

IMPACT REPORT

2020-22 & BEYOND...

'BUEN VIVIR'...WHICH ROUGHLY MEANS 'LIVING IN HARMONY', HAS BEEN MY GUIDING PHILOSOPHY SINCE STROUD BREWERY STARTED BACK IN 2004. IT IS A CONCEPT WIDELY UNDERSTOOD IN SOUTH AMERICA THAT RECOGNISES THE RELATIONSHIP AND RESPONSIBILITY THAT WE HAVE AS STEWARDS OF OUR LAND AND RESOURCES. IN MY WORK AND TRAVELS, I BECAME VERY AWARE OF THE IMPACT LOCAL ACTIONS (INCLUDING MY OWN) CAN HAVE ON A GLOBAL WORLD.

We have made sure Buen Vivir is at the very core of what we do here at the Brewery, so what does it mean for us?

We want to thrive and have fun as a business, without compromising the ability of others to do the same and with every business decision we make we consider both the thrivability of PEOPLE; our team, our customers, our suppliers and anyone affected by our business activities, and our PLANET; biodiversity, ecosystem services, soil health, etc.

Our vision is to have a regenerative brewery business model and we will work towards this goal year on year until we are climate positive, carbon negative, waste free and circular.

This has been a dream of mine for years, back when environmentally friendly options were like hens teeth. As we began our journey, we were happy to balance our profits with the right business decisions that support a healthy, living planet. We are also very lucky to be based in Stroud which has always been considered forward thinking, with a community that has supported our brewery to help it become what it is today; successful in every sense of the word!

We proudly became a B Corporation in 2018, and we are currently the only independent, fully certified organic brewery in the UK. As we believe that business and ethics can go together.

We are also excited that many more businesses are making the same commitment and joining us.

Whilst we're proud of what this report contains, we won't be stopping here as there is still a lot more to do! We have some great plans in place, to keep making our great tasting organic beer and setting some significant sustainability targets. We want to ensure the next few years are transformational for both our business and the people we connect with, whether that's our staff, our suppliers and our customers.

I hope you will join us on this journey as we are very willing to share our sustainability practices with others. We believe working in collaboration, sharing ideas and best practices is the only way to accelerate the positive change needed. And if you're ever in the Stroud and would like to come and see how great tasting organic beer is made, come along for a brewery tour which includes sampling some of our amazing beers!

For now I hope we can all enjoy some BUEN VIVIR!

Mittey

Greg Pilley

Founder & MD of Stroud Brewery,
Director of Stroud Common Wealth,
Founding member of Stroud Community
Agriculture LTD





We think beer tastes better when drunk in the great outdoors enjoying the natural world. Our ingredients are all natural too – hops, barley and water.

Beer making is a very old tradition going back thousands of years and long gone are the days of foraging in nature for our beer making bounty. Nowadays farms are the hub for growing these ingredients and there are many different types of farms from which to buy our beer ingredients.

Many farms sadly continue to use artificial fertilisers. These finite resources, rich in soluble nitrates and phosphates are washed off farm fields by rain. They find their way into our waterways, streams, rivers and into the sea polluting the water and threatening the wildlife we have left. There are also farms that use quantities of herbicides and pesticides to kill insects and 'non crop' plants. These chemicals also end up in our waterways and do what they are designed to do in the field, kill. Back in the field they also compromise our valuable soils.

However, there are farms full of wildlife, healthy spaces for bees, insects, birds and other animals, with soils full of nutrients that grow great quality crops. There are farms that are organic, where the use of artificial chemicals to kill insects & plants (wildlife) is restricted and they only ever fertilise their soils using natural methods. These are the farms we choose to get our

ingredients from for all our Stroud Brewery beer.
Being organic is more expensive as organic cultivation can be labour intensive and without an artificial boost, can have reduced yields. We pay a higher price for these ingredients which means our beer costs a little more vs non-organic beers, but we believe the health of our wildlife and our ecosystems is worth it.

Not to mention our own health too!

AT THE BREWERY WE ALSO THINK ORGANIC INGREDIENTS ARE BETTER QUALITY, SO NOT ONLY DO WE SUPPORT THE FARMERS WHO FARM IN WAYS THAT SUPPORT WILDLIFE POPULATIONS* BUT WE ENSURE WE MAKE GREAT TASTING ORGANIC BEER FOR OUR CUSTOMERS. WHAT'S NOT TO LOVE!

