IMPACT REPORT '24







A NOTE FROM RUSS

2024 will be a year remembered where everyone in the company pulled together to make it a successful year by being innovative, watching costs, and producing quality products. On the brewing side, new products were introduced with the Chilly Rabbit, Dive Beer and New Grist IPA that helped us grow our volume in the changing landscape of the craft brewing market. On the hospitality side, our fantastic tours and food continued to bring guests to our Beer Hall and patio. We even had our Curd Wagon gluten free all summer to the delight of many. Our events continued to shine and even added a few new ones with a wrestling event, a Halloween event, and even a Swedish New Year. We even added tours this year that came from cruise ships that stopped in the Milwaukee port to help give visitors a positive taste of Milwaukee. We still represent what Milwaukee is to all our visitors and local guests.

On the capital improvement side, we installed the Corosys system that will help us produce a more consistent quality product and will allow us to make new future products. One of the parts of the system is a deaerated water column which allows us to flush and push the beer through our system without getting any oxygen into the beer. Our deaeration system is also more sustainable because it doesn't use CO2 to remove the oxygen from the water, but a vacuum to be very environmentally friendly and not put anymore CO2 in the atmosphere.

Although the brewery and Beer Hall had many successes in 2024, success is not always judged by the financial results, awards and press that you receive. We also have to look for what we have done for the community, for our employees, and the environment.

From our efforts through the Ripple Effect committee and others, we did a great job in connecting our brewery to local groups in need. We had an event for the Milwaukee Diaper Mission that collected the largest amount of period supplies for them and the second largest amount of diapers compared to any fundraiser they held last year. During Black Friday we had a coat drive that collected over 100 coats for the Carver Academy. We hosted several blood drives throughout the year to help the city's blood supply. We did River cleanups to help our neighborhood and the environment. We also use our special labeled Crowlers for fundraisers where we raised money for LGBTQ causes, Fund the Fund (to help build a new playground in Riverwest), and the PIAD Crowler supporting Ukranian humanitarian assistance. We were part of the School-To-Work Transition program where special needs students from MPS had small jobs in the Beer Hall to help train them to enter the job market. These are just a few of the things that we did for the charities and the community, and we will continue to look for more community needs that we can help with in the next year.

Looking forward to 2025 and working closer with everyone this coming year and finding ways we can be a better operation for everyone.

Russell J Klisch



Certified B Corp™ and Wisconsin Benefit Corporation

Certified B Corp

B Corp is a certification from B Lab

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

Wisconsin Benefit Corporation: A Benefit Corporation is a for-profit corporate entity in Wisconsin. Requirements include a positive impact on society, workers, and the environment. Self-reported performance through annual reports 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.



By the Numbers: Lakefront Impact

- 459 In-kind donation boxes gifted
- Over \$14,000 in monetary donations
- 66,999 MWH produced by rooftop solar panel array
- 2 cleanups along the river
- 7 Storm Drains maintained
- #1 Period supply drive in 2024 for Milwaukee Diaper Mission
- 89 pints of blood donated, estimated to touch over 260 lives
- 12 issues of What's Happening newsletter went out to employees
- 473 spirit barrels sold for reuse
- 168 winter coats collected for Carver School
- 29 employee volunteer hours
- Over 3 million lbs of spent malt sent to hungry cows, not landfill
- 4 Beer Collaborations: Glassy Waves with Great Lakes, Gold Package with Badger State, Lighten Up Man, It's the 90s with Young Blood and Bog Goddess (Pink Boots Society- WI Chapter)



GOVERNANCE



Our Mission



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.



Lakefront Brewery Values

Hard Work

Dependability

Fun

Approachability

Local

Environmental Stewardship

Innovation

Inclusivity



Certified B Corporation



Recertified as a B Corp™ with 81.5 points in September 2023!

Overall B Impact Score

Based on the B Impact assessment, Lakefront Brewery, Inc. earned an overall score of 81.5. The median score for ordinary businesses who complete the assessment is currently 50.9.



- 81.5 Overall B Impact Score
- 80 Qualifies for B Corp Certification
- 50.9 Median Score for Ordinary Businesses











- Lakefront won a 2024 Mayor's Design Award for the Riverwalk improvements
- Russ spoke on Business for a Better World panel at Carthage College and at Cap Time's Idea Fest Panel
- Honored as 2024 Business Community Energy Advocate by Citizens Utility Board (45th anniversary)
- Signed on to Business letter to Congress to uphold federal clean energy and vehicle tax policies
- Signed NRDC letter to EPA for clean, safe waterways
- Joined the White House Freshwater Challenge



Why Lakefront Brewery Switched to Cans.



