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2022

# Sustainability performance report



## About this report

We are proud to present our Sustainability Performance Report for 2022, which marks the first complete calendar year using our redefined ESG framework. Our approach is governed by the belief that Lion can be a force for good in the world, delivering enduring environmental leadership, long-term positive social impact, and best practice governance. And to hold ourselves to account, we've set evidence-based goals to 2025 and beyond.





## Report parameters

Unless otherwise stated, performance data is relevant to our Australia and New Zealand operations for calendar year 2022. This report is produced with reference to the GRI Standards 2021 and applicable Topic Standards 2016-2020. Lion Pty Ltd (Lion) engaged KPMG to perform limited assurance in relation to these selected material sustainability metrics:



Zero carbon



Circular Economy



Water Stewardship



Safety

Refer to [KPMG's assurance statement](#) for detail. The GRI Index provides the list of disclosures we have reported against. Our ten material topics remain consistent with those outlined on page 2 of the [Lion Sustainability Report 2021](#), based on a materiality assessment conducted earlier that year. The [2022 raw sustainability data](#) is also available.

The Lion Sustainability Strategy supports the following UN Sustainable Development Goals (SDGs):

<b>3</b> GOOD HEALTH AND WELL-BEING	<b>5</b> GENDER EQUALITY	<b>6</b> CLEAN WATER AND SANITATION	<b>7</b> AFFORDABLE AND CLEAN ENERGY
<b>8</b> DECENT WORK AND ECONOMIC GROWTH	<b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE	<b>10</b> REDUCED INEQUALITIES	<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION
<b>13</b> CLIMATE ACTION	<b>15</b> LIFE ON LAND	<b>17</b> PARTNERSHIPS FOR THE GOALS	

## Environmental highlights

**Our ambition is to be a *Force for Good* by:  
Demonstrating brave and enduring environmental  
leadership**

We collaborate across our supply chain to support a healthy planet by minimising our water use, reducing our carbon emissions and promoting circular economy solutions for our packaging.



● ON TRACK

**30%**

reduction in Scope 1 & 2  
carbon emissions<sup>1</sup>



STRATEGIC OBJECTIVE  
Zero carbon

● ON TRACK

**100%**

renewable electricity  
procured<sup>2</sup>



STRATEGIC OBJECTIVE  
Zero carbon

● ON TRACK

**64%**

average recycled content in our  
packaging, exceeding APCO  
National Packaging Target > 50%



STRATEGIC OBJECTIVE  
Zero carbon

● OFF TRACK

**3.62 L/L**

litres of water consumed  
per litre of beer produced<sup>3</sup>



STRATEGIC OBJECTIVE  
Zero carbon



1 Reduction in carbon emissions from FY19 baseline. Total 2022 Australia & New Zealand scope 1 & 2 emissions 63,550,028 kgCO<sub>2</sub>e. Target is 55% reduction by 2030.

2 Achieved from commencement of renewable power purchase agreement from 1st January 2023. At 31st December 2022 renewable electricity was 22%. Target is 100% renewable electricity by 2025.

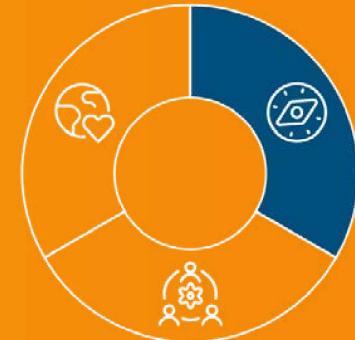
3 The water target and performance data relate to our four major manufacturing sites in Australia and New Zealand - Tooheys, XXXX, Boags and The Pride. Our 2022 performance was impacted by Brisbane floods that also created operational downtime for our Castlemaine brewery water recycling plant. 2022 target is 3.3L/L.

**Notes on Castlemaine Brewery water withdrawal:** Total water withdrawn from environment 646,234kL Total water discharged to environment 431,550kL Discharge quality: 12,380kg nitrogen and 1,518kg phosphorous

## Social highlights

### Our ambition is to be a *Force for Good* by: Creating long-term positive social impact

Guided by our core purpose of championing sociability and helping people to live well, we engage and build relationships with our people, customers, consumers, suppliers and community partners to make a positive difference where we can.



● ON TRACK

# \$2.2m

diverse supplier spend<sup>1</sup>



STRATEGIC OBJECTIVE  
Diverse and ethical supply chain

● OFF TRACK

# 28.7%

of teams have 40% men & 40% women representation<sup>2</sup>



STRATEGIC OBJECTIVE  
Inclusive and diverse workplaces

● ON TRACK

# 68%

of high priority suppliers completed Sedex self assessment<sup>3</sup>



STRATEGIC OBJECTIVE  
Diverse and ethical supply chain

● ON TRACK

# 2,498

people reached through our strategic partnerships building mental resilience in our communities



STRATEGIC OBJECTIVE  
Mental health in the community

● ON TRACK

# <1%

gender pay gap<sup>4</sup>



STRATEGIC OBJECTIVE  
Inclusive and diverse workplaces

● ON TRACK

# \$5.2m

invested in our communities



STRATEGIC OBJECTIVE  
Community engagement

● ON TRACK

# 4,782

volunteering hours by Lion employees



STRATEGIC OBJECTIVE  
Community engagement

● ON TRACK

# 42,223

Alcohol&Me online modules completed



STRATEGIC OBJECTIVE  
Responsible consumption

1 Total spend with diverse suppliers including Indigenous, women-owned and social enterprises.

2 For teams >5 people. 2022 target 34.7%.

3 2022 target 65%.