*The longer land is farmed organically, the better it is for wildlife and by buying our ingredients from the same farmers each year, we're helping them to nurture more wildlife



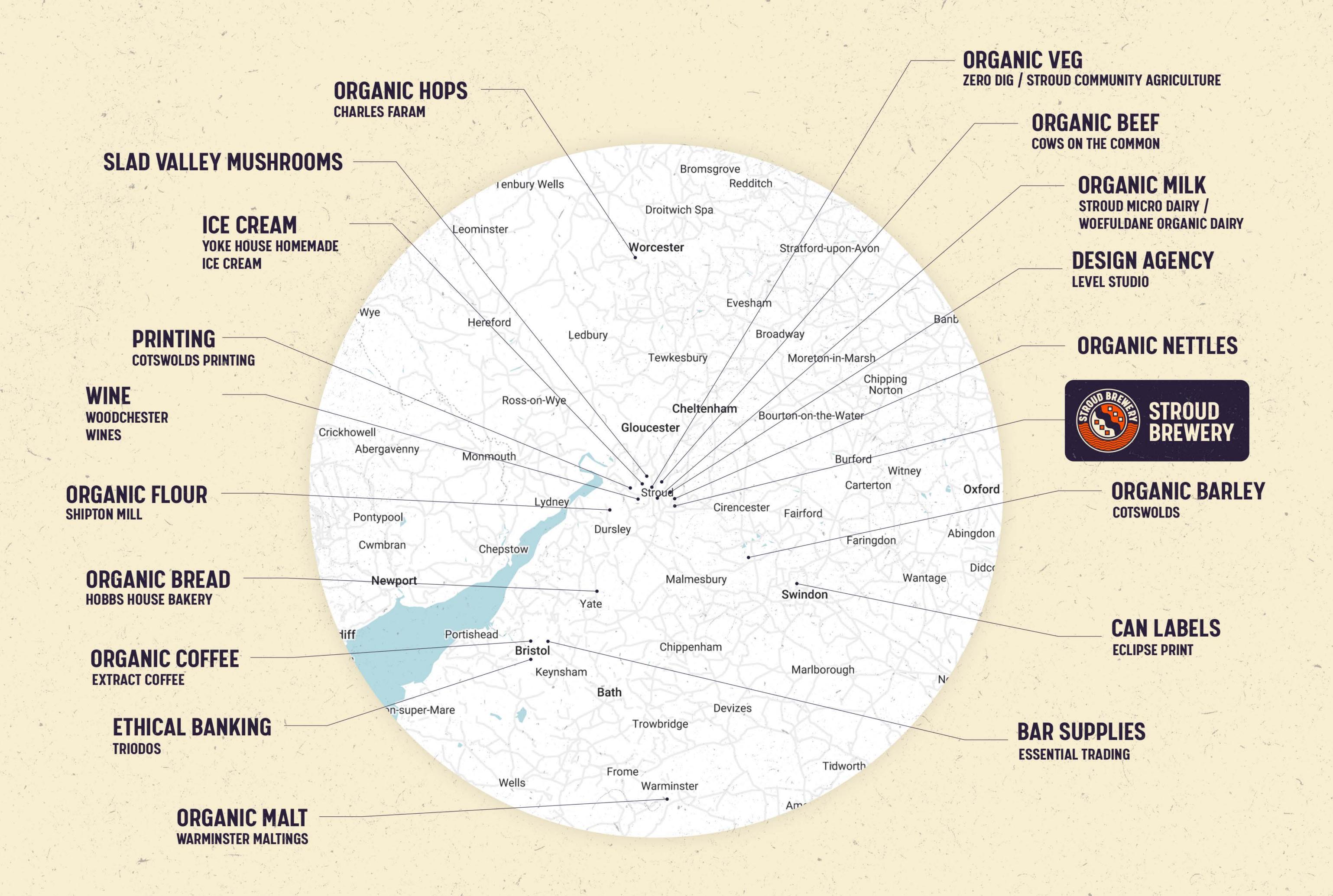
We're dedicated to making organic beer. We've been certified with the Soil Association since 2008!





