Product Sustainability Standard: Alcoholic Beverages

Beer, Wine, & Hard Cider

Version 1.0: September 2021



Reason for Standard

Setting standards for beer, wine, and hard cider requires looking at not only how the agricultural products that go into the beer, wine, and hard cider are grown, but also what other ingredients are added and used in the processing. For example, in addition to the foundational ingredients that these alcoholic beverage producers use, such as hops, malt, apples and grapes, there are often processing aids, stabilizing and clarifying agents, and preservatives used to enhance the flavor or texture or improve the shelf-life of their product. While some of these additives are straightforward and necessary to achieve high quality products, such as clays used in wine processing to remove particulate matter, others are more questionable and often used as short cuts or substitutes for quality production methods.

The catch, however, is that regulations governing alcohol labeling and production do not require ingredient, allergen, or nutritional information disclosures. Such lack of transparency can be frustrating for consumers trying to avoid unnecessary additives or even dangerous for those with severe allergies, and can be equally frustrating for retailers like PCC when trying to set meaningful sustainability standards. While alcohol producers are not allowed to use any ingredients that the Food & Drug Administration (FDA) has outright prohibited, the only additives that must be disclosed are FD&C Yellow No. 5 (a synthetic dye), cochineal or carmine extract, and sulfites.

Finding beer, wine, and ciders that are made with sustainably grown ingredients (e.g., organic or biodynamic), and certified by a credible third party as being sustainable presents a challenge because the supply is still limited compared to non-sustainable options. vi

PCC has developed a standard for our beer, wine, and cider that acknowledges these challenges but also seeks to encourage the sustainability and transparency we know consumers expect. As the supply grows and we are able, we will strive to offer more alcoholic beverages that are certified organic and organically grown, or produced using biodynamic and regenerative farming methods, sourced from small and local producers, and free of unhealthy additives.

Scope

This standard applies to regular and gluten free beer, all varieties of wine, and hard ciders sold at PCC stores.

Standard

1. General

1.1. PCC prioritizes quality products that are pleasing to taste, balanced in flavor, free of biological or production-related flaws, and show no evidence of manipulation or artifice in production.

2. Production

- 2.1. PCC gives priority to items that are responsibly farmed, in the following order of preference:
 - 2.1.1. Certified as organic, biodynamic, or Made with Organic grapes ("organically farmed").
 - 2.1.2. Certified by a third party as sustainable (e.g., LIVE, HVE, Demeter USA, and Terra Vitis).
 - 2.1.3. Labeled as sustainable, employing practices of organic and biodynamic farming, but uncertified.

- 2.2. PCC gives preference to estate-bottled or estate-grown wineries and producers, or producers with full transparency in the sourcing of their fruit or other agricultural ingredients.
- 2.3. PCC gives preference to locally produced and sourced beer and hard cider.

3. Processing

- 3.1. PCC gives preference to products that have few additives and are minimally processed.
- 3.2. PCC encourages vendors to avoid using synthetic or artificial flavors, colors, and sweeteners.
- 3.3. PCC encourages vendors to limit the quantity of added sulfites.

4. Labeling

4.1. PCC supports label transparency and vendors are encouraged to consider adding nutrition panels, ingredient panels, and other disclosures related to processing and production of the product.

Standard-Specific Glossary

<u>Biodynamic farming</u> is a form of regenerative farming (<u>see below</u>) rooted in the work of Dr. Rudolf Steiner, which emphasizes self-sustainability and treating the farm as a whole living organism of interconnected parts. The approach focuses on cultivating natural systems and using the synergy of plants, animals, and soil to reduce the need for external and chemical inputs. Biodynamic farmers use traditional methods like livestock integration, cover cropping, crop rotation, and composting to enhance soil health and improve ecosystem biodiversity, which will result in healthy and resilient crops. Biodynamic farming techniques do not allow synthetic pesticides, fungicides, herbicides, synthetic fertilizers, growth stimulants or GMOs. <u>Demeter USA</u> is a certification agency that oversees the practices of biodynamic vineyards and provides certification of biodynamic farms.

Estate-grown or estate-bottled are terms applied to producers who grow their own grapes and produce the final product. Such wineries have full control over the production process from start to finish. Wineries that are not estategrown purchase their grapes from an independent vineyard or multiple vineyards and may not have as much control over the growing methods. While much less common, locally sourced and <u>estate-grown beers</u> and ciders do exist, such as Rogue River, and as the locavore and craft movements grow, more may appear.

