

Australian Government
Climate Active Program
Public Disclosure Statement




An Australian Government Initiative

NAME OF CERTIFIED ENTITY: LION PTY LTD

REPORTING PERIOD: 1 July 2018 to 30 June 2019

Declaration

To the best of my knowledge, the information provided in this Public Disclosure Statement is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.

Signature: 	Date: 31/3/20
Name of Signatory: Justin Merrell	
Position of Signatory: Group Environment Director	



Australian Government
Department of Industry, Science,
Energy and Resources

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1. Carbon neutral information

Description of certification

Lion Pty Ltd (Lion) is seeking Carbon Neutral certification under the Climate Active Carbon Neutral Standard for Organisation for all its Australian direct business operation and administrative facilities.

Organisation description

Lion is one of Australasia’s largest food and beverage companies, employing approximately 3,900 people, with majority based in Australia and New Zealand. The company comprises 45 sites to produce beer, cider, wine, spirits, alcoholic ready-to-drink and non-alcoholic beverages. Lion premium brands are market leaders across several different categories.

The certification emission boundary comprises Lion’s operations in Australia only, where we manage many of the best-known brands in the market. Our wide portfolio includes:

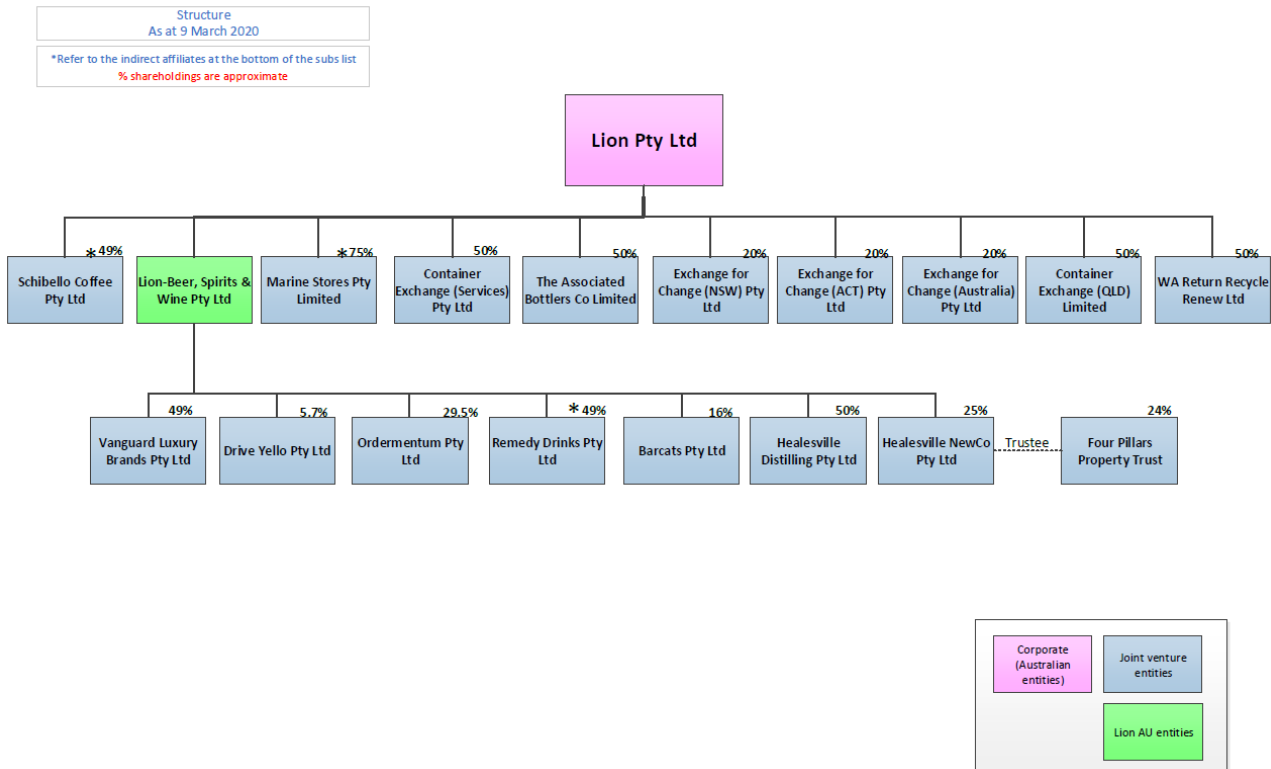
- Alcohol Beverages: Australian, international, and craft beer as well as cider
- Australian Alcohol Export