PLANT, INSECT AND BIRD LIFE CAN INCREASE BY UP TO A WHOPPING 50% ON ORGANIC FARMS

COMPARED TO CONVENTIONAL FARMS, INCLUDING BEES AND THE 1500+ OTHER INSECTS THAT POLLINATE OUR CROPS AND FLOWERS



60% PLUS SPENT ON SUPPLIERS WITHIN 50 MILE RADIUS



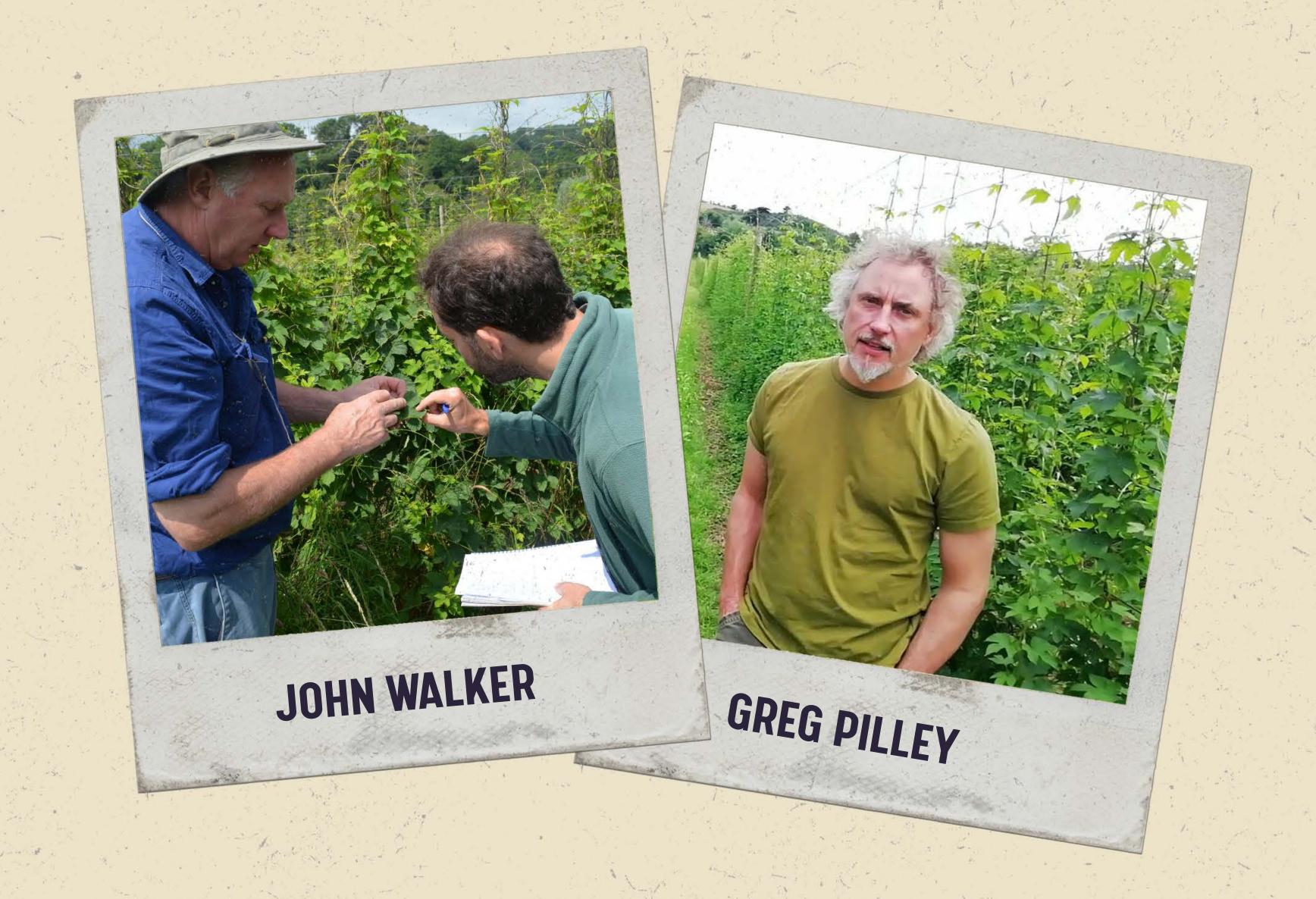
WE WANT TO MAKE UK ORGANIC BEER THE NORM FOR OTHER BREWERIES IN THE UK

We'd like to introduce you to one of our organic farmers, John Walker. He grows his organic hops in the Teme Valley and has been described by Worcestershire News as a 'wildlife friendly farmer'. One of only three organic hop growers in the UK, John really is a rare breed and a trail blazer in the field of UK hops.

John has taken on the challenging task of growing these aromatic plants organically. With climate change, and our increasingly warm, damp summer climate, growing conditions are ripe for disease without reliance on chemical pesticides and herbicides. As an extremely experienced hop farmer he is very aware of how difficult a job this is, however he is committed to figuring out how we can defeat the hop diseases without having to resort to chemicals.

Supporting John in this quest are Charles Faram (Stroud Brewery's hop supplier), Tom Upton and our very own Greg Pilley amongst others. Together they have formed a dynamic team who, with support from Innovate Farmers, are leading an investigation trial into developing disease resistant hops for organic cultivation in the UK.

The results of this pioneering investigation could not only help reduce Stroud Brewery's scope 3 emissions but would support other UK hop farmers looking to reduce reliance on chemicals. This could remove the barriers from more UK breweries moving to being organic, something we welcome as we are not afraid of some organic competition!

