



GREETINGS

from beautiful Northern California,

As I look back on 2023, I am compelled to reflect on the significant impact Clover Sonoma has made. I am profoundly grateful for and deeply appreciative of the unwavering support and commitment demonstrated by our employees, local dairy partners, retailers, and our community of consumers. Your collective efforts continue to be the cornerstone of Clover Sonoma's success.

The past year has been marked by numerous noteworthy accomplishments. We are proud to have earned our seventh B Corporation certification, a testament to our ongoing commitment to social and environmental performance, transparency, and accountability. In our pursuit of enhanced sustainability, we have implemented a new carbon management tool. This advanced system allows us to more accurately track, manage, and report our environmental efforts, reinforcing our dedication to responsible business practices.

Furthermore, we are pleased to report that Clover Sonoma has continued the Clover Cares legacy by donating more than \$880,000 to organizations dedicated to food accessibility, advancing the future of dairy, addressing planetary impact, and promoting dairy nutrition.

As we move forward, Clover Sonoma remains steadfast in its commitment to leading the way as a conscious business. We will continue to demonstrate care for all stakeholders and strive to effect positive change in the world.

We extend our sincere gratitude for your trust in Clover Sonoma.

With appreciation, Marcus Benedetti
Chairman of the Board



CARE for the CONSUMER



OUR CONSUMERS HAVE SPOKEN

Responding to consumer demand for more digestible dairy options, Clover expanded its Lactose Free line with four innovative products. We introduced a 2% half gallon and three flavored milks in quart sizes, enhancing our commitment to digestive wellness.

Our new Strawberry and Vanilla offerings contain no added sugar, while the Chocolate variant has a mere 2 grams of added sugar. True to Clover's dedication to nutrition, all these products serve as excellent sources of calcium and protein, aligning with our mission to provide wholesome, high-quality dairy for every lifestyle.



LEADING THE WAY

CLOVER SONOMA'S COMMITMENT TO SUSTAINABILITY AND SOCIAL RESPONSIBILITY

Certified



Corporation

In 2023, Clover Sonoma proudly achieved B Corp recertification with an impressive overall score of **92.6**. This marks our seventh consecutive year as a certified B Corporation, underscoring our long-standing dedication to balancing purpose and profit.

Highlights from our 2023 B Corp recertification

Impact Business Model points earned for large percent of revenues from Certified Organic and AHA Certified products

Employee practices, compensation and robust benefits

Long-term relationships with suppliers; capacity-building support provided

Corporate citizenship: volunteering and charitable contributions

Recycling and composting, waste prevention and diversion from landfill

Social and environmental decision-making integrated at all levels

Socially-Responsible Investing options included in retirement plan

Data privacy and protection

Significant improvements in environmental impact of operations

Innovation to advance the dairy industry (packaging & dairy farm practices)

CARE for the PEOPLE



WHAT WE ACCOMPLISHED IN 2023

Softball Team

LEGENDARY LECHEROS

made the

Playoffs!

Employee Recognition

**Honoring
Clover and
Peer-to-Peer
Achievers**

Employee Engagement
groups launched

**Clovents
SQUAD**

**Clommunity Cares
SQUAD**

**Changemakers
SQUAD**

**CELEBRATED
International
Women's Day
with a
Luncheon**

- **Engagement Committee** hosted an employee bowling night to celebrate the end of summer!
- Continued evolvment of **New Hire Orientation**, and brought it back to an in-person experience!
- Plan to launch **Employee Engagement Survey**
- Hosted **Benefits Fair** for our employees at business office
- Initiated **career development** conversations and facilitated **leadership development** for our next level leaders
- **Succession plans** documented for each department
- **New hire and "class of"** celebrations with the leadership team
- **Celebrations** to recognize our **employees** and their milestone anniversaries!

CARE

for the

PLANET



METHANE REDUCTION

**3
MONTH
TRIALS**

Implemented 3-month methane-reduction feed trials on 4 dairies using an essential oil blend.

PLASTIC-REDUCTION

355,000 lbs.
OF PLASTIC SAVED

- 63k from source reduction in jugs.
- 92k from PCR inclusion (2.24M jugs, 62g, 30%pcr)
- 200k from Fitment cap exclusion (<0.01 lbs x 11.8M units at LV)

REGENERATIVE FARMING

**20,000
ORGANIC ACRES**

Regeneratively Managed through techniques like

- Rotational grazing
- Year round vegetative cover
- No till drill planting
- Use of volunteer native grasses

CARBON MANAGEMENT

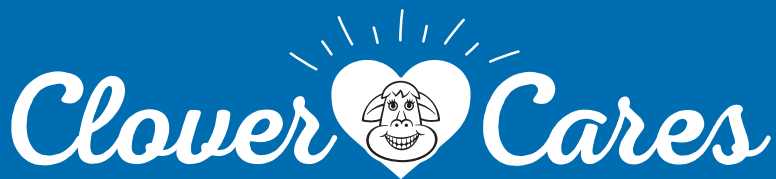
Implemented North Star Carbon Management software to more accurately track, manage and report on our sustainability efforts.

CLOVER CARES



SUPPORTING THE CLOMMUNITY

FOOD ACCESSIBILITY



2023 GIVEBACK PROGRAM TOTALS

\$884K

GRAND TOTAL

\$193K

TOTAL MONETARY SUPPORT

\$691K

TOTAL PRODUCT DONATIONS

ELEVATING DAIRY

FUTURE OF DAIRY



PLANET IMPACT




Friends of the Petaluma River
Celebrate and Conserve



NUTRITION





OPERATIONAL EXCELLENCE

**SERVICE LEVEL
PERFORMANCE 2023**

98.6%

Despite a wide variety of supply chain challenges, we delivered a 98.6% service level to our customers.

EV FLEET

We purchased our first electric tractor for on-site tanker and trailer movement in 2023, with delivery completed in early 2024.

**MAINTAINED A BEST-IN-CLASS
FOOD SAFETY & QUALITY
PROGRAM AND CULTURE!**

- In 2023, we improved our **Safe Quality Food** (SQF) audit score by 3 points, achieving a **'96-Excellent'** rating. This result highlights our team's commitment to upholding high food safety standards and cultivating a strong food safety culture.
- Our commitment to **workplace safety** has yielded positive results. We achieved an Injury Frequency Rate **(IFR) of 5.7**, surpassing our target of 8. This performance demonstrates significant progress in reducing workplace incidents and reinforces our dedication to maintaining a safe environment for all employees.