Nevertheless, we still transferred our utility offsets that we had previously set up, neutralizing our electric and natural gas consumption. We will continue to build out some parts of the new facility, although we make it a point to use what we have, is already constructed, and buy used where we can.

PROFIT

Continually growing our family

- The number of active clients we work with has increased over last year.

Profitability

- We continue to maintain our profitability in sustainable and thoughtful ways.

Donations

The best part of making a profit is using that profit to invest into our communities, people, and our business. Our profitability allows us to grow our business and assist the greater community that we live and work in.

Donation Recipient

Hood Herbalism

Sustainable Herb Program

Willamette Farms & Food Coalition

ERB Foundation

CarbonFund.org

Oregon Native American Chamber

AHPA Annual Fund



GOALS FOR THE UPCOMING YEAR

People

- We will continue to donate to our community: locally and within our industry.
- We are excited to have more volunteering events to connect with our co-workers outside of work while assisting our community.

Planet

- As we continue on our sustainability journey, we are adding metrics to our valuation of our vendors and hope to continue to source from mainly Platinum and Gold vendors in our supply chain.
- We will look into solar power as an option to reduce our carbon emissions.

Profit

- We are going to stay on our growth trajectory and will close out the year with more growth in total sales.



Special Thanks

Special thanks to Kristen Snyder, who set up the Donor Advised Fund that made many of our donations to the community like the Willamette Farms & Food Coalition and the Oregon Native American Chamber of Commerce, among others.