



Sustainability
at *Lion*



LION

Lion exists to champion sociability and help people to live well. In a year when unprecedented temperatures and bushfires highlighted the rising threat of climate change to this, globally we continued to take action on our carbon neutral journey – doing the right thing for the long term.

In 2016 we set ourselves a goal to reduce our direct carbon emissions by 30% from a 2015 baseline by 2025.

2019 RECENT MOMENTUM

1 JANUARY
We begin a 'whole brewery' carbon reduction approach across our Australian breweries, including energy efficiency initiatives, biogas utilisation, rooftop solar, renewable energy Power Purchase Agreements (PPAs) through to providing brewers grain to reduce livestock emissions.

2 JUNE
2,200 solar panels installed on the roof of our XXXX Brewery in Milton, Queensland.

Generating 1,368 MWh annually, reducing the sites emissions by approximately 1,260 tonnes (7% of the brewery's electricity emissions).

3 SEPTEMBER
Kiwi Pale Ale from Fermentist Brewery, Christchurch, becomes New Zealand's first carbon zero certified beer.

Certification by Toitū considered all emissions associated with the product's lifecycle including emissions from growing the ingredients, producing the packaging, brewery operations, transportation and refrigeration. It also considered our efforts to reduce emissions including solar panels on the brewery, composting spent grain and encouraging refillable bottles.

Emissions we couldn't reduce were offset with carbon credits from a native forest restoration in the Hinewai Reserve, Banks Peninsula, and we are constantly reviewing how we can reduce our footprint further.

4 OCTOBER
Lion enters into an aggregated Power Purchase Agreement (PPA) with the Australian Hotels Association NSW to secure cheaper, greener electricity for Lion's NSW operations and participating hotels.

The world's first industrial-scale aggregated PPA, supplying electricity, collectively to our Lidcombe Tooheys brewery, and some 230 pubs and clubs across the state. The PPA will reduce Lion's emissions in NSW by 40%.

2020 A YEAR OF PROUD MILESTONES

5 FEBRUARY
All Fermentist products certified carbon zero by Toitū.

6 MAY
As a last lever, we partner with Tasman Environmental Markets, to offset our remaining emissions with Climate Active approved projects. These included a focus on forest regeneration in NSW, and landholder and conservation projects in Arnhem Land, Northern Territory.

7 MAY
We become Australia's first large-scale carbon neutral brewer!
In doing so, Lion has achieved a 28% (~30,000 tonnes) reduction in its absolute carbon footprint of ~106,000 tonnes of CO₂ in 2015.



TOWARDS ZERO CARBON LION



7 continued

Every Australian brand in our portfolio will now take pride in carrying the message 'brewed and bottled around Australia in carbon neutral breweries' on its packaging.

In doing so, we're letting people know they're able to play a role in a better future simply through the brand choices they make, going about their everyday lives.

8 JULY
2974 solar panels installed at Little Creatures Geelong, Victoria.

A 650 kW system reduces the brewery's emissions by approximately 955 tonnes per year.

9 AUGUST
New Belgium Brewery's 'Fat Tire Amber Ale' becomes the first certified carbon neutral beer in the US. New Belgium Brewing commits to making all beers carbon neutral by 2030.

Certified by SCS Global services. The brand raises climate change disruption to agricultural inputs by advertising \$100 six-packs designed to spark customer attention that prices of ingredients like barley, wheat and rice will rise to unaffordable levels. The CEO of New Belgium writes an open letter to Congress to take up climate action in economic stimulus.

Read more here: www.drinksustainably.com

10 OCTOBER
Lion's CEO becomes founding member in the Australian Climate Leaders Coalition, a group of cross-sectoral Australian corporate CEOs supporting the Paris Agreement commitments and setting public decarbonisation targets. Amongst the commitments made:

- ✓ Keep global warming to <2 degrees above pre-industrial levels

- ✓ Big business seeing decarbonisation as a way to ensure long-term economic sustainability

Read more here: www.climateleaders.org.au

This builds on our joining of the New Zealand Climate Leaders Coalition in 2018.

11 NOVEMBER
Steinlager becomes New Zealand's first major carbon zero beer brand – representing 10% of the total New Zealand beer market

A product lifecycle audit by Toitū revealed that the production of 12 x Steinlager bottles in a standard pack emits 3.2 kg of CO₂e - the equivalent of driving 13km in a Toyota Hilux or having your BBQ on full flame for 1.2 hours. All of this is now being offset by verified carbon credits while continuing to find ways to reduce absolute emissions across the lifecycle.

12 DECEMBER
Lion announced as a joint winner of the Board Leadership of the Year award at the Climate Alliance 2020 Business Leadership Awards.