Lion trades under the name of Lion Pty Ltd or Lion-Beer, Spirits & Wine Pty Ltd with Australian facilities located in New South Wales, Victoria, South Australia, Queensland, Tasmania, Northern Territory, Western Australia and Australian Capital Territory. The following locations have been included in Lion’s organisational boundary for the purpose of the Climate Active Carbon Neutral Standard:

Table 1: Summary of locations	Site location
Bevy	The Camfield. Roger MacKay Drive, Burswood WA 6100
Byron Bay Brewing	100 Centennial Cct, Byron Bay NSW 2481
Eumundi Brewery	1 Etheridge St, Eumundi QLD 4562
Tooheys Brewery	29 Nyrang St, Lidcombe NSW 2141
Castlemaine Perkins Brewery	185 Milton Rd, Milton QLD 4064
West End Brewery	107 Port Road, Thebarton SA 5031
James Boag Brewery	69 Esplanade St, Launceston TAS 7250
Malvern	1320 Malvern Road. Malvern, VIC 3144
Launceston (Boags Visitor Centre)	7 George St. Launceston, TAS
Royal Park (Marine Stores)	18 Wilson Street. Royal Park, SA 5014
Garbutt	Civil Rd, Garbutt QLD 4814
Mackay	9 McCulloch St, North Mackay QLD 4740
Cairns	Plath Close. Portsmith, QLD 4870
Rockhampton - 2/122 Campbell Street	2/122 Campbell Street. Rockhampton, QLD 4700
Berrimah (Marine Stores)	33 Pruen Rd, Berrimah NT 0828
York St, Sydney (Lion Head Office)	68 York St, Sydney NSW 2000
Sydney Olympic Park (SOP)	5a Murray Rose Avenue, Sydney Olympic Park
Malt Shovel Brewery	101 Pyrmont Bridge Road, Camperdown NSW 2050
Little Creatures Brewery Geelong	221 Swanston St, South Geelong VIC 3220
Little Creatures Brewery Fremantle	40 Mews Rd, Fremantle WA 6160
Little Creatures Packaging O'Connor	7 Jones St, O'Connor WA 6163
Squire's Landing	Northern end of the Overseas Passenger Terminal, Circular Quay W, The Rocks NSW 2000
Kosi	1 Kosciuszko Rd, Jindabyne NSW 2627
Charming Squire	3/133 Grey St, South Brisbane QLD 4101
Crafty Squire	127 Russell St, Melbourne VIC 3000

Table 1: Summary of locations	Site location
Generous Squire	397 Murray St, Perth WA 6000
Distillery	119 Maroondah Highway. Healesville, VIC 3777

Relevant Lion Australia entities are shown below:



Committed to protecting the environment and meeting expectations of all stakeholders and the community, Lion’s Environmental Policy procures as follows:

- **Maintaining compliance with all relevant legislation.** All of Lion’s sites conduct environmental monitoring to ensure we meet our commitment and obligations to protecting the environment. As part of this, we make public the monitoring data of all our licensed sites as per NSW legislation.
- **Establishing and maintaining environmental best practice management systems.** This includes certification to AS/NZS ISO 14001 at large sites, implementation of environmental management programs and commitment to corporate responsibility in the supply chain, including our procurement practices.
- **Practicing sustainable environmental principles through the simple philosophy of reduce, reuse and recycle.** This approach extends to all areas of our business, including reducing direct carbon emissions, promoting the circular economy through our packaging design, and minimising waste to landfill.
- **Sustainably managing our sites and land activities to ensure minimal impact on the environment, biodiversity and communities.** Annual sustainability reports are produced accounting for our commitments and targets, and progress in reducing our environmental footprint, sourcing responsibly and generating positive social impact. We also publish our sustainable packaging performance through the Australian Packaging Covenant Organisation.

Emissions reduction strategy

At Lion, sustainability is a key part of who we are and is embedded in everything we do. Ultimately, our aim is to bring to life Lion's core purpose in a way that ignites and engages our people, drives net positive change in our environment, and creates strong and resilient communities in which we operate. We are committed to playing a leading role in reducing carbon emissions.