Cans are infinitely recyclable.

Cans go where glass cannot.

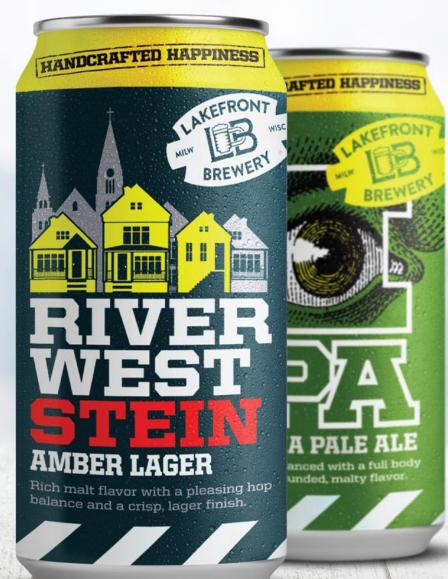




Cans are much lighter than glass.

Cans cut packaging materials and costs dramatically.







Cans eliminate degradation from light and oxygen.

Cans chill faster.





Cans are much safer and more durable.

Cans boost shipping efficiency by nearly 50%.



WORKERS



Employee Benefits

- Full and part-time employees eligible to participate in 401(k)
- 37% of our employees contributed to the employer-matched 401(k) in 2024
- Full benefits for employees who regularly work over 30 hours a week including medical, dental, vision, HSA, and 100% company paid disability and life insurance
- Free financial advisor meetings held at Beer Hall for employee 401(k) plan
- Employee discounts
- PTO & VTO
- My Turn Series: Every full-time employee gets to make their own beer, and the public gets to meet four new Lakefront Brewery employees each year











Employees

- Trainings: New Employee Orientation, Hazcomm, Allergen, Mental Health First Aid, CPR First Aid, WeVow, Situational Leadership, Beer School
- Lakefront Little Library & Book Club
- Employees can play Cool Choices; a game that encourages sustainable actions
- Memberships: B Hive; Brewers Association (Infinite Ingredient Wellness Portal), Pink Boots Society
- 12 'What's Happening' newsletters a year
- 30.7% voluntary employee turnover rate;
 - Lower than the 73.9% industry rate (2023 TOAST)









My Turn Series









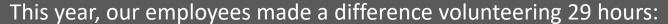
My Turn: AJ Dunkelweizen

Bronze - Australian International Beer Awards
Silver- US Open Beer Championship

My Turn: JAKE Sömmerfest Lager My Turn: SAMM Peach Lime Ale My Turn: ALISON Scotch Ale



Employee Volunteering



- In the kitchen at Tricklebee Café
 - A plant-based, pay-what-you-can community café that offers healthy meals, food-service training, & spiritual nourishment
- At Milwaukee Diaper Mission
 - Empowers families by providing a reliable source of free diapers & period supplies
- By the river during Milwaukee Riverkeeper® Cleanups
 - Cleanup two times a year in participation of their Adopt-a-River program.
- On the field in Playworks' Corporate Kickball Tournament
 - Helps schools and youth programs create healthy play environments where every child can join in



Tricklehee Car

Milwaukee

diaper mission

















COMMUNITY



- B Local Wisconsin
- Beverage Federation
- Bicycle Benefits Program
- B Corp <u>Climate Collective</u>
- Brewers Association
- Brewers for Clean Water-NRDC
- Citizens Utility Board
- Craft Beer Professionals
- Craft Beer's Purchasing Cooperative
- FaB (Food and Beverage) Wisconsin
- Great Lakes Business Network

- Milwaukee Metro Association of Commerce
- Milwaukee Riverwalk District
- Plastic-Free MKE
- Riverwest Brewery Syndicate
- SafeRide program
- <u>Travel Green Wisconsin</u>
- Visit Milwaukee
- Wisconsin LGBT Chamber of Commerce
- Wisconsin Sustainable Business Council







Wisconsin





















- Riverwalk Music Series at Lakefront
- Sponsored Locust Street Fest/Beer Run
- Hosted Hammerschlagen Checkpoint during the Riverwest 24
- Sponsor for German Fest (brought Bernie Brewers Chalet!)
- Sponsored Chill on the Hill
- Spoke at WI Brewers Guild Tech Conference









- MPS School to Work Transition Program
- UW-Madison WIFT Sustainable Business Presentation
- Participated in UI-Chicago <u>UI-C B Impact Clinic</u>
- Ronald McDonald Battle of the Breweries
- Sponsor for Run 4 Water MKE 2024
- Sponsored and participated in AFSP Out of the Darkness Walk
- Black Friday Coat Drive for Carver Elementary