4 The ratio of the basic salary and remuneration of women to men for each employee category was 0.6% in 2022.



## Governance highlights

### Our ambition is to be a *Force for Good* by: Strengthening and safeguarding our governance

Our governance practices help people across the business make choices that create a positive work environment, earn the trust of our customers and partners, build a business that is sustainable and profitable and contributes to a better world.



1

non-compliance upheld by  
Advertising Standards Authority



STRATEGIC OBJECTIVE  
Best practice and  
reputation

● OFF TRACK

2.13%

Lost Time Injury Frequency  
Rate (LTIFR)



STRATEGIC OBJECTIVE  
Everyone safe every day

● OFF TRACK

4.27

Total Recordable Injury Frequency  
Rate (TRIFR)



STRATEGIC OBJECTIVE  
Everyone safe every day

● ON TRACK

97%

staff completed competition  
law training



STRATEGIC OBJECTIVE  
Best practice and  
reputation

● ON TRACK

98%

staff completed anti-bribery  
and corruption training



STRATEGIC OBJECTIVE  
Best practice and  
reputation





## A message from our Sustainability Director

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I am delighted to present Lion's 2022 Sustainability Performance Report showcasing our progress against established targets over the course of 2022. It reflects my personal ambition - shared by colleagues throughout the business - to make Lion a force for good for people and planet. We remain committed to producing immediate and enduring benefits for society, our people, and the environment.

### Our sustainability targets

Having set ambitious targets that provide long-term direction for our actions, we are making good progress. Key 2022 highlights include being recognised as joint winner of the Net Zero Action Award at the [33rd National Banksia Sustainability Awards](#), progressing toward net zero by becoming the first large scale brewer in Australia to procure 100% renewable electricity for all Australian operations, continuing to promote the responsible consumption of alcohol through our Alcohol&Me program with over 42,200 modules completed and launching our [Innovate Reconciliation Action Plan \(RAP\)](#).

### Pursuing net zero

Lion is dedicated to [achieving a net-zero value chain by 2050](#), and to reducing [carbon emissions by 55 percent by 2030](#) from a 2019 baseline.

In December Lion signed a landmark 100% renewable power purchase agreement (PPA) with the lightsource bp solar farm in Woolooga, near Gympie Qld. Combined with our 100% renewable PPA in NSW and the procurement of additional renewable energy certificates from Woolooga for relatively modest electricity consumption in other states, Lion is now the first large scale brewer in Australia to procure 100% renewable electricity for all Australian operations. This achieves our strategic carbon reduction target two years ahead of schedule and will eliminate around 138,000 tonnes of carbon emissions over the 9.5-year agreement, the equivalent of taking 45,000 cars off the road.

**“We remain committed to producing immediate and enduring benefits for society, our people, and the environment.”**



In New Zealand, Lion has reduced its carbon emissions by 10 percent from its baseline year of 2019 as part of its [Toitū net carbonzero commitment](#).

As a founding member of the [Australian Climate Leaders Coalition](#), we led a proof-of-concept case study on carbon neutral XXXX Gold, working in collaboration with key suppliers and customers to accurately measure and identify scope 3 emission reduction opportunities from our value chain. The [Scope 3 Roadmap Report](#) was the first of its type in the world and presented at COP27 in November 2022.

#### **Serving our people and communities**

Recognising the value of a genuinely diverse and inclusive culture, Lion became the first major brewer to achieve certification as a [Family Friendly Workplace](#).

We were also proud to continue our strategic partnerships with Graeme Dingle Foundation supporting New Zealand's youth to achieve their potential, and with Gotcha 4 Life delivering mental fitness programs to one in every two Lion employees and our local communities. Lion employees also completed over 4,700 hours in volunteering.

Supporting our customers is another way we enhance prosperity in our communities. The [Lion Marketplace app](#), released in August 2022, showcases our focus on being the easiest supplier for publicans, hoteliers and other customers to do business with, as they recover from the challenges presented by the pandemic, labour shortages, and supply chain disruptions.

#### **First Nations reconciliation and empowerment**

Lion is committed to truth telling, recognising past injustices experienced by First Nations peoples, and a reconciled future that includes historical acceptance of our shared history and a nation that embraces diversity and equality between Aboriginal and Torres Strait Islander peoples and other Australians. In launching [our Innovate RAP](#) we welcome feedback on our approach and will continue to listen to - and learn from - First Australians as we take this next step on our reconciliation journey together.

**JUSTIN MERRELL**  
GROUP SUSTAINABILITY DIRECTOR

## Our business



## Our business continued



## Our business continued