Since setting our climate change target to reduce scope 1 and 2 emissions by 30% from FY15 levels by 2025, and scope 3 emissions by the same amount by 2030, we have instituted a pioneering approach to engaging our people, smart optimisation of our manufacturing equipment and processes, as well as large-scale capital projects to replace energy intensive equipment and transition to renewable energy.

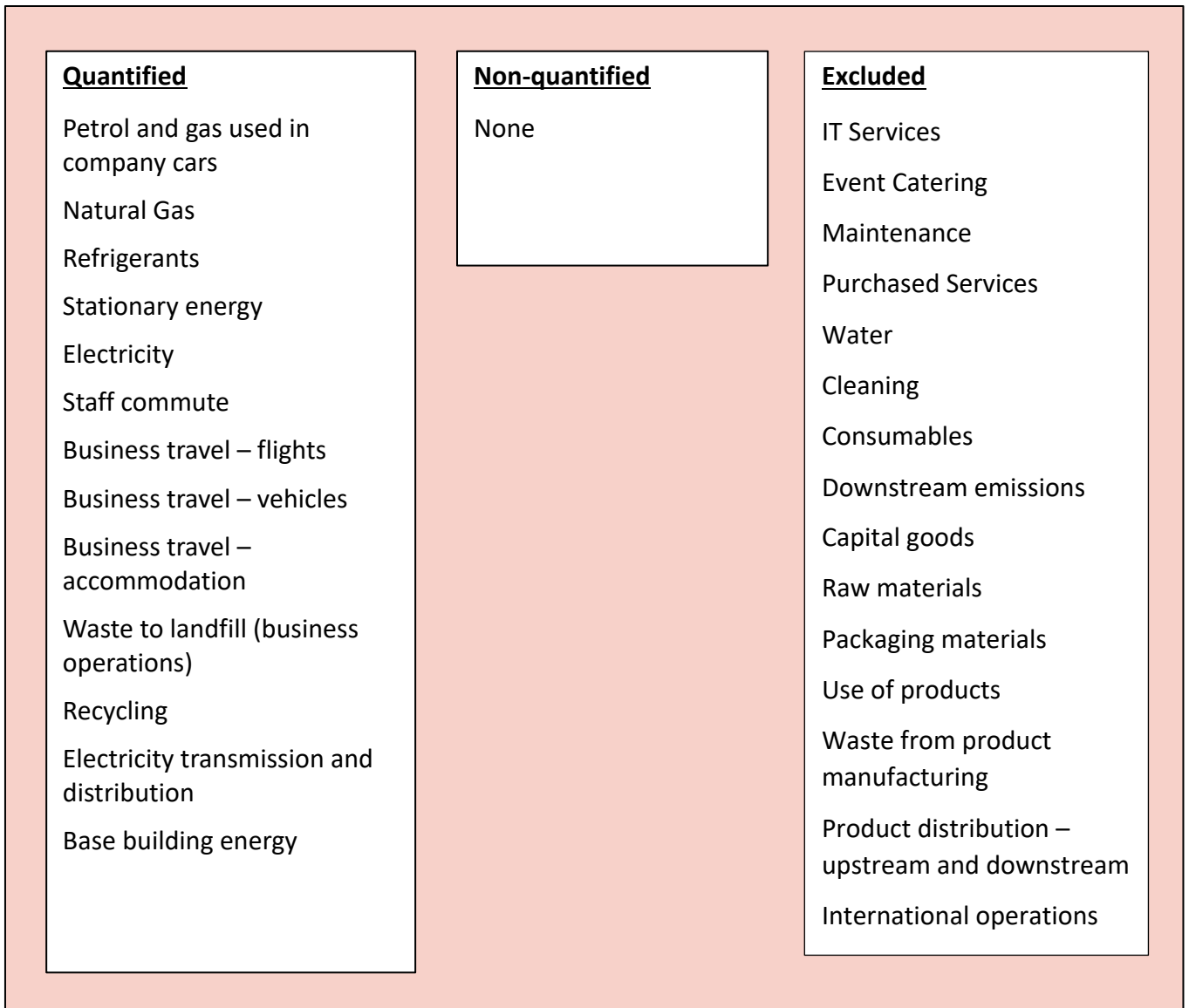
In 2018, we focused to an unprecedented degree on Lion's low carbon transition and achieved 13% reduction since FY15 in scope 1 and 2 emissions (over 13,500 tonnes of CO₂-e) against our target of 30% reduction by 2025. Total energy use has decreased by 14% over the same period. During 2018, we commenced a project to install 2,200 solar panels on the roof of Lion's XXXX Brewery in Queensland through an investment of \$2 million. The 858-kilowatt system was commissioned in mid-2019 and is generating 1,368 MWh annually, which is reducing the site's carbon emissions by approximately 1,260 tonnes, equating to 7% of XXXX's carbon footprint associated with electricity consumption.