Pink Boots Society





- Made "Bog Goddess", a Cranberry Orange Lager, during our 2024 Pink Boots Collaboration Brew Day @ Lakefront Brewery
- Donated a portion of Bog Goddess proceeds to <u>Pink Boots Society</u> Wisconsin & National Chapters
- Pink Boots Society is a non-profit organization that aims to assist, inspire, and encourage women and non-binary individuals in the fermented/alcoholic beverage industry to advance their careers through education







ENVIRONMENT



Solar Panel Array

- Installed in September 2017
- 264 solar panels on warehouse roof
- 70kWdc Capacity
- Produced 66.99 MWh in 2024. Nice!



"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. Creating energy ourselves is conserving resources for everyone else."







Environmental Initiatives

"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. 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."

- Russ Klisch

- Lakefront Brewery is located on a repurposed brownfield
- White roof reflects energy and heat
- 100% renewable energy at warehouse through Energy for Tomorrow
- Heat Exchanger installed in 2014 saves energy and water.
- Leasing CHEP Pallets and Microstar Kegs reduces the miles pallets and empty kegs travel





Environmental Initiatives



- Switched to biodegradable stretch wrap on our palletizer August 2024.
- Installed a more efficient yeast prop system.
- Installed DAW (deaerated water system):
 - Reduces dissolved oxygen and improve efficiency of water use.
 - Uses vacuum pump instead of CO2 to remove O2 from water, reducing greenhouse gases released.
 - Saves beer from going down the drain with every transfer, kegging, and canning run. Every drop of beer saved translates to savings in our utilities and labor to make the beer.
- New blending and carbonation system uses less C02 by carbonating with a venturi valve and pressurized holding tube.
- Hosted a Malt Bag tote making workshop at the Beer Hall.





Brewer's Association Sustainability Toolkit

	Scenario	Value	Units
	Your Baseline Efficiency	27	kWh/bbl
	Sector Top 75 Percentile	36	kWh/bbl
	Sector Median	26	kWh/bbl
	Top 25 Percentile	20	kWh/bbl
	Best-in-class	10	kWh/bbl
Electricity (kWh/bbl)	Enter Your Goal	26	kWh/bbl
	Projected Goal Year Purchased Utility Rate	0.15	\$/kWh
	Projected Goal Year Annual Cost at Baseline Efficiency	162,591	\$
	Projected Goal Year Annual Cost at Goal Efficiency	151,816	\$
	Potential Annual Cost Avoidance (Baseline - Goal)	10,774	\$
	Potential Normalized Cost Avoidance (Baseline - Goal)	0.27	\$/bbl
	Potential Annual GHG Emission Reduction (Baseline-Goal)	101,129	lb
Fuel	Your Baseline Efficiency	2.5	therm/bb
	Sector Top 75 Percentile	2.8	therm/bb
	Sector Median	2.1	therm/bb
	Top 25 Percentile	1.6	therm/bb
	Best-in-class	0.8	therm/bb
	Enter Your Goal	2.7	therm/bb
(therm/bbl)	Projected Goal Year Purchased Utility Rate	0.60	\$/therm
	Projected Goal Year Annual Cost at Baseline Efficiency	59,788	\$
	Projected Goal Year Annual Cost at Goal Efficiency	63,607	\$
	Potential Annual Cost Avoidance (Baseline - Goal)	(3,819)	\$
	Potential Normalized Cost Avoidance (Baseline - Goal)	(0.10)	\$/bbl
	Potential Annual GHG Emission Reduction (Baseline - Goal)	(74,746)	lb
	Your Baseline Efficiency	4.9	bbl/bbl
	Sector Top 75 Percentile	7.0	bbl/bbl
	Sector Median	5.7	bbl/bbl
	Top 25 Percentile	4.3	bbl/bbl
	Best-in-class	2.9	bbl/bbl
Water	Enter Your Goal	5.2	bbl/bbl
(bbl/bbl)	Projected Goal Year Purchased Utility Rate	4.39	\$/1000 g
	Projected Goal Year Annual Cost at Baseline Efficiency	26,839	\$/1000 g
	Projected Goal Year Annual Cost at Goal Efficiency	28,415	\$
	Potential Annual Cost Avoidance (Baseline - Goal)	(1,576)	\$
	Potential Normalized Cost Avoidance (Baseline - Goal)	(0.04)	\$/bbl
	Potential Annual Water Reduction (Baseline - Goal)	(359,365)	gal
Solid Waste Disposed (lb/bbl)	Your Baseline Efficiency	13.5	lb/bbl
	Sector Top 75 Percentile	2.3	lb/bbl
	Sector Median	1.3	lb/bbl
	Top 25 Percentile	0.8	lb/bbl
	Best-in-class	0.1	lb/bbl
	Enter Your Goal	12.3	lb/bbl
	Projected Goal Year Disposal Utility Rate	0.06	\$/lb
	Projected Goal Year Annual Cost at Baseline Efficiency	34,819	Ŝ
	Projected Goal Year Annual Cost at Goal Efficiency	31,567	Š
	Potential Annual Cost Avoidance (Baseline - Goal)	3,252	\$
	Potential Normalized Cost Avoidance (Baseline - Goal)	0.08	\$/bbl
	Potential Annual Solid Waste Reduction (Baseline - Goal)	50,516	lb
Carbon Dioxide (lb/bbl)	Your Baseline Efficiency	8.2	lb/bbl
	Sector Top 75 Percentile	11.2	lb/bbl
	Sector Median	9.2	lb/bbl
	Top 25 Percentile	7.6	lb/bbl
	Best-in-class	4.0	lb/bbl
	Enter Your Goal	7.5	lb/bbl
	Projected Goal Year Purchased Utility Rate	0.16	\$/lb
	Projected Goal Year Annual Cost at Baseline	53,610	\$
	Projected Goal Year Annual Cost at Goal	49,260	\$
	Annual Cost Avoidance (Baseline - Goal)	4,350	\$
	Normalized Cost Avoidance (Baseline - Goal)	0.11	\$/bbl
	Annual CO2 Emission Reduction (Baseline - Goal)		