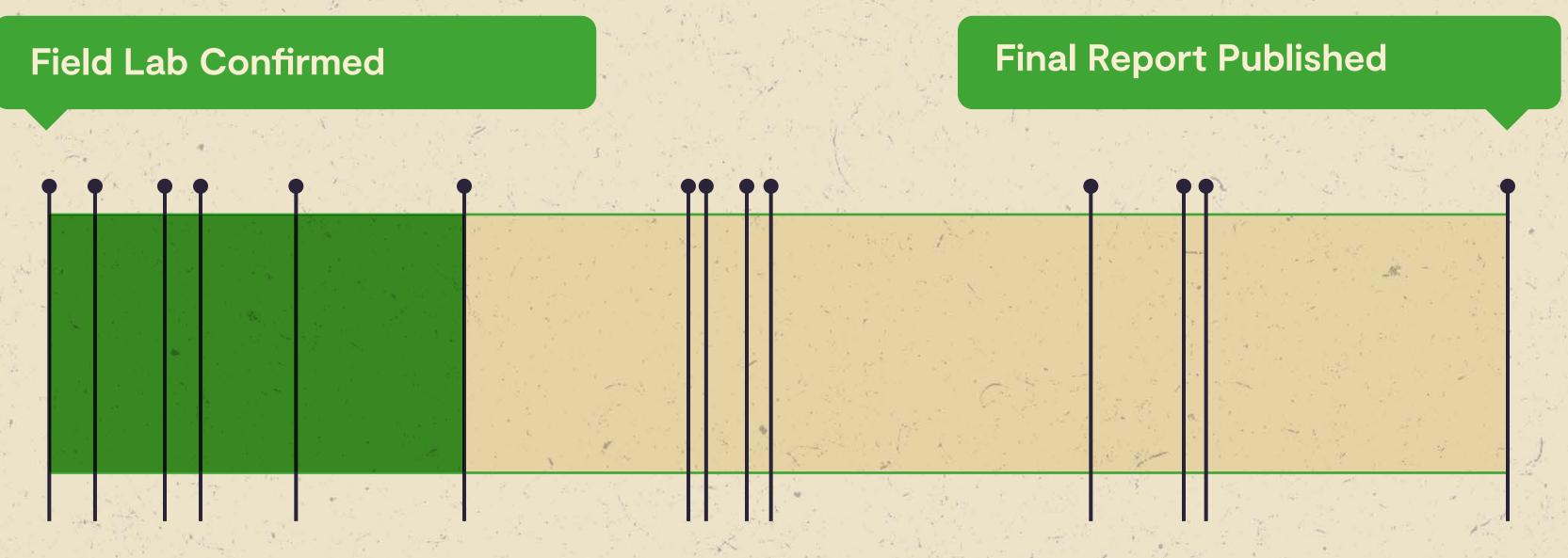


ORGANIC HOP VARIETIES

O STATUS: ACTIVE

Prince of Wales' Charitable Fund

EXPLORING HOP VARIETIES UNTESTED IN ORGANIC FARMING, TO ENABLE AN INCREASED SUPPLY OF DISEASE-RESISTANT, UK ORGANIC VARIETIES