In 2019, Lion publicly announced its commitment to become a certified carbon neutral organisation in Australia and New Zealand for 3 years commencing 2020. Lion also made a public commitment to use 100% renewable electricity in Australia and New Zealand by 2025. In late 2019, Lion entered into an aggregated Power Purchase Agreement (PPA) with the Australian Hotels Association NSW, to secure cheaper, more environmentally friendly electricity, for Lion's NSW facilities and participating hotels. This is the world's first industrial-scale aggregated PPA.

In addition to these significant commitments, work has commenced on the installation of our second solar system at Little Creatures Geelong Brewery. Lion also runs an Energy Optimisation Program to ensure ongoing reduction and optimisation of energy resources. The efficiency initiatives are informed by comprehensive sub-metering and best practice benchmarking.

2. Emission Boundary

Diagram of the certification boundary



Excluded sources (outside of certification boundary)

Lion undertook a detailed relevance and materiality assessment to determine the boundary of emissions for the certification. The assessment considered:

- The materiality of the emission activity/source
- The perceived level of climate risk from the emission source in the near-term
- Whether Lion expects the emission source to be important to internal and external stakeholders, and
- The amount of influence that Lion has to reduce the amount of emissions from the activity/source, including outsourced activities that may be undertaken within the boundary of comparable organisations.

The following emission categories were excluded based on the relevance and materiality assessment:

- Food
- Office equipment & supplies
- Postage, courier and freight
- Products
- Professional Services
- Machinery and vehicles
- ICT services and equipment
- Carbon neutral products and services
- Water

For details of the assessment against each of the emission categories, refer to Appendix A.

Data Management Plan

Lion aims to continually improve its data collection procedures used for emissions quantification. This includes ensuring data is from accurate and reliable sources and assumptions made are consistent with standard practice. Where source data has not been available for the 2018-19 reporting year and estimates have been made, we will endeavour to find appropriate data.

3. Emissions summary

Table 2. Emissions Summary	
Emission source category	tonnes CO ₂ -e
Accommodation and facilities	1,441
Air Transport (km)	3,381
Bespoke	0
Carbon neutral products and services	0
Electricity	44,228
Food	0
ICT services and equipment	0
Land and Sea Transport (based on fuel data)	2,527
Land and Sea Transport (based on kilometres travelled)	4,076
Machinery and vehicles	0
Office equipment & supplies	0
Postage, courier and freight	0
Products	0
Professional Services	0
Refrigerants	166
Stationary Energy	36,714
Taxi and Uber	71
Waste	297
Water	0
Total Net Emissions	92,901

Uplift factors

Table 3. Uplift factors	
Reason for uplift factor	tonnes CO ₂ -e
None	0
Total Footprint to offset (uplift factors + net emissions)	92,901

Carbon Neutral products

No carbon neutral products or services were purchased within Lion's organisational boundary.

Electricity Summary

Electricity was calculated using a Market based approach.

The Climate Active team are consulting on the use of a market vs location-based approach for electricity accounting with a view to finalising a policy decision for the carbon neutral certification by July 2020. Given a decision is still pending on the accounting way forward a summary of emissions using both measures have been provided for full disclosure and to ensure year on year comparisons can be made.