Shows our 2024 data normalized as amount per barrel of beer

- 27kWH/bbl Electricity
- 2.5 therm/bbl Fuel
- 4.9 bbl/bbl (includes Beer Hall & Kitchen water)
- 13.5 lb/bbl Waste(estimation based on full bins)
- 8.2 lb/bbl C02
- Scope 1 & 2 Emissions for 2024:
 1064.28 Metric Tons Co2e*





The Lakefront Garden

- Rain garden
- Compost old rice hulls and hops
- Growing hop crops along fence
- Greenhouses converted into "Hop Houses" for winter
- Herb and potato garden tended by MPS School to Work students
- Produce used in the Beer Hall, Tricklebee Café, and employees' homes!









Adopt-A-River Cleanups

- Participated in Milwaukee Riverkeeper's "Adopt-A-River"
 Program to clean the south branch of the Milwaukee
 River two times a year.
- Collected over 130 bags of trash in 2024









Beer Innovation: Kernza



We brewed with Kernza for the second time:

Supersede Kernza Pale Ale

- Kernza is a perennial grain; it will come back each growing season without being resown, reducing soil disturbance and erosion.
- Kernza has deep roots that reach over 6 ft long, making it water-efficient, helps sequester carbon in the soil, and makes for a more reliable, stable crop.







CUSTOMERS





- Hosted Santa Rampage
- Hosted Gluten-Free Maifest
- Hosted Fall Fest of Ale
- Hosted Handcrafted Makers Markets
- Pours for Parks to raise funds for Friends of Humboldt
- Half off tours for active military
- Free pint for teachers on June 13th





- Offer Star-K certified Kosher products.
- Offer GFCO certified Gluten-Free products.
- CurdWagon went Gluten-Free all summer long for the first time!
- Introduced "<u>Picknic</u>" Allergen App guide.









- Recognized at the Advancing Status by the **Green Masters Program**
- Bicycle benefits (Riders get \$2 off their first beer)
- Kayak launch on-site so customers can walk, bike, bus, or even boat to the Brewery!

















- La Gosa Rita won bronze in Gluten-Free Beer at World Beer Cup
- La Gosa Rita won Good Food Award 2024
- Lakefront Brewery #2 in USA Today 10 Best Brewpubs 2024
- Riverwest Stein NA won Grand Champion in NA at 2024 US Beer Tasting Championship
- New Grist IPA won silver in Japan International Beer Cup
- BA Imperial Pumpkin won bronze JIBC



MILWAUKEE BUSINESS JOURNAL

 Milwaukee Business Journal readers awarded Lakefront top bracket in Oktoberfest Madness bracket

THE BEER CONNOISSEUR

Dive Beer rated #11 and New Grist IPA rated #20 of 100 Top
 Rated Beers by <u>Beer Connoisseur Magazine</u>

milwaukee journal sentinel

 Winner for Brewpub/Brewery in Milwaukee Journal Sentinel Top Choice Awards

Milwaukee

 Winner for Brewery Taproom from Milwaukee Magazine Readers' Choice Awards





Won *Eight* 2024 Shepherd Express Best of Milwaukee Awards:

- Best Gluten Free/ Friendly Restaurant
- Best Trivia Night
- Best Craft Beer
- Best Fish Fry
- Best Microbrewery/Taproom
- Best Brewery Tour
- Best Fried Cheese Curds
- Best Milwaukee Tour



- Hosted weddings at Lakefront Brewery on Valentine's Day
- Offer BOGO Deals through: Hop Passport, Brew City Beer Pass, Craftapped, Reel Craft Pass, Riverwest Brewery Syndicate Disloyalty Card, Craft Notes, Brew Deck
- Lakefront Loyalty program and donation round up through Toast









We're the first Certified B Corp brewery in Wisconsin, and we aim to focus our donation and action efforts on local organizations (MPS School to Work, Milwaukee Riverkeeper Adopt-a-River), sponsoring local community events (WMSE Rockabilly Chili, Bay View Chill on the Hill) and offering an <u>in-kind donation</u> gift box for local non-profits (must be a 501c3).

We also have neighbors much farther afield. For example, in the wake of the crisis in Ukraine we reached across the world to support longtime beer collaborators/partners in Lviv through our "Putin is a Dick" crowler fundraising campaign. Whenever possible, we strive to align our *Ripple Effect* donation and action efforts with the SDGs, or 'Sustainable Development Goals' set out by the UN in 2015.



SUSTAINABLE GALS DEVELOPMENT GALS











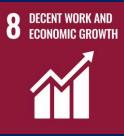




(SDGs) are an urgent call for











action in a global partnership. 16 PEACE, JUSTICE AND STRONG INSTITUTIONS













SDG at LB





401k employer match
Supplier Code of Conduct



Solar Panel Array Purchase Renewable Energy



Kinship Comm. Food Center Tricklebee PWYC Restaurant



Financial Webinars

<u>Code of Conduct</u>



Employee workouts Healthcare Mental Health First Aid



Heat Exchanger

Brewing with Kernza



MPS School to work Playworks

Fund the Fun



Pink Boots Society
MPS School to Work

Heat Exchanger

Malt Bag workshop



Pink Boots Society



Riverwest Brewing Syndicate Great Lakes Business Network Spent grain to cows



Milwaukee Riverkeeper MMSD Field Trip Run4Water



Switch to Cans Recycling Bublr Bike Station



Adopt-your-drain Adopt-a-river



Riverkeeper Cleanups
JR Pups N' Stuff



PIAD Crowlers



Community Members
B Local WI



Ripple Effect Outreach

Sponsored Bay View Neighborhood Association Chill on the Hill

Sponsored WMSE Rockabilly Chili & Backyard BBQ

2024 Outreach

Supported nonprofits with 459 donation gift boxes (~\$42,174 in-kind)

Donated over \$36,000 including customer contributions





Ripple Effect Outreach

Top 5 Period Drives of 2024

- 1. Lakefront Brewery 6,275 products
- 2. Baird Women's Associate Resource Group 3,432 products
- 3. Let it Flow Period Party 3,216 period products
- 4. Alpha Phi at Marquette University 3,162 products
- 5. Medical College of Wisconsin 2,619 products













- Hunger Task Force
- B Local WI
- Kinship Community Food Center
- Feeding America Eastern Wisconsin
- Historic Brewers Hill Association/ George Washington Carver Academy
- Milwaukee Diaper Mission
- Milwaukee LGBT Community Center
- Milwaukee Riverkeeper
- JR's Pups-N-Stuff
- Ukraine Focus
- 988 Save-a-Weiss (AFSP-WI Chapter)
- Blood drives for Versiti and American Red Cross
- Chef's Cycle
- Latino Medical Student Association
- Reflo/Riverwest Elementary School



Crowler Campaigns



- Donated over \$17,000* to Ukraine Focus for humanitarian aid in Ukraine through our "Putin is A Dick" Crowler sales. Over \$170k donated to date.
- Donated over \$3500* to Milwaukee LGBT Community Center through "Pride" Crowler sales.
- Donated over \$600* to Groundwork Milwaukee through our "Ripple Effect" Crowler sales.
- Donated over \$6,000* to Reflo/Riverwest Elementary
 School through "Fund the Fun" Crowler sales.



THANK YOU

Lakefront Brewery uses the B Lab Impact Assessment as a third-party standard to measure its social and environmental impact.

Thank you for being a stakeholder. We welcome any feedback on our social and environmental efforts at: INFO@LAKEFRONTBREWERY.COM

Thanks for reading, you've earned yourself a beer!