PROJECT PROGRESS

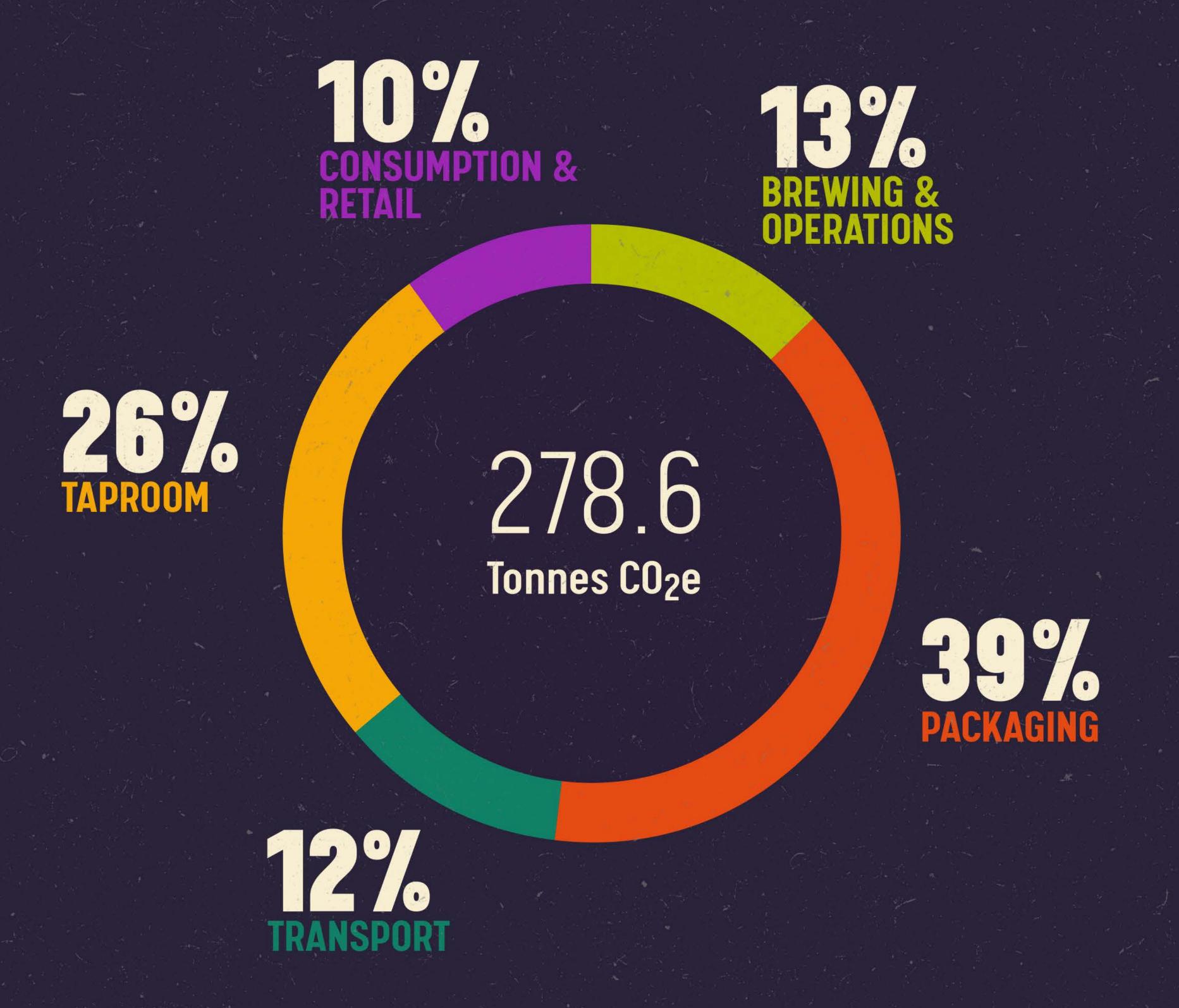
WE'RE SHRINKING OUR FOOTPRINT

WE'VE HAD OUR 1ST CARBON FOOTPRINT CALCULATED BY NET ZERO NOW

It tells us how much CO2 is made and released due to our beer making and business operations. Now we know this, we can look at how to do things differently to work towards net zero by reducing our footprint year after year.

EMISSIONS AND ENERGY INTENSITY FROM BREWING (TAPROOM NOT INCLUDED)

NET ZERO BENCHMARK		OUR SCORE	
0.66	Kg CO ₂ / Litre		
0.21	Kg CO ₂ / £ Sales	0.23	X
0.71	KWh / Litre	0.52	
3.59	KWh / Litre		



WHAT IS NET ZERO?

NET ZERO MEANS EITHER

NOT RELEASING ANY GREENHOUSE GASES (GHG) AT ALL TO LIMIT THE GLOBAL TEMPERATURE INCREASE TO 1.5°C ABOVE PRE INDUSTRIAL LEVELS

OR

WHEN THERE'S NO WAY TO AVOID RELEASING GHG, FINDING WAYS TO CAPTURE OR SOAK UP THEM UP E.G. TREE PLANTING OR CARBON OFFSETTING

The past 22 years have included the warmest 20 years on record*.

As we all sweltered in the summer heatwave of 2022, there can't have been many who didn't contemplate climate change, even a little. The message from experts has been clear for a long time – we have got to stop pumping so much carbon dioxide and other GHG (greenhouse gases), like methane, into the environment.

As you can tell from our carbon footprint calculation, we still have a way to go to becoming net zero and we are committed to offsetting our GHG by 2025.

Offsetting for us is not an easy decision and will only be used as a last resort as we firmly believe it is our responsibility to cut our own emissions first.

In our offsetting options we are considering:

- · Local
- Land-based
- Our supply chain (insetting)
- Business collaborations

Business as usual is not an option if we are to stop the reliance on fossil fuels and ensure we stay below the 1.5°C global warming target.

*ClimateCentre.org

OUR NET ZERO ADVENTURE

HERE ARE SOME OF THE MILESTONES:

2021 and before

WHAT WE'VE DONE AND WILL KEEP DOING

OUR LOCAL SUPPLIERS

Over 60% are within a 50-mile radius of the Brewery so this really cuts down on delivery miles, fuel use and carbon dioxide emissions.

NATURAL FERTILISERS

The manufacture of artificial fertilisers uses huge amounts of energy which releases large amounts of carbon dioxide. The same applies to artificial pesticides, herbicides and the chemicals shunned by organic farming.

ORGANIC FARMING METHODS

Use the soil to soak up and store carbon dioxide, taking it out of the environment: another positive way that organic farming helps to reduce CO2.

RENEWABLE ENERGY

We buy all of our electricity from Ecotricity: a supplier of 100% renewable energy.

DECLARED AN EMERGENCY

Declared a climate emergency in February 2020.

2022

HAPPENING NOW

SOLAR PANELS

Together with our landlord we are installing solar panels on the Brewery's roof so we can generate our own renewable energy.

HEAT RECOVERY

Our 2022 target – recover heat from fermenting beer to reuse within the brewery. Making beer creates heat, particularly barley fermentation. We're finding ways to capture that heat and use it in other parts of the Brewery reducing our heating bill and CO2 emissions.

Win-win!

2025 and beyond

WHAT'S NEXT

OFFSETTING

We will offset all our remaining residual GHG by 2025.