Table 4: Market based approach Electricity summary

Electricity Inventory items	kWh	Emissions (tonnes CO ₂ e)
Electricity Renewables	21,108,404	0.00
Electricity Carbon Neutral Power	0	0.00
Electricity Remaining	40,910,639	44,228.49
Renewable electricity percentage	34%	
Total net electricity emissions (Market based)		44,228.49

Table 5: Location based summary

State/ Territory	Electricity Inventory items	kWh	Full Emission factor (Scope 2 +3)	Emissions (tonnes CO ₂ e)
ACT/NSW	Electricity Renewables	11,724,743	-0.90	-10,552.27
ACT/NSW	Electricity Carbon Neutral Power	-	-0.90	0.00
ACT/NSW	Netted off (exported on-site generation)	-	-0.81	0.00
ACT/NSW	Electricity Total	21,007,625	0.90	18,906.86
SA	Electricity Renewables	-	-0.53	0.00
SA	Electricity Carbon Neutral Power	-	-0.53	0.00
SA	Netted off (exported on-site generation)	-	-0.44	0.00
SA	Electricity Total	11,267,130	0.53	5,971.58
Vic	Electricity Renewables	18,680	-1.12	-20.92
Vic	Electricity Carbon Neutral Power	-	-1.12	0.00

State/ Territory	Electricity Inventory items	kWh	Full Emission factor (Scope 2 +3)	Emissions (tonnes CO ₂ e)
Vic	Netted off (exported on-site generation)	-	-1.02	0.00
Vic	Electricity Total	3,644,324	1.12	4,081.64
Qld	Electricity Renewables	16,850	-0.93	-15.67
Qld	Electricity Carbon Neutral Power	-	-0.93	0.00
Qld	Netted off (exported on-site generation)	-	-0.81	0.00
Qld	Electricity Total	20,150,562	0.93	18,740.02
NT	Electricity Renewables	-	-0.71	0.00
NT	Electricity Carbon Neutral Power	-	-0.71	0.00
NT	Netted off (exported on-site generation)	-	-0.63	0.00
NT	Electricity Total	17,481	0.71	12.41
WA	Electricity Renewables	-	-0.74	0.00
WA	Electricity Carbon Neutral Power	-	-0.74	0.00
WA	Netted off (exported on-site generation)	-	-0.69	0.00
WA	Electricity Total	1,747,256	0.74	1,292.97
Tas	Electricity Renewables	-	-0.17	0.00
Tas	Electricity Carbon Neutral Power	-	-0.17	0.00
Tas	Netted off (exported on-site generation)	-	-0.15	0.00
Tas	Electricity Total	4,184,665	0.17	711.39
Total net electricity emissions (Location based)				39,128.02

4. Carbon offsets

Offsets for the baseline period will be purchased and retired in accordance with the Climate Active Standard. For the baseline year, a total footprint of 92,901 tonnes CO₂-e was calculated for Lion's footprint. Offset units covering the baseline year consist of a combination of Verified Carbon Units (VCUs) and Australian Carbon Credit Units (ACCUs).

As the Lion baseline year of FY19 will be higher than future years due to the commencement of the NSW Power Purchase Agreement 1 January 2020, the additional offsets purchased and retired in this report will be used in CY21. In future years we will be forward purchasing offsets in arrears.

Offset purchasing strategy: Forward purchasing for period 1 January 2020 to 31 December 2020.

Table 6: Offsets Summary

1. Total offsets required for this report	92,901							
2. Offsets retired in previous reports and used in this report	0							
3. Net offsets required for this report	92,901							
Project description	Eligible offset units type	Registry unit retired in	Date retired	Serial number (including hyperlink to registry transaction record)	Vintage	Quantity (tonnes CO2-e)	Quantity to be banked for future years	Quantity to be used this report
Kulera Landscape REDD+ Program for Co-Managed Protected Areas, Malawi.	VCUs	APX	25/03/2020	6804-345113782-345116793-VCU-001-APX-MW-14-1168-01102009-30092013-1	2013	3,012	3,012	0
Bundled wind energy generation projects in Gujarat, India.	VCUs	APX	25/03/2020	5283-221901112-221918550-VCU-005-APX-IN-1-412-01012017-31032017-0	2017	17,439	17,439	0
Bundled wind energy generation projects in Gujarat, India.	VCUs	APX	25/03/2020	7762-426758522-426805069-VCU-034-APX-IN-1-412-01042017-31122017-0	2017	46,548	46,548	0
Bundled Wind Power Project in Tamilnadu (TASMA II), India,	CERs	ANREU	26/03/2020	223,151,064 - 223,153,538	CP2	2,475	2,475	0