Genetically Engineered (GE)/Genetically Modified Organism (GMO) does not have a standardized definition. (In part, this has created some of the problems for achieving GE transparency and reaching consensus on how best to identify and communicate this with consumers.) Many authorities, however, would define GE food or GMOs as a living organism whose genetic material (otherwise known as DNA) has been artificially manipulated in a laboratory through genetic engineering. Genetic engineering creates combinations of plant, animal, bacteria, and virus genes that do not occur in nature or through traditional crossbreeding methods.

<u>Haute Valeur Environnementale</u> (HVE), which translates to "high environmental value," is a certification developed by the French Ministry of Agriculture. The certification was established in 2001 as a three-tiered system that encourages farms and vineyards to focus on increasing biodiversity, minimizing pesticide use, responsibly using fertilizers, and reducing water consumption.

<u>LIVE</u> is an organization that supports the social and environmental responsibility efforts of winemakers in the Pacific Northwest; they offer on-bottle certification and provide educational resources to their participating members.

"Made with Organic Grapes" means that the vineyard and the grapes in a wine are certified organic, but after the grapes were harvested, they were not processed in accordance with federal regulations to label the final product as certified organic.

Organic refers to the practices associated with organic food production and processing that prohibit the use of most synthetic inputs and pesticides and require other environmental and animal-friendly agricultural and food handling practices. Established by the Organic Foods Production Act (a federal law), the <u>National Organic Program</u> (NOP) within

the U.S. Department of Agriculture manages the organic certification standards, enforcement, and accreditation of independent certifying bodies. Many other countries also have organic certification programs.

Regenerative agriculture is a holistic land management and farming methodology that focuses on increasing and enhancing soil organic matter to improve nutrient content, water retention, and carbon sequestration. Unless certified by a third party with established regenerative standards, regenerative does not have an agreed upon definition or guarantee associated with the term's use.

Sulfites (SO₂) are substances used by winemakers to protect and preserve a wine's character, flavor, and color by impeding microbial growth and oxidation. All wines have some sulfites because they are created naturally during the fermentation process. However, sometimes winemakers add more sulfites to preserve the wine, thus many wines make the distinction that they contain no "added sulfites."

Sustainable beer, wine, and hard cider products are defined by PCC as those produced, processed, and packaged with the intention of minimizing the negative environmental and social impacts. This means the agricultural crops that go into the product are grown using organic, regenerative, or biodynamic farming methods that limit synthetic chemical inputs like pesticides and fertilizers, and ideally, are certified by a third party. Sustainable beverages should not contain excessive, unnecessary, and dangerous additives, like artificial colors or sweeteners, or large quantities of added sulfites. Producers who market their products as being sustainable may also engage in other positive activities to minimize their energy use, water use, and carbon footprint, such as installing water reclamation systems or solar panels to power facilities. Lastly, PCC expects producers who consider themselves sustainable to treat workers fairly and be mindful of diversity, equity, and inclusion at their company.

<u>Terra Vitis</u> is an independent certification available for winemakers in France. It evaluates producers on their environmental and social responsibility efforts. Terra Vitis also serves as a network for winegrowers to share best practices and work towards improving the sustainability of their vineyards.

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ⁱ Andrew Catchpole, "What's Really in Your Pint?," *The Guardian*, May 3, 2006, https://www.theguardian.com/news/2006/may/04/food.foodanddrink.

Aimee Simpson, 'Public Policy: Uncorking Transparency,' Sound Consumer (March/April 2020), https://www.pccmarkets.com/sound-consumer/2020-03/public-policy-uncorking-transparency/.

Linda F. Golodner and George A. Hacker, "Petition to Improve Mandatory Label Information on Alcoholic Beverages ('Alcohol Facts')," December 16, 2003, https://cspinet.org/sites/default/files/attachment/031216IngLabelingPetition.pdf.

^{&#}x27;v' 'Alcohol Facts' Label Proposed for Beer, Wine, and Liquor,' Center for Science in the Public Interest, December 16, 2003, https://cspinet.org/new/200312161.html.

^v Even though we consume alcohol, FDA is not the primary regulatory agency in charge of alcohol. Instead, the Alcohol and Tobacco and Tax and Trade Bureau within the U.S. Department of the Treasury monitors and enforces alcohol labeling and ingredient regulations.

vi McKenzie Hagan, "Organic Wine: A Step Beyond Convention," *Usual Wines* (blog), March 10, 2020, https://usualwines.com/blogs/knowledge-base/organic-wine.