



Introduction

Since our beginnings in 1987, Lakefront Brewery strives to do right by Mother Earth. We're located on a recovered brownfield; we have a white roof which reflects heat, and we installed a solar array of 264 panels on our warehouse roof. Our pioneering spirit led us to brew both the first USDA organic beer and the first federally-approved, gluten-free beer.

Lakefront Brewery continues innovating for good...

In November 2019, we amended our governing documents to become a Wisconsin benefit corporation, embedding a mission-lock clause that protects our mission to consider stakeholders in our decision-making and prioritize sustainable environmental stewardship through, "Creating natural, sustainable, innovative food and beverages while celebrating Milwaukee hospitality to our visiting guests". On March 11th, 2020 we became the 22nd Certified B Corp in Wisconsin by obtaining a score of over 80 points on the B Impact Assessment, a third-party standard tool that measures social and environmental performance.

Two days later, March 13th, 2020, our Beer Hall, restaurant and world-famous brewery tours closed to the public due to COVID-19.

The brewery persisted with a skeleton crew, keeping the beer flowing during uncertain times.

During this impromptu hiatus, we renovated the brewery with freshly painted walls and installed new drains and flooring. We completely gutted and refitted our lab with brand new shelves and countertops. The Beer Hall received the star treatment: increasing our number of beer lines behind the bar from twelve to eighteen, installing a new glass washer, three-compartment sink, and brand-new stage!

In early spring, Lakefront Brewery recognized our local frontline health care workers by giving away over 3,300 six packs. We devised a city-approved safety plan that allowed us to reopen in early summer 2020. Changes included no touch towels and sinks, sanitizer stations, sneeze guards, QR code ordering and individual guest seating in our notoriously communal Beer Hall.

Though we anticipated challenges in our efforts as a B Corp, 2020 was particularly interesting. Many of our in-person events that emphasize the *gemütlichkeit*, or "warmth, friendliness, and good cheer," that Lakefront Brewery is known for took place elsewhere for the sake of safe social distancing.

In 2021 we are excited to engage even more with the B Corp and B Local Wisconsin communities, discovering and developing how best to be a force for good.

Please enjoy Lakefront Brewery's very first Annual Impact Report and feel free to reach out to us with any questions, comments, or concerns. Thank you for being a stakeholder. We welcome any feedback on our social and environmental effects at:

info@lakefrontbrewery.com



A Note from Russ

This past year our brewery made a large commitment to be certified as a B Corp and we are proud to be the first brewery in the state to be certified. At Lakefront we have always been blessed with dedicated employees who excel at finding the correct things to do, be it environmental, social, or governance, and to find ways to donate back to the community to help it the most.

Our biggest challenge of 2020 was COVID-19 and how we were going to react to it to help our business, employees, and communities. When COVID-19 hit, we were the first restaurant in the State of Wisconsin to voluntarily close our Beer Hall operation a week before the State required everyone else to close.

Our brewery never closed during the pandemic which was a testament to the perseverance of our brewery workers, continuing to supply the city with great craft beer during these times. We were also one of the first to open our restaurant with a city-approved COVID-19 safety plan. COVID-19 didn't stop our crew from trying to give back to our community. To support social distancing, we created a virtual 360 tour for Doors Open Milwaukee, our annual rain barrel event was altered so painting took place at home, and our Black Friday event was cancelled.

Throughout the year we held several blood drives and voter registration drives at the Beer Hall. We sold 750 Black Lives Matter crowlers to donate \$8000 to Urban Underground and donated a portion of beer sales during Bushfire Relief Week to the Australian Resilience Fundraiser.

As 2020 was a trying, hard year, we will look back at it as some of our best achievements our company has ever made. Looking forward to the next year to brew great beer, serve all our guests in the Beer Hall and using all we learned to grow out of the pandemic with everyone.

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 80.1 points on B Lab's B Impact Assessment, a third-party verification standard tool used by over 50,000 companies.

Certified

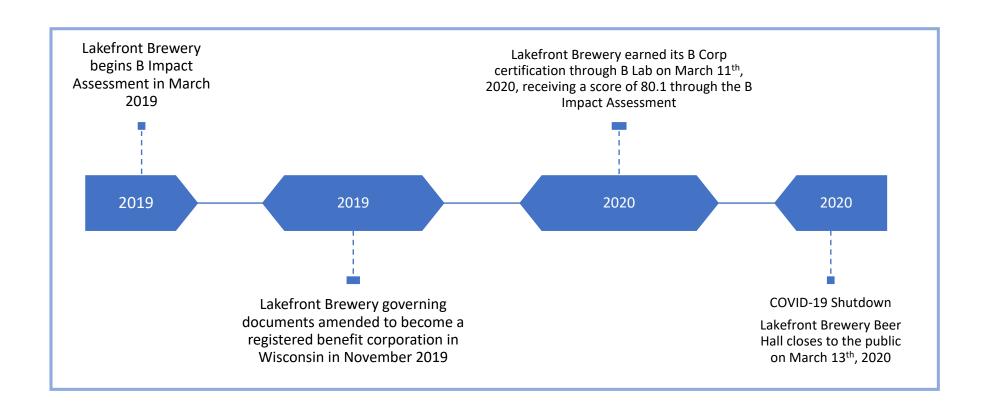


Impact reporting is part of the accountability and transparency requirements of being both a benefit corporation and a Certified B Corp.

We must toot our own horn.



Our Journey to B Corp





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 a 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, and 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
- First impact score published in 2020:
 Lakefront Brewery online B Corp profile





Employee Benefits workers

- Hosted Flu Clinics at the Beer Hall
- 401K for all employees (part- and full-time)
- 58% of our employees contributing to the employer matched 401k in 2020
- First Employee Materiality Assessment conducted in 2019
- Full benefits for full-time employees working over 30 hours per week including medical, dental, vision, HSA, disability and life insurance
- My Turn Series: Each full-time employee gets the opportunity to develop their own beer



My Turn Series workers

My Turn: DeSantis Italian Grape Ale



My Turn: Doyle
Irish Red Ale
Honorable Mention
San Diego Int'l Beer Competition



My Turn: Juvarr

Honey Lager

European Beer Star – Bronze
U.S. Open Beer Championship – Silver Medal



My Turn: Hopgood Vienna Lager







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
- Bicycle Benefits Program
- Riverwest Brewery Syndicate



Community Members community

- Beerline Barleywine Ale won a Good Food Award in 2020 Good Food award recipients push their industries towards craftsmanship and sustainability while enhancing their agricultural landscape and building strong communities Good Food Award website
- We participate in the Milwaukee Public Schools School to Work Transition Program
 MPS School to Work Transition Program webpage
- 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>





Solar Panel Array

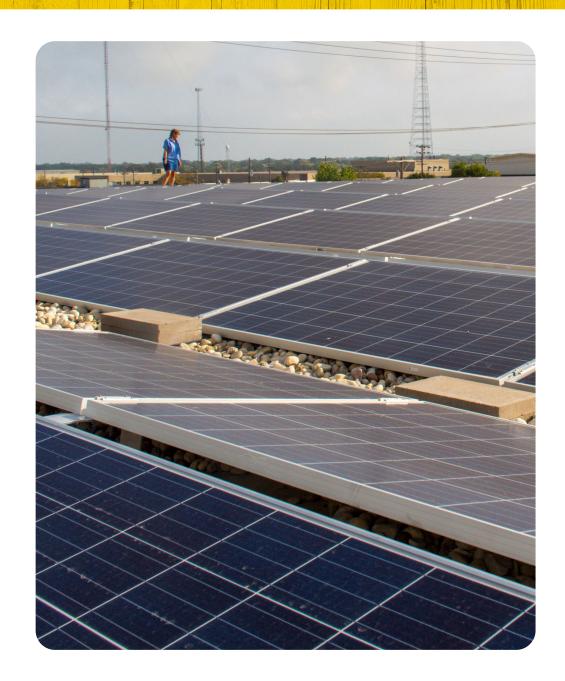
Environment

- Installed in September 2017
- 264 solar panels on warehouse roof
- 70kWdc Capacity
- 85,100 kWh/year (39% offset)
- Produced 66.33 MWh in 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 <u>CHEP</u> Pallets (Enables more sustainable supply chain)
- Use Microstar 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
- Hop House experience (will be converted to greenhouses each summer)
- Member of NRDC's Brewers for Clean Water Campaign <u>NRDC Brewers for Clean Water webpage</u>
- Obtained Lake Friendly certification in 2019
 Plastic Free MKE Lake Friendly Certification webpage





Customer Relations customers

- Discounts for first responders
- Kayak launch customers can walk, bike, bus or even kayak to the Brewery!
- Hosted free weddings for 23 couples and two free mass vow renewals on Valentine's Day 2020
- Supported non-profits with 110 gift box donations in 2020
- Offer Star-K Certified kosher products
- Offer GFCO Certified gluten-free products
- 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

Sponsored Cases given to **Chili Cookoff** healthcare workers 2020 Outreach **Support non-profits Healthy Dating** with donation gift youth summit boxes (110 gift (Sojourner) boxes for 2020)