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Central Arnhem Land Fire Abatement Project, NT.	ACCUs	ANREU	26/03/2020	3,785,056,979 - 3,785,058,986	2018-19	2,008	2,008	0
Barney Gumble Reforestation Project, QLD.	ACCUs	ANREU	26/03/2020	3,792,414,532 - 3,792,418,378	2019-20	3,847	3,847	0
Blinky Forest Carbon Project, QLD.	ACCUs	ANREU	26/03/2020	3,792,587,336 - 3,792,590,809	2019-20	3,474	3,474	0
Paroo River North Environmental Project, QLD.	ACCUs	ANREU	26/03/2020	3,788,412,221 - 3,788,417,533	2019-20	5,313	5,313	0
Wiralla Regeneration Project, QLD.	ACCUs	ANREU	26/03/2020	3,790,576,159 - 3,790,580,255	2019-20	4,097	4,097	0
Wiralla Regeneration Project, QLD.	ACCUs	ANREU	26/03/2020	3,790,569,169 - 3,790,571,118	2019-20	1,950	1,950	0
Wiralla Regeneration Project, QLD.	ACCUs	ANREU	26/03/2020	3,789,050,792 - 3,789,051,591	2019-20	800	800	0
Quimby Forest Regeneration Project, QLD.	ACCUs	ANREU	26/03/2020	3,792,584,657 - 3,792,586,594	2019-20	1,938	1,938	0
Total offsets retired this report and used in this report		0						
Total offsets retired this report and banked for future reports		92,901						

Co-benefits

1. Project Type: Grid-connected electricity generation from renewable sources.

This project type harnesses renewable resources in the project region, displacing non-renewable natural resources ultimately leading to sustainable economic and environmental development. The projects support national energy security and strengthen rural electrification coverage. The projects can often result in the construction of new roads, improving accessibility for locals as well as boosting in local employment by people engaged in the project as well as improvements for local economies and village services.

The project type stated here relates to 72 per cent of the total amount of offsets purchased and retired for this reporting period.

2. Project Type: Human-Induced regeneration of native forests.

This project type stores carbon by regenerating native forests. Additional benefits from these projects can include improved quality of rural land and water supply, increased biodiversity and shade and shelter for farmed livestock.

The project type stated here relates to 23 per cent of the total amount of offsets purchased and retired for this reporting period.

3. Project Type: Mosaic and landscape-scale REDD.

This project type helps reduce deforestation and forest degradation in protected areas, preventing greenhouse gas emissions. The projects may often improve livelihoods by managing natural resources, creating long-term sustainable alternative livelihoods, improving biodiversity and increasing food security for the project region.

The project type stated here relates to 3 per cent of the total amount of offsets purchased and retired for this reporting period.

4. Project Type: Savanna fire management.

This project type reduces the frequency and extent of late dry season fires in savannas, resulting in fewer greenhouse gas emissions and more carbon being sequestered in dead organic matter. These projects may often provide employment and training opportunities while supporting First Nations people in returning to, remaining on and managing their country.

The project type stated here relates to 2 per cent of the total amount of offsets purchased and retired for this reporting period.

5. Use of trademark

Table 7: Use of Climate Active trademark

Description where trademark used	Logo type
Sustainability report	Certified organisation
Website	Certified organisation
Email signature	Certified organisation
LinkedIn	Certified organisation
Other marketing materials (newsletters, online communications, printed materials)	Certified organisation

6. Additional information

Lion will be investigating the potential to certify a selection of products in the future to continue our commitment to sustainability and emissions reduction.

Appendix A

To be deemed relevant an emission must meet two of the five relevance criteria. Excluded emissions are detailed below against each of the five criteria.

Excluded Emission	Relevance Test				
	<i>The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions</i>	<i>The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.</i>	<i>Key stakeholders deem the emissions from a particular source are relevant.</i>	<i>The responsible entity has the potential to influence the reduction of emissions from a particular source.</i>	<i>The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.</i>
Air Transport (fuel)	No	No	No	No	No
Cleaning and chemicals	No	No	No	No	No
Construction Materials and Services	No	No	No	No	No
Food	Yes	No	No	No	No
Horticulture and Agriculture	No	No	No	No	No
Office equipment & supplies	Yes	No	No	No	No
Postage, courier and freight	No	No	No	No	No
Products	Yes	No	No	No	No
Professional Services	Yes	No	No	No	No
Roads and landscape	No	No	No	No	No
Machinery and vehicles	Yes	No	No	No	No
ICT services and equipment	Yes	No	No	No	No

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Carbon neutral products and services	Yes	No	No	No	No
Water	Yes	No	No	No	No