KEEP ON KEEPING ON

We will continue to find new ways to reduce our residual emissions until they are gone.

We will keep going to see if we can be carbon negative – ie remove even more carbon than we emit.

OUR AIM FOR ZERO WASTE

Waste leaves a bad taste in our mouths (unlike our great tasting beer). Why put useful stuff into a big hole in the ground to rot for thousands of years? At the Brewery, our target is no waste: nil, nada, zero! We're chuffed to be Plastic Free Champions! This doesn't mean we've stopped using plastic completely. Plastic Free Champions is an award from the environmental charity, Surfers Against Sewage, who've recognised that we're making great progress towards completely removing single-use plastic from everything we do.

The new label on our bottles is a great example of how changes can be simple and significant. We're now one of a few breweries in the UK to put paper labels instead of plastic ones on our beer cans and the company making them is a local one, too!

The labels are the same quality as those used on wine bottles so they won't easily come off (lost labels can be a problem, especially during transit or when storing beer cans in fridges). Whilst we're talking of our beer cans, did you know that this is the most sustainable way to drink our non-draught beer? Beer was traditionally sold in bottles but, surprisingly, these aren't very sustainable because of their weight, size and smash-ability in transit.

Although bottles can be infinitely recycled, frustratingly they are generally not. Aluminium cans are lighter, smaller and don't break, and contain 75-80% recycled content. Not a bad result! This is why we canned our bottles in 2021. Aluminium cans mean fewer lorry loads to transport more beer, less packaging, less fuel consumption, and less emissions. Aluminium can also be recycled endlessly, and only uses 5% of the energy needed to make a brand-new can. YEP only 5%, how good is that?

Cans are not a perfectly sustainable solution, but when we examined the pros and cons, the green pendulum definitely swings in their favour.



PLASTIC FREE CHAMPIONS



PAPER LABELS NOT PLASTIC





OUR AIM FOR ZERO WASTE

AND WE DON'T STOP AT OUR PACKAGING. WE COLLECT 250,000 LITRES OF RAIN FROM THE BREWERY BUILDING ROOF AND USE THIS IN OUR TOILETS AND URINALS. WHY USE PRECIOUS DRINKING-QUALITY WATER TO FLUSH THE LOO?!

WE NOW BUY OUR MILK FROM A LOCAL DAIRY WHICH DELIVERS THE MILK IN 5 LITRE REUSEABLE CONTAINERS. OUR NEW SODA DISPENSER (USING SYRUPS MADE FROM UK SUGAR BEET) IN THE TAPROOM BAR MEANS WE DON'T SELL ONE THOUSAND, EIGHT HUNDRED & FORTY PLASTIC BOTTLES OF CARBONATED MIXER DRINKS A YEAR ANYMORE!



THINK GLOBAL ACT LOCAL

LOTS OF GLOBAL COMMUNITIES LOOKING AFTER OUR OWN LOCAL ENVIRONMENTS AT THE SAME TIME WILL MAKE THE WORLD OF DIFFERENCE!

Stroud Brewery exists because of our local community's belief in the idea of a local and sustainable brewery, so we put our local community's needs at the heart of what we do:





THE REASON PEOPLE OF THE WORLD DON'T HAVE TO GO OUT INTO THEIR GARDENS THIS WEEKEND ARMED ONLY WITH A PAIR OF SCISSORS IS BECAUSE ONE MAN HERE, IN OUR LITTLE TOWN OF STROUD, INVENTED THE GLOBAL SENSATION THAT IS THE LAWNMOWER.

OUR PURCHASING HABITS, FOOD CONSUMPTION, CARBON FOOTPRINTS ALL HAVE AN IMPACT ON PEOPLE & THEIR ENVIRONMENTS ACROSS THIS PLANET.

SO, LIKE BUDDING, HERE AT THE BREWERY WE'RE BEGINNING AT OUR GRASS-ROOTS LEVEL.



OUR MONEY & OUR PEOPLE

We believe a company is only as good as its team and we know if our staff are happy and feel valued then everyone will be happy! We're also conscious that we want our money to do good as well.

How we use and invest the company finances has far-reaching and possibly global consequences. The brewery began as a result of community backing, and 50% of our investors live in Stroud, this means the interest on our loans is paid to local people rather than to banks. Managing our finances ethically is very important to us.

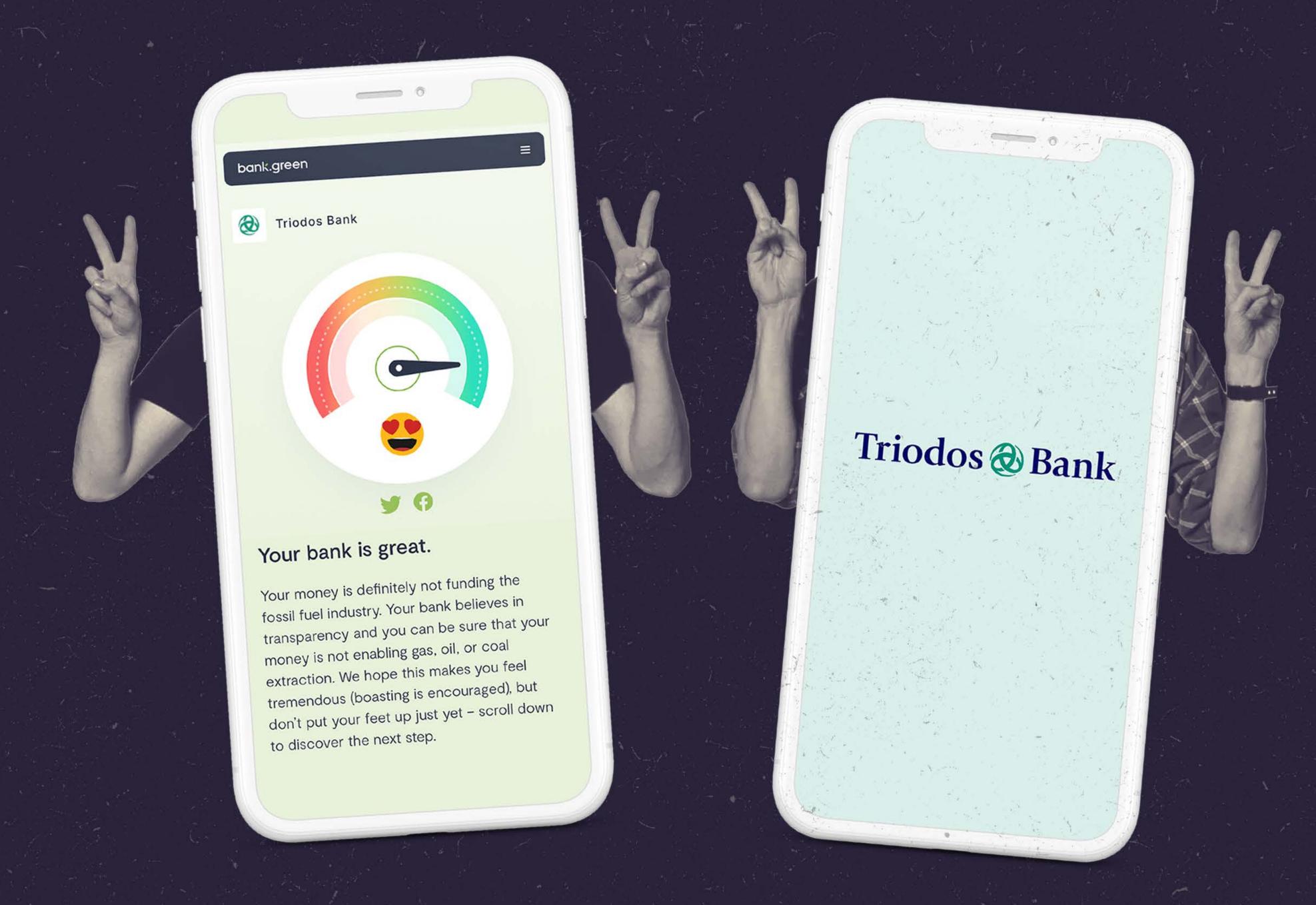
We're proud to be a living wage employer, we provide our team with a free meal at the brewery when they work a full day and have introduced a new flexi working policy.

We employ a team of about 60+ local Stroudies and support many young people in to work: 48 of our staff are under 24 and for many, working at our brewery is their first job. We work hard to make working with us a positive experience that develops good work skills.

We feel valued by our community; never more so than during our Covid lockdown crowdfunding appeal in 2021 where we raised a wapping £114,544! (£9,846 in donations and the rest in forward sales of goods & services) smashing our target and giving us a boost when we needed it the most.

We have a £299,000 community bond with Triodos Bank which helped pay for the brewery's expansion. Triodos Bank provide sustainable finances and will only accept clients who meet their tough criteria for operating ethically and sustainably, we passed and are viewed by Triodos as a good company to do business with!

Our next step is to investigate how to make our banking & pension funds more ethical. Pension funds invest billions of pounds in all sorts of businesses to generate the money to pay people's pensions. Just think what good this could do if all of it was invested in sustainable and ethical activities!





IN 2022 WE RECERTIFIED AS A B CORP TM



WE ARE A B CORP BUSINESS THAT BALANCED PURPOSE & PROFIT.

WE CONSIDER THE IMPACT OF OUR DECISIONS. ON OUR WORKERS, CUSTOMERS, COMMUNITY, SUPPLIERS & THE ENVIRONMENT.

In 2018, we were proud to be the first independently owned organic brewery in the UK to become B Corp certified. Today in 2022 whilst we are still proud to be the only UK brewery to hold this status, we would welcome more organic breweries and encourage them to become B Corps!

A key element of the B Corp process is for each company to recertify every three years. The assessment is updated, and the criteria made harder to keep up as the world changes and new advances in sustainability are made. The process really helps us to continuously improve how we use our business as a real force for good. In 2018 our score was 87.9 and even though the pandemic limited our activities we have still been able to increase our B Corp score to 89.4 in 2022!



*This is not to scale - measured in man-o-meters

87.9

89.4

2018

2022

WE KNOW THE SCORE

B Corps are companies who have voluntarily opted to aim for the highest standards for social and environmental performance.

We put ourselves forward for B Lab's (the non-profit behind the B Corp) rigorous certification process. A comprehensive assessment of our company's impact on all stakeholders.

We don't just give priority to profitability; we care about our triple bottom line and use the power of our business as a force for good to address social and environmental problems.

For us it's more than a certification, it's recognition of the values that drive us and it connects us to a like-minded business community. In this community we freely share successes and failures in an effort to get us all to where we want to be faster than we would get there alone!

The B Corp assessment framework provides an excellent monitoring system that also challenges the way we think and encourages us to do more!

We are pleased to have raised the bar with our improved recertification score and we are geared up to make serious headway in all areas by our next recertification in 2025!

See our B Corp profile:

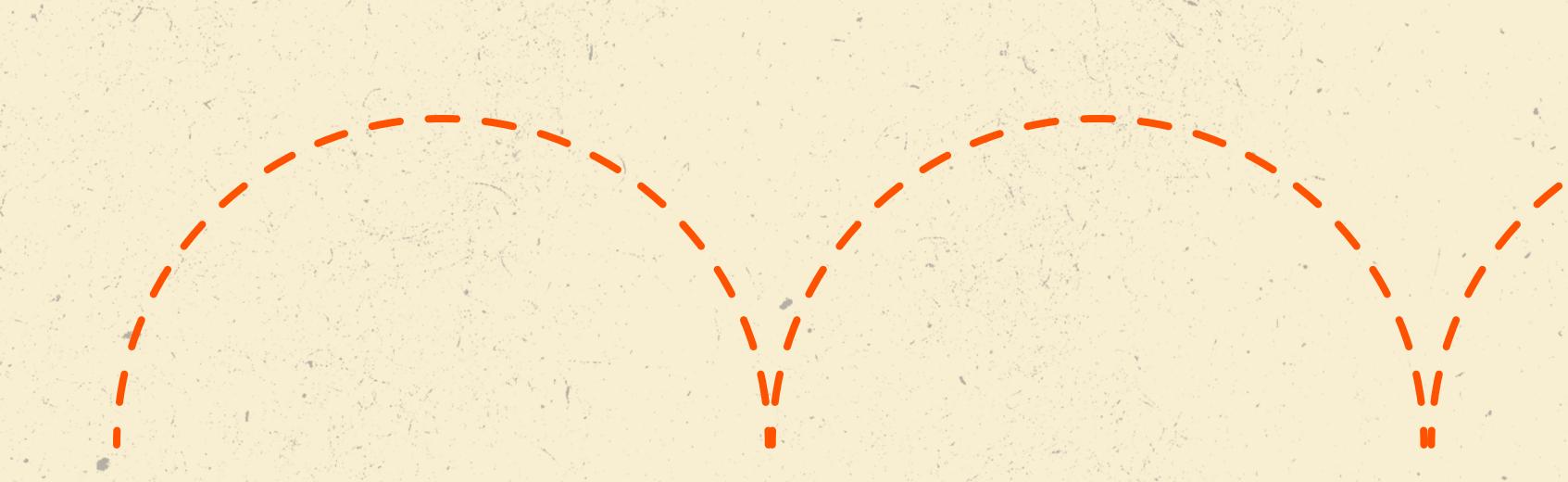
https://www.bcorporation.net/en-us/find-a-b-corp/company/stroud-brewery

Overall B Impact Score



89.4	80	9 50.9
Overall Impact Score	Qualifies for B Corp Certification	Median Score for Ordinary Business
Governance		15.5
Workers		17.3
Community		23.1
Environment		31.2
Customers		2.1

LEAPING FORWARD T0 2022 - 25





We will set environmental reduction targets for the business (water, gas, electricity, waste) 2023

Workers

Conduct a 6 month employee satisfaction survey 2022

Community

Commitment to a minimum of 50% spend on local suppliers 2022

Commitment to minimum of 50% organic on suppliers to bar and kitchen - 2023

Environment

PV solar on our roof – 2022
Use recovered heat from chilling in our cask washer – 2023
Verified carbon footprint – 2022
Carbon neutral by 2025 – with responsible offsets

Customers

Establish a quality assurance audit for major suppliers 2023
Establish a system to measure customer satisfaction – bar, events & our beers 2023











CHERS!

TO KEEPING BELOW 1.5°

CHERRS

TO BIODIVERSITY INCREASE

CHERS!

TO RESPONSIBLY FARMED BEER!