2021

13 JANUARY
We become New Zealand's first large scale brewer to be certified as carbon zero



WHAT'S NEXT?

- ✓ A renewed Sustainability Vision with further initiatives
- ✓ Working with our suppliers and investigating ways to reduce and offset our Scope 3 emissions
- ✓ Adopting a Science Based Target in 2021 to align to a 1.5°C global warming limit

Steinlager[®]

NEW ZEALAND'S FINEST

**TOMORROW
IS DEFINED
BY WHAT WE
CHOOSE TODAY.**

**NOW
CARBON
ZERO**



Check out
@steinlager



Classic.



Pure.



Pure Light.

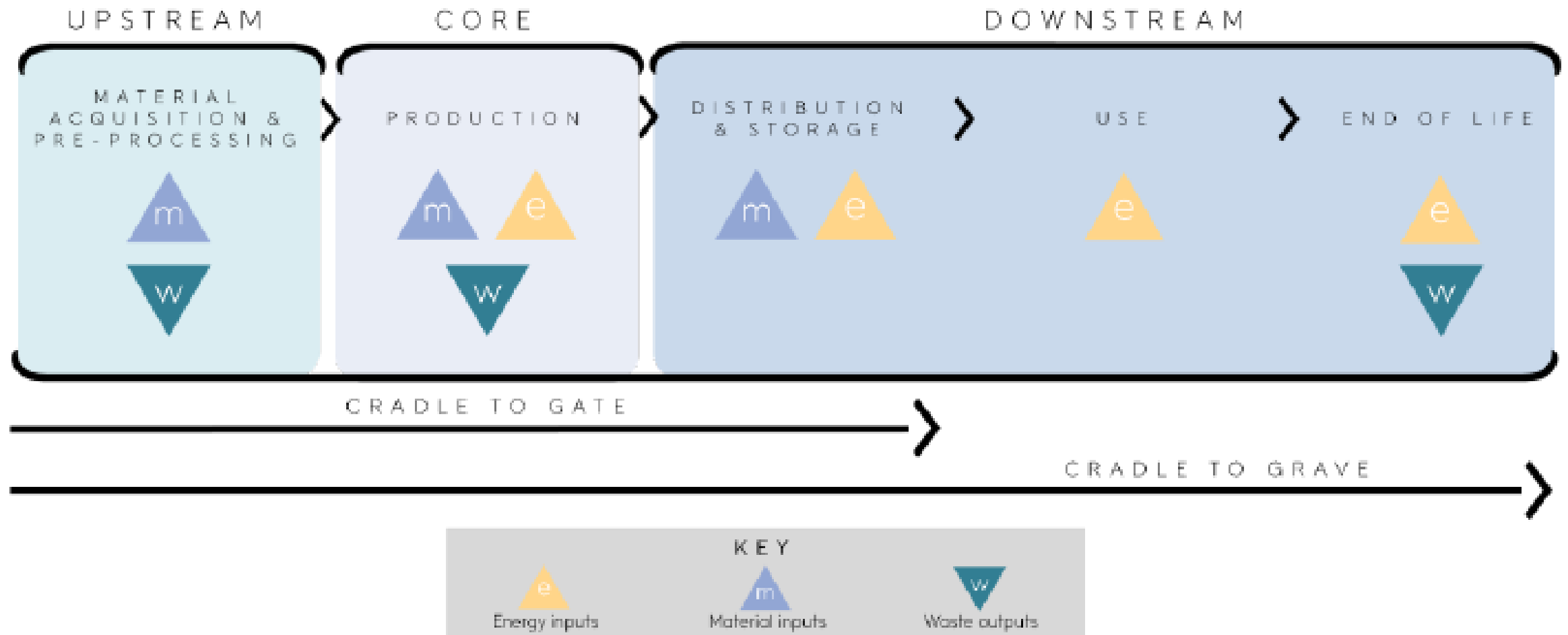


Pure Ultra.



Tokyo Dry.

Gradle to Crave Process



Where do our emissions come from?

Table 1: Product carbon footprint summary by lifecycle activity

	Total (kgCO ₂ e/hL)	Percentage contribution to total emissions
Upstream		
Ingredients	11.18	13.8%
Supply Freight	0.57	0.7%
Core		
Brewing	0.18	0.2%
Cleaning & Maintenance	0.42	0.5%
Energy	4.76	5.9%
Packaging	71.70	88.7%
Downstream		
Distribution	5.70	7.1%
Use	5.86	7.2%
EOL	-19.56	-24.2%
Total kgCO₂e per Hectolitre	80.82	

NOTE: Emissions are indicated by "+" and removals by "-".