



### **A Note from Russ**

This past year, Lakefront Brewery continued to shine in its ability to meet the pandemic's demands, without sacrificing the governing principles that make Lakefront Brewery a great place to work. Our economic, social and environmental achievements make me proud to have the staff that we do.

Once again, COVID-19 proved this past year's biggest challenge. The Brewery reopened January, 2021 at 100% and—even with big COVID-19 spikes at both ends of the year—we were able to safely keep both Beer Hall and brewing operations running for employees and customers alike.

Our Hop House experience saw continued success during winter, allowing the Beer Hall to keep running while retaining proper social-distancing measures. The Hop Houses themselves were repurposed as greenhouses during the summer.

Throughout our efforts to stay afloat, we found time to give back to the community. On International Women's Day, we participated in the Pink Boots Collaboration Brew Day; proceeds from the beer's sale in the Beer Hall were donated to the Wisconsin Pink Boots Society chapter. Lt. Governor Mandela Barnes toured the Brewery as we discussed how COVID-19 affected Lakefront Brewery, as well as our environmental initiatives, such as the apiary in the parking lot garden.

We continued to improve our environmental quest over the year, including: keeping our adopted stretch of the Milwaukee River—from Humboldt Ave. to Pleasant St.—free of trash and invasive plants, and awarded the WI Green Master's Program Certificate designation of "Green Professional" from the Wisconsin Sustainable Business Council.

Working to support the arts in Milwaukee saw us participate in the "Live Again" collaboration, which raised funds for local independent venues through beer sales. We also collaborated with the National Pediatric Cancer Foundation's "Rising Hope IPA," with \$1 per pint sold benefitting the foundation. Unfortunately in 2021, one of our employees passed away from pancreatic cancer; we brewed a "My Turn" beer in memoriam, donating a portion of the proceeds from each six-pack to the American Cancer Society.

In 2021, we welcomed our first non-alcoholic beer offering: Riverwest Stein NA. Though not everyone drinks alcohol, everyone deserves a delicious-tasting beer!

While 2021 proved a difficult, challenging year, we will look back on it as some of our company's best achievements. In 2022, we will continue looking for ways to help our community and improve as a company to brew great beer, serve our guests in the Beer Hall and entertain them with enjoyable tours.

Sincerely,

Russel J. Klisch

President and Co-Founder





# Why This Report

Lakefront Brewery, Inc. became a benefit corporation in Wisconsin in November 2019.

Lakefront Brewery, Inc. became a certified B Corp in March 2020, scoring over 80 points on B Lab's B Impact Assessment, a third-party verification standard tool used by over 50,000 companies.

Certified



Impact reporting is part of the accountability and transparency requirements of being both a benefit corporation and a certified B Corp.

We must toot our own horn.



# Lakefront Brewery: Certified B Corp and Wisconsin Benefit Corporation

Lakefront Brewery, Inc. online B Corp profile

#### **Certified B Corp**

B Corp is a certification from B Lab

Score 80 pts or higher on B Impact Assessment in areas of:

Governance, Workers, Community, Environment, and Customers

Certified B Corporations are businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose. We must be the change we seek in the world.

B Lab U.S. and Canada website

**B Lab Global website** 

#### **Wisconsin Benefit Corporation**

Change Articles of Incorporation

Annual Benefit Report (Here we are!)

Lakefront Brewery became WI benefit corporation November 2019

Wisconsin Benefit Corporation: Benefit Corporation is a kind of for-profit corporate entity in Wisconsin. Requirements include a positive impact on society, workers, the environment. Self-reported performance through annual report against a third-party standard to merge the traditional for-profit business corporation model with a non-profit model by allowing social entrepreneurs to consider interests beyond those of maximizing shareholder wealth. Requires an annual statement as to the benefit corporation's promotion of public benefit.





### Our Mission Governance



#### **Mission Statement**

Creating natural, sustainable, innovative food and beverages while celebrating Milwaukee hospitality to our visiting guests.



#### **Mission Lock**

In accordance with our Mission Statement, Lakefront will consider stakeholders in its decision making and maintain a priority of sustainable environmental stewardship.

- Amended our governing documents to become WI Benefit Corporation in November 2019
- Became certified B Corp in March 2020
- Introduced Impact Questionnaire for vendors





### Employee Benefits workers

- Employees welcome to participate in 401K (full and part-time)
- 48% of our employees contributing to the employer-matched 401(k) in 2021
- Employee assistance program through United Healthcare
- Employee discounts
- Full benefits for full-time employees working over 30 hours per week including medical, dental, vision, HSA, disability and life insurance
- Free financial advisor meetings held at Beer Hall for employee 401(k) plan
- Adjusted tip share at Beer Hall\*
- My Turn Series

It used to be all the wait staff got the money, and they would tip out the employees. Now, we basically split all the tips up. We went to QR codes. How do you sit there and give the person bringing the food out the majority of the tip when the head chef doesn't get any of that? We switched it all. From the bussers to the dishwashers to the bartenders, everybody gets a share of the tips now.

-Russ Klisch



# My Turn Series workers

My Turn: Ryan Imperial Porter with Coffee and Coconut My Turn: Al
American Stout
Australian international Beer Awards- Silver

My Turn: Moses
Fruit Ale with Blueberries,
Elderberries, and Ginger
European Beer Star – Bronze

My Turn: Towny Milwaukee Märzen













### Community Members Community

#### **Proud Member of:**

- MMAC Metropolitan Milwaukee Association of Commerce
- WISLGBT Chamber of Commerce
- <u>FaB</u> (Food and Beverage) Wisconsin
- <u>Local First</u> (Founding member)
- <u>Travel Green WI</u>-Certified Business (First brewery)
- B Local Wisconsin
- <u>Bicycle Benefits Program</u>
- Riverwest Brewery Syndicate



# Community Members community

- Hosted B Local WI at the Beer Hall summer 2021
- Attended WSBC (Wisconsin Sustainable Business Council) conference in December 2021
- Lakefront Brewery teamed up with the Wisconsin Humane Society and other breweries to support the animals for Brewery Give Back Day. (Portion of beer sales went to provide food, shelter and lifesaving medical care to Milwaukeearea animals in need.)
- We hosted interviews for students through the MPS school-to-work program in April when the students were unable to come to the Beer Hall due to COVID-19 MPS School-to-Work program website
- We hosted DreamBikes: a nonprofit that provides hands-on, paid training to teens in low-to-moderate income neighborhoods while refurbishing and selling bikes to the community.
  - <u>DreamBikes website</u> <u>DreamBikes-Milwaukee Facebook Page</u>
- Hosted Blood Drives at the Beer Hall (Over 26 units collected which will impact nearly 80 local lives)





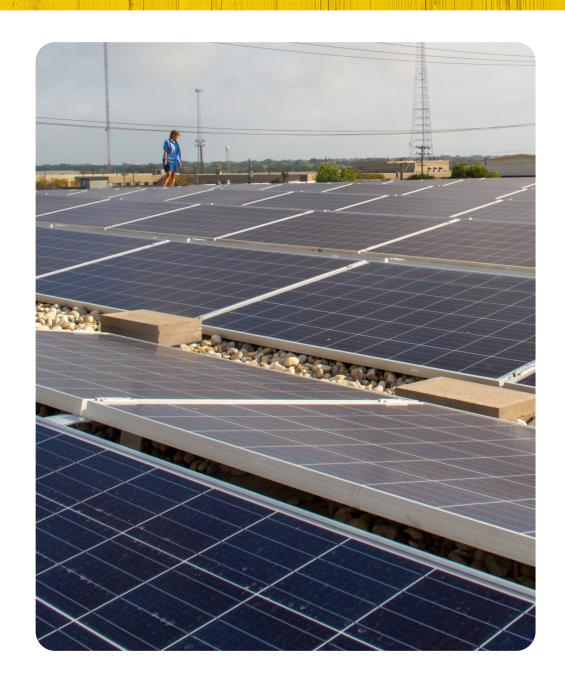
# **Solar Panel Array**

#### **Environment**

- Installed in September 2017
- 264 solar panels on warehouse roof
- 70kWdc Capacity
- 85,100 kWh/year (39% offset)
- Produced 76.51 MWh in 2021 (15% increase from 2020)

"Wherever we can save, contribute or innovate, we'll do it. Our warehouse is basically one, giant refrigerator, and it uses a good amount of energy. To create energy ourselves is conserving resources for everyone else."

—Russ Klisch
Lakefront Brewery President & Co-Founder





### Environmental Initiatives Environment

- Lakefront Brewery is located on repurposed brownfield
- Participate in WE Energies Energy for Tomorrow renewable energy program
- Partner with Milwaukee Riverkeeper to host annual rain barrel event
- Heat Exchanger installed in 2014 to repurpose water /waste heat
- Use <a href="CHEP">CHEP</a> Pallets (Enables more sustainable supply chain)
- Use <u>Microstar</u> Kegs (Reduces the miles empty kegs travel)
- Adopted portion of river from Humboldt to Pleasant to pick up trash and pull invasive plants both in spring and fall
- Parking Lot Garden (Created an apiary this year)
- Hop House experience (will be converted to greenhouses each summer)
- Member of NRDC's Brewers for Clean Water Campaign- signed onto NRDC letter to EPA for clean, safe waterways NRDC Brewers for Clean Water webpage
- Joined Great Lakes Business Network-Groundwork Center for Resilient Communities (MI)
   Great Lakes Business Network website

"Water. We need it to drink, to stay clean, and as a processing aid in many essential industries. All living things need water to survive and grow, and it is the number one ingredient in beer. Why would we ever permit the tainting, pollution, or contamination of something so vital to our existence? We must all be stewards of our planet's ecosystem so we can pass it on from generation to generation, in the same or better condition than we found it."

-RUSSELL J. KLISCH





#### Customer Relations Customers

- Best of Milwaukee 2020 Awards (Best Brew Pub, Fried Cheese Curds, Craft Beer and Brewery Tour)
- Best Local Beer in Milwaukee Journal Sentinel 2021 Top Choice Awards
- Kayak launch so customers can walk, bike, bus or even boat to the Brewery!
- Beer Flow Yoga at the Beer Hall
- Converted upstairs men's room back into a gender-neutral bathroom
- Hosted weddings at the Beer Hall and two free mass vow renewals via Zoom on Valentine's Day 2021
- Rising Hope IPA (Portion of proceeds donated to National Pediatric Cancer Foundation)
- Offer Star-K certified Kosher products
- Offer GFCO certified Gluten-Free products
- Offer Non-Alcoholic products: created our very first near beer, Riverwest Stein NA
- Bicycle benefits (customers can get \$2 off their first beer for riding their bike to the Brewery)
- Held voter registration drive at the Beer Hall



### Charity & Outreach customers